

# IZIKO MUSEUMS OF SOUTH AFRICA

## ANNUAL PERFORMANCE PLAN 2021/2022



an agency of the  
Department of Sport, Arts and Culture

Iziko is an isiXhosa word, meaning 'hearth', traditionally and symbolically the social centre of the home; a place associated with warmth, kinship and ancestral spirits. Here food is prepared and shared, stories are told, and knowledge passed from one generation to the next. Similarly, the museums that make up Iziko are spaces for cultural interaction. We are proud to ignite connections between our shared history, our heritage, and each other.

**South African Museum and Planetarium and Digital Dome**

**South African National Gallery**

**Slave Lodge Museum**

**William Fehr Collection (at the Castle of Good Hope)**

**Michaelis Collection (at the Old Town House)**

**Rust en Vreugd Museum**

**Bertram House Museum**

**Koopmans-de Wet House Museum**

**Groot Constantia Museum**

**Bo-Kaap Museum**



**COVER:** Patrick Bongoy's artwork, Killing Time (Conversation in Limbo) (2017) is a multi-media sculpture that consist of recycled rubber on a fibreglass cast and found on a wooden log. Exhibition on display at the Iziko South African National Gallery. Photograph by Marla Burger.

## Chairperson's Foreword



It gives me great pleasure in submitting the Iziko Museums of South Africa Annual Performance Plan 2021 – 2022. This plan is based on our Strategic Plan 2020 – 2025. However, due to the global impact of the Coronavirus Pandemic on all facets of human life and activities, a number of our plans have had to be scaled down as we weather the shuttering of the Iziko Museums.

Collectively we have had to revisit our initial plans and find new means to stay connected with the public. The Council and Management are focussed on continuing to revisit Iziko's offerings within the paradigm of the Strategic Plan which has been prioritised, but the delivery in essence remains the same.

At the heart of our focus this year will be our endeavour to improve and renew the state of the iconic buildings we deliver our museum services and activities from. Management and staff will be expected to increase its virtual public activities so that Iziko continues to deliver on its mandate during these hugely challenging times.

The team at Iziko are responsible and care for 2.26 million treasures that belong to the South African people. These collections reveal an incredible story about our world but the team at Iziko will have to work at making these collections meaningful to our visitors. The ultimate aim is to use these collections to transform everyone's understanding of the context from which we have emerged. New methodologies will have to be adopted to collaborate and engage new audiences to unravel the information associated with these objects.

Due to the COVID-19 pandemic the Iziko Museums have had to review our Business Continuity Plan and the long term financial sustainability as an organisation. Therefore the Council has become hugely focussed on heightening our fundraising activities in an attempt to become more financially independent. In this fiscal year we will be developing a long term sustainability plan for the Iziko Museums to grow our income and increase our self-generated revenue.

As the Council of the Iziko Museums of South Africa we want to continue to grow our connections with our visitors, provide them with enriching experiences and create an environment where thinking out of the box is the new normal during this pandemic and beyond.

Advocate Rod Solomons  
**Chairperson of Council**  
Iziko Museums of South Africa





## Chief Executive Officer's Foreword

The Annual Performance Plan 2021 – 2022 sets out the Iziko Museums of South Africa plan for the uncertain and unprecedented daunting times of the Coronavirus global pandemic. This institution is treading on troubled waters because of the challenging issues that the pandemic has foregrounded. The pandemic has curtailed most of what Iziko has operationally planned to develop/build on to ensure that this institution is able to deliver on its mission and vision. The pandemic has created a dramatic impact on the cultural sector globally. At Iziko we have adopted a flexible approach to our planning and have had to rethink what we are able to do more positively.

Our challenge in this fiscal year remains to stay connected to our audiences through various programmes and social media platforms. Being visible is critical to our operations and the unique experiences we offer to our visitors. We want to contribute vastly to the building of the knowledge economy in our country and therefore ensuring that our collections make connections out there with our visiting public. The work and thought that our highly skilled staff undertake has to find its way into the world. Therefore our public programmes, education programmes, publications, research, internship programmes, collections development and management is critical to our better understanding the context we are living in, whether through scientific probing, artistic expression or social contexts.

This pandemic has magnified the deep cleavages within which our societies live and has also exposed the biases and systematic racism that the majority of our population are faced with daily, revealing the sheer magnitude of poverty and inability to access education and virtual resources. Therefore Iziko Museums' outreach programme is critical to ensure that the most marginalised persons are able to access some educational content. We remain hopeful that we shall be able to reconnect on our outreach endeavours.

The Iziko Museums of South Africa has had to increase our visibility through our virtual platforms in order to continue with our work and provide audiences with meaningful experiences, access and content. While we would like to dive deeply into the digital world and use this vital means of engagement and audience development, we are mindful of a few realities. Not everyone has access to digital resources and our own capabilities are limited, therefore we are preparing to boost this area of our operations.

To refocus we have to find new ways to gain financial stability and to reignite our connections with our visiting public who enliven our galleries, our work and our understanding of the world. Team Iziko is aiming to engage with all its stakeholders more positively through our various planned events despite the huge risks and constraints we face. Our Team remains hopeful that you will continue to recover together and make the upcoming journey viable and interesting.

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Ms Rooksana Omar  
**Chief Executive Officer**  
Iziko Museums of South Africa

# Official Sign-Off

It is hereby certified that this Strategic Plan:

- Was developed by the management of the Iziko Museums of South Africa under the guidance of Advocate Roderick Solomons as Chairperson of Council.
- Takes into account all the relevant policies, legislation and other mandates for which the Iziko Museums of South Africa is responsible.
- Accurately reflects the Impact, Outcomes and Outputs which the Iziko Museums of South Africa will endeavour to achieve over the period 2020 – 2021.

Ms Ronell Pedro  
Chief Financial Officer:



Ms Rooksana Omar  
Accounting Officer:



Approved by:  
Advocate Rod Solomons  
Chairperson of Council:



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## Part A: Our Mandate

### 1. Updates to the relevant legislative and policy mandates

#### 1.1 Constitutional mandate

The following sections of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996) are relevant to Iziko:

Section of Constitution	Responsibility of Iziko
Section 31: Rights of persons belonging to a cultural, religious or linguistic community  Section 16 (1) (c). Everyone has the right to freedom of expression.	Iziko must ensure that its programmes and projects respect the cultural diversity of South Africa and the creative freedom of artists.

#### 1.2 Legislative and policy mandates and guidelines

The primary legislative framework of the Department emanates from the following Acts and policy mandates and guidelines:

National Legislation, Policy Mandates and Guidelines	Responsibility of Iziko
Constitution of the Republic of South Africa Act 108 of 1996	Ensure compliance
Cultural Institutions Act, 1998 (Act No. 119 of 1998)	Iziko is governed by a Council appointed by the Minister of Sport, Arts and Culture, with duties prescribed in this Act.
Cultural Laws Amendment Act 36 of 2001	Ensure compliance
Culture Promotion Act, 1983 (Act No. 35 of 1983)	Ensure compliance



National Legislation, Policy Mandates and Guidelines	Responsibility of Iziko
Films and Publications Act 65 of 1996	Ensure compliance
Government Immovable Asset Management Act (GIAMA), 2007 (Act No.19 of 2007)	Ensure compliance with GIAMA
King IV Report on Governance for South Africa, 2016	Ensure compliance
National Archives and Record Service of South Africa Act, 1996 (Act No. 43 of 1996)	Ensure compliance
National Arts Council Act, 1997 (Act No. 56 of 1997)	Ensure compliance
National Council for Library and Information Act, 2001 (Act No. 6 of 2001)	Ensure compliance
National Development Plan (Vision 2030)	Implement NDP
National Film and Video Foundation Act, 1997 (Act No. 73 of 1997)	Ensure compliance
National Heritage Council Act, 1999 (Act No. 11 of 1999)	Ensure compliance
National Heritage Resources Act, 1999 (Act No. 25 of 1999)	Ensure compliance
National Library of South Africa Act, 1998 (Act No. 92 of 1998)	Ensure compliance
Public Finance Management Act, 1999 (Act 1 of 1999)	Ensure compliance
The White Paper on Arts, Culture and Heritage, 1996	Ensure compliance
Skills Development Act (SKA), 1998 (Act No. 97 of 1988) as amended.	Ensure compliance with SKA

## **2. Updates to Institutional Policies and Strategies**

### **2.1 Policies**

A number of new policies aimed at the achievement of Iziko's mission, vision, values, and culture, have been approved by Iziko's Council, after input having been received from management and the relevant staff members.

To further the strategic vision of Iziko's Council and management, a critical output in the five year strategic plan includes the development of a Policy Framework which will serve to guide decision-makers in crafting programmes, selecting projects or initiatives, or addressing issues to fulfil Iziko's mission and provide a coherent framework for future directions in sustainable ways that advance good governance.

There will be a review of:

- policies
- employment-related policies when amendments to relevant legislation are promulgated; and
- develop policies where required.

### **2.2 Strategies**

Iziko Council and management formulated several strategies aimed at giving overall direction and advance the vision and mission of the institution, taking into account existing barriers and resources.

#### **2.2.1 Marketing Planning, Communication and Implementation**

Key to the financial sustainability is a need to adopt an approach geared towards income generation, diversify income streams, and the development of aggressive marketing strategies. The marketing plan must reflect the potential client base, segmented to identify the different audiences and stakeholders. Implementation will require granular detail to ensure results. The impact of pandemics on consumer decision-making and spending behaviour should also be factored into the development of revised Marketing Strategy.

Marketing is central to increasing feet through the door and future planning should include metrics which enable both measurability and tracking of marketing efforts. A marketing audit may be helpful to establish which campaigns have worked and to what extent they have contributed to income generation. The overall marketing strategy will include the use of brand ambassadors, increased visibility and other brand development strategies.

### **2.2.2 Fundraising**

Iziko must continue to explore avenues, including partnering or absorbing the West Coast Fossil Park, to give private individuals and companies a tangible incentive to make donations by making the donation tax deductible. Consideration must be given to alternative resourcing models, and consider sourcing project specific external fund-raising professionals (specifically those who incur low fixed costs and receive commissions) to identify prospective donors locally and abroad. The Chairperson has agreed to assist management by playing a more hands-on role in this regard, due to his skill in this area.

### **2.2.3 Facilities Management**

The Department of Sport, Arts and Culture (DSAC) has allocated funding for repair and maintenance of the Iziko Old Town House Museum (IOTH), including an upgrade of the electricity supply. Funding has also been allocated to paint the IOTH as well as the exterior of the following heritage buildings:

- Iziko Rust en Vreugd (IR&V)
- Iziko Bo-Kaap Museum (IBK),
- Iziko SA Museum (ISAM) and
- Iziko SA National Gallery (ISANG)

An Architect with experience in managing heritage buildings has been appointed to manage repair and maintenance projects and to prepare submissions for the permits required by Heritage Western Cape (HWC) before work can commence. Permits to paint the buildings have been received and application is being made for a further permit required.

DSAC has allocated funding for the construction of an internal emergency escape that can easily accommodate an electronic evacuation chair at ISAM as there is no internal emergency escape leading from the 6<sup>th</sup> floor.

### **2.2.4 Public Programmes and Exhibitions**

Plans to reimagine and decolonise exhibitions and exhibition spaces will reframe Iziko's societal message by building an innovative curatorial team, bringing together diverse audiences and developing programmes. The broader context of the inclusion of sport into the Department of Sport, Arts and Culture raises possibilities for sport exhibitions, especially those geared towards nation-building. Such collaborations could potentially encourage participation of popular sportspersons and teams in Iziko's marketing campaigns, especially if athletes are immortalised in permanent exhibitions. Social narratives will always be part of museology and current issues (and indeed future projections) cannot be neglected. Creative association of serious issues with lighter, fun content has potential to engage both public and staff.

A close collaboration with the Department of Education will ensure that the institution continues to deliver education content that enhances the school content while broadly contributing in the development of critical and informed students. The impact of COVID-19/infectious diseases on Iziko's ability to deliver programming within the space of the museum will require increased use of online platforms to ensure continued engagement with our public.

#### **2.2.5 Strategic Human Resources**

A new Director Human Resources was appointed in the previous financial year and brings a new perspective to the role of human resources as a strategic partner to line management.

Fresh approaches from management to employ strategies, including Organisational Development (OD) interventions focused on restoring Iziko's brand and promoting organisational cohesion, and other interventions will improve workplace relations and strengthen unity and organisational culture.

#### **2.2.6 Information and Communication Technology**

A modern Information and Communication Technology (ICT) and innovative environment will improve methods of digitising the collections efficiently and implement a programme to roll out Wi-Fi for free to visitors to Iziko and enhance exhibitions digitally. The ICT strategic plan is designed to improve business efficiencies and fast-track Iziko into the digital information age. Collaboration with local initiatives should also be sought with a view to positioning Iziko as a distinguished and modern brand.

#### **2.2.7 Collections and Research**

Collection management is a vital part of Iziko's overall strategic framework in efforts to ensure that South Africa's cultural, environmental, historical, natural, scientific, technological and artistic heritage is held indefinitely for the benefit of present and future generations.

Research is the best and reliable way to understand and act on the complexities of various issues which human face. Collection research is vitally important, and Iziko recognised its role at the forefront of advocating the importance of research through making it visible and demonstrating its impact to funders, managers, sponsors and, most importantly, the public.

### **3. Updates to Relevant Court Rulings**

A number of court rulings have impacted on the Heritage Sector in recent years, many of which have already found expression in the policy environment of the Sector. In July 2017 the Equality Court ruled in favour of Iziko. The Court determined that an [art] installation at Iziko did not constitute hate speech. It reaffirmed Iziko's constitutional right to freedom of speech and expression. The Equality Court held that the artwork displayed at the museum, was an expression of art and did not contravene the country's hate speech laws.

The magistrate said the work in general and the work *“F\*\*k White People”* in particular, as used by the artist in their protest art, was not unfair discrimination on the ground of race or hate speech as prohibited by Section 10 of the Act and its dissemination, publication and display was not prohibited as envisaged in Section 12 of the Act.

Iziko firmly believes that freedom of speech is foundational of our communities and our nation and that it is part of Iziko’s mandate to engage with, and provide a platform for these matters to be explored and understood more deeply.



## Part B: Our Strategic Focus

### 4. Updated Situational Analysis

#### 4.1 Background

The Southern Flagship Institution, now Iziko Museums of South Africa (Iziko), was formed in 1999 when five clusters of established national museums in and around Cape Town merged in terms of the Cultural Institutions Act (Act No. 119 of 1998) published by the Minister of Arts and Culture, which gave effect to the alignment of national museum institutions.

Iziko is widely regarded as the premier flagship heritage institution in South Africa by both the heritage sector and the general public. One of three national museum institutions in the Western Cape, Iziko is an amalgamated institution comprising 11<sup>1</sup> individual national museums. These include: The South African Museum – which will be 200 years in 2025; the Slave Lodge; and the South African National Gallery. Facilities include a newly upgraded Planetarium and Digital Dome; three collection-specific libraries; the Social History Centre and the Mobile Museum.

Our museums are a treasure trove of art, social and natural history collections, comprising more than an estimated 2, 26 million objects, collected over nearly two centuries. Visitors to our museums are able to travel from beginnings of life on earth (more than 3 billion years ago) through to the present day and beyond, and when visiting our Planetarium and Digital Dome, explore the vast expanses of our universe.

These museums and collections were however, mainly created and collected during colonial and apartheid eras. Thus, despite significant transformation since 1999, the bias of a “pre-democracy” worldview continues to be reflected in both the buildings and the archival presentation of our collections. Iziko is therefore developing a plan to strategically re-imagine and decolonise its museums and galleries, and is also working towards deepening its focus on intangible heritage and indigenous knowledge systems. We aspire to ensure that the heritage and the intertwined narratives of the majority of South Africans are visibly manifested and reflected in our museum spaces and offerings – and to render visible what has been previously marginalised and excluded. Iziko, specifically, strives to ensure redress through embracing change to our methodologies and curatorial practices. We also seek to ensure transparency – specifically, where the origin and collection practices of certain displays require interrogation and critique. To this end, in September 2017 after lengthy in-depth consultations, Iziko de-installed the Ethnography Gallery at the Iziko South African Museum and removed the “*Bushman Diorama*”, which although still housed in the museum, had not been on public display since 2001.

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<sup>1</sup> Iziko operates the following national museums: South African Museum; South African National Gallery; Bo-Kaap Museum; Iziko Planetarium and Digital Dome; Slave Lodge Museum; the Old Town House Museum; Rust en Vreugd Museum; Bertram House Museum; Koopmans-De Wet House Museum; Groot Constantia Museum; William Fehr Collection (at the Castle of Good Hope); South African Maritime Centre (at the V&A Waterfront). See [www.iziko.org.za](http://www.iziko.org.za)

This marked a significant moment in the long history of this museum and the beginning of a new era for Iziko. We will do all of this in an inclusive but forward-looking manner.

Research at Iziko covers a wide spectrum of subjects. One of the major research projects currently is the *São José* slave shipwreck project, which is being undertaken in collaboration with the international Slave Wrecks Project. This project has the potential to generate significant new knowledge and advance the study of slavery in southern Africa, as well as on a global level.

Against the backdrop of the 21st century social, economic, cultural and educational context, Iziko continually seeks new ways of thinking about the arts, culture, heritage and creativity sectors, to ensure we evolve as a relevant and accessible museum. We strive to activate museums as agents of redress and catalysts for social development and change.

Iziko continues to make significant progress towards achieving our vision of creating a heritage institution that is an *“African Centre of Excellence”*. In 2025, Iziko will celebrate the 200<sup>th</sup> anniversary of the oldest museum in its stable, **the South African Museum**, which was founded in 1825. In the years preceding this anniversary, we plan to further transform this leading institution into a world-class, yet uniquely African museum. We envisage Iziko as an unequalled showcase for the art, social and natural history of South Africa in 2025 and beyond.

The outbreak of the COVID-19 pandemic has significantly influenced how museums are viewed and operate. It also has also impacted our access to funds, both from state reserves and donors, and this will greatly influence our effective service delivery.

## **4. 2 External Environment Analysis**

### **4.2.1. Iziko Museums of South Africa – Making a difference**

Iziko strives to ensure that our museums are relevant and responsive to the challenges confronting the nation. Museums exist within a constantly changing local, national and international context, and should act as ‘agents for social change’. Social justice and inclusivity are key frameworks that will define our museums going forward. It is our aim to create a more inclusive museum, whose values reflect the diversity of the people of South Africa and wherever possible, contribute to upliftment in a meaningful way, given that our country faces challenges associated with large-scale unemployment, poverty and accessing education. Iziko can best achieve this via education, exhibitions and public programmes, as well our corporate social responsibility initiatives.

Access to our collections and research unlocks knowledge, understanding, critical thinking, and innovation, and allows for lifelong learning. Importantly, Iziko implements a diversified pricing strategy that includes 15 free days, mainly aligned with national commemorative days, to ensure that our museums are accessible to the youth and those who are economically challenged.

Education is a key driver in optimising Iziko's multiple social impacts and benefits – ensuring access and active participation in the fields of art, culture and natural heritage, for all South Africans. Iziko delivers focused education and public programmes, especially for our young people at school, which include serving historically disadvantaged individuals and marginalised communities, as well as youth out of school. As we transform to improve our visitor experiences and increase access to collections and our intellectual capital, we also develop education programmes and resources that contribute to uplifting the basic education outcomes of our country.

Iziko recognises the role it has to play in skills development and as such, it also plays a role in preparing young people for the world of work through providing internship and mentoring opportunities, as well as hosting various graduate and postgraduate student researchers. In addition, the high-level research outputs of Iziko, adds value to the economy in diverse ways. Iziko also funds the tertiary studies of staff members from designated groups in return for them working for Iziko for a number of years as per a formal agreement.

Through our natural history research initiatives, we are able to trace changes to our environment and make meaningful contributions to debates around climate change and global warming. Our research and exhibitions on enslavement and contemporary social issues such as decolonisation and human rights, contribute greatly to social justice and nation building.

Our museums constitute a substantial component of the national tourism product, and attract many local and international visitors. Significantly, Iziko positively impacts on South Africa's economic growth and value chain through supporting the cultural and tourism industries. The COVID-19 pandemic will have a great impact on visitor numbers and programmes that have been scheduled to take place.

#### ***4.2.2. Social cohesion, nation building and safe communities***

One of the priorities for Iziko is contributing to social cohesion and nation building through our core functions programmes and activities. We strive to serve South Africa and its people. Through our diverse exhibitions, education and public programmes, Iziko fosters national pride, social cohesion, community development and tolerance, promoting inter-cultural and generational exchange, and the emergence of a shared and uniquely South African cultural identity constituted by diversity. These programmes involve diverse audiences – including youth, families, women and differently-abled persons – giving them access to our collections and sites.

National public holidays such as Human Rights Day, Freedom Day, Youth Day, Women's Day and Heritage Day will continue to be used as platforms to reflect on and embrace our diversity. In 2019/20, a total of 48,375 people took advantage of Iziko's free commemorative day concessions.

Iziko continues to connect our audiences with the past, present and future through its rich collections, exciting exhibitions, research work and enabling education and public programmes. We recognise that exposure to culture and creative stimulation is essential to healthy development for young children and youth. Thus, in order to optimise access to our museums for visitors that lack financial resources, Iziko levies no entrance fees for children under 5; museums are discounted by 50% during winter school holidays; and there is also free entry on 15 commemorative days annually.

Furthermore, Iziko strives to provide access to all South Africans who would like to engage with its content. As such, we provide our public and most importantly young people, with a gateway to Iziko's cultural, educational and knowledge resources. Iziko attracted 476,750 visitors during the 2018/19 financial year.

Iziko aims to significantly increase our visitor numbers once the major renovations and upgrades at key museums are completed, and once the global pandemic has been curtailed, so that our contribution to social cohesion and national building, as well as other positive impacts, can be optimised.

Iziko's museums increasingly exert 'soft power'<sup>2</sup> to stimulate active citizenry and social justice, and support civic society. Locally and globally, people are affected by social, economic and environmental circumstances that are increasingly dynamic and unstable. Therefore, much of the social benefit of our heritage institutions lies in providing platforms for healthy engagement and dialogue that are both supportive and transformative.

Most of Iziko's museums are in the city and access to them is a geographical challenge. Our Mobile Museum and websites therefore create a "museum without walls" that takes our offering to people who lack access. They provide an increasingly powerful and strategic platform for Iziko to extend its reach and benefits as widely as possible. We wish to expand and capitalise on this.

The Iziko Mobile Museum undertook 53 outreach trips during the 2018/19 fiscal. Our Mobile Museum improves access and repositions museums in the minds of the broader public. In 2018/19, this outreach project benefited 17,208 individuals, primarily in marginalised communities. The programme also offered out-of-school youth experiences that added to a broad range of life skills development, and allowed them to channel their energies into participating in constructive activities and building knowledge. In 2019/20, the Iziko Mobile Museum undertook 50 outreach trips to communities without access to museum education.

In essence, all Iziko's strategic objectives and activities are underpinned by the understanding that museums can benefit all South Africans, particularly young people, to become informed, active and reflective participants in society. Virtual collections, virtual guided tours of exhibitions, online events (showcasing objects, lectures, interviews and discussions with experts on specialised subject areas); targeted adult, youth and children's programmes and school lessons using social media platforms like Instagram, Facebook, Tik Tok, etc.

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<sup>2</sup> "Soft power is a concept that emerged a quarter of a century ago to describe relations based not on military or economic might but on influence." See Lord, GD and Blankenberg, N, Cities, Museums and Soft Power AAM Press, 2015

#### **4.2.3. *Impact of infectious diseases/pandemics***

The outbreak of the COVID-19 pandemic has profoundly affected societies around the world, plunging the global economy into a deep recession and adversely affecting travel and tourism. With the majority of cultural institutions forced to close their doors, the cultural sector has been one of the most affected. Tourism related activities have decreased, impacting surrounding communities both socially and economically, and plunging cultural institutions, heritage practitioners, artists and cultural professionals into a state of extreme economic and social fragility. The situation facing museums remains compromised by the global health crisis, which has hit the museum sector particularly hard and, according to the International Council of Museums (ICOM), 90% of museums closed their doors when the pandemic was at its peak and more than 10% may never reopen.

Museums play a vital role in society and the impact of closures is not only economic, but also social because museums preserve our common heritage; provide spaces that promote education, inspiration and dialogue. Based on values of respect and cultural diversity, museums strengthen social cohesion, foster creativity and are conveyors of collective and contested memories. Moreover, the role of museums in the promotion of tourism is a key driver of sustainable economic development, both locally and nationally, which will be essential to overcoming the crisis in the coming months and years.

Museums are at the centre of the cultural experience that visitors have of the country or city that they are “discovering” and the slowdown in cultural tourism endangers the financial stability of many institutions; since it constitutes one of the main resources on which museums rely on to ensure their operation and economic survival. Among the main challenges is the immediate risk to the security of collections.

The physical closure of museums has led institutions to seek, throughout the crisis, alternatives and opportunities for recovery and to reinvent themselves and adapt to changes in society. The COVID-19 pandemic has already placed considerable emphasis on the growing importance of ICT and social media in society. These technologies are required to continue the work of most businesses and organisations. The functions of museums are also influenced by new technologies and their growing role in everyday life. Activities on social networks (Facebook, Twitter, and Instagram) and other digital actions have great potential for enhancing the presence of museums and must be used to communicate with the public by means of online activities including virtual visits, exhibitions of their collections, training and educational programmes, conferences, and outreach activities. Investments in ICT must be increased to enable Iziko to overcome the enormous economic and social consequences that may affect museums in the long term.

#### **4.2.4. *Structural changes at sector and industry level***

The museology sector in South Africa is facing multiple challenges arising from the reorganisation of the Department Arts and Culture (DAC), and rationalisation of the heritage sector as well as the tough economic climate experienced by our country. The inclusion of sport into the new DSAC structure presents potential opportunities and possible threats to museums. Sport presents DSAC with a popular set of activities which are prominent in nation-building, engage a very large population across all ages, genders and language groups, and is very attractive to youth and is a high-income generator. Within this environment, DSAC is also re-aligning its heritage entities (museums and galleries). It is also possible that Iziko will be expected to absorb other heritage entities in the near future.



The dominant dynamic in the sector is the likelihood of increased competition from traditional competitors (museums), competition from non-traditional activities (sport) and strained resources forced by rationalisation. At the same time, private museums may compete for the same visitors and may have more effective marketing strategies than Iziko.

Iziko sees itself as cutting across many sectors, an approach which could possibly dilute its strategic focus. Cape Town owns a dynamic tourism sector which markets the city's assets effectively and continues to be a major influence on regional strategy. Tourism is therefore also a major income driver in the city and presents opportunity for niche marketing to local and foreign visitors. Organisations which locate themselves unambiguously within this dynamic, robust sector are also able to leverage their own marketing efforts with those of the tourism industry. It is important to note the valuable contributions of research and redressive activity (e.g. school visits) to the museum. It is equally important to consider which activities generate income, especially in the face of declining government subsidies and increased competition. Iziko needs to locate itself firmly within a growth sector, focus on its profit centres, and acknowledge the critical role of its cost centres.

Having recognised the heavy compliance burdens imposed by government regulation, it is also noted that Iziko is a young organisation. In commercial settings, young organisations are entrepreneurial, outward-looking, pleasantly aggressive, dynamic and innovative. Regulation has an innate tendency to stifle entrepreneurship and management requires ambidextrous skills to balance both. One popular school of strategic thought states that the unit of analysis of any business is the industry in which it operates. While Iziko may be considered as a social enterprise because its objective is not to generate profits for shareholders, commercial thinking offers potentially useful ideas for management practice.

#### ***4.2.5. Cultural diplomacy***

Iziko supports cultural diplomacy initiatives of DSAC and national government by contributing to the establishment of strong mutual cultural relations, and ensuring that the imperatives of cultural diversity are foregrounded. Iziko is actively involved in contributing to various cultural programmes linked to BRICS partner nations (i.e. Brazil, Russia, India, China and South Africa).

#### ***4.2.6. New international and local policies – a catalyst for accelerating transformation and change in the heritage sector***

From an international perspective, Iziko draws on the vision articulated by the African Union (AU) Agenda 2063, specifically: “An Africa with a strong cultural identity, values and ethics, and ensuring Africa is a strong and influential global player and partner”; as well as new United Nations Educational, Scientific and Cultural Organization (UNESCO) frameworks that foregrounds how museums need to find strategies that enable them to function and contribute effectively in a changing world.

As noted previously, the role and significant contribution of museums in contemporary society is increasingly acknowledged and understood. The growth in the number and types of museums around the world; the evolving role of museums as public forums for dialogue and peace-building; and museums' role as economic drivers generating cultural tourism and employment, are finally being acknowledged. UNESCO has taken up the responsibility to establish the legal and policy standards to contribute to the formulation of a contemporary vision of the museum institution, reflecting its function and role in society.

These principles are outlined in the Draft Shenzhen Declaration on Museums and Collections<sup>3</sup>, issued in November 2016. The UNESCO standards for museums, along with the AU Agenda 2063, provide important guidelines, and are key points of reference that inspire Iziko's delivery.

The NDP notes that South Africa is home to nine world heritage sites and an area of global niche tourism. Culture, the arts and other parts of the creative economy have the potential to generate employment and export earnings. In terms of the NDP, arts and culture open powerful spaces for debate about where a society finds itself and where it is going. Promoted effectively, the creative and cultural industries can contribute substantially to small business development, job creation, and urban development and renewal.

The country's rich cultural legacy and the creativity of its people mean that South Africa can offer unique stories, voices and products to the world. In addition, artistic endeavour and expression can foster values, facilitate healing and restore national pride. Effective measures to promote the arts include:

- Providing financial and ICT support to artists to enable the creation of works expressing national creativity, while opening space for vibrant debate. Incentivising commercial distribution networks to distribute and/or host art
- Developing and implementing plans for a more effective arts and culture curriculum in schools with appropriate educator support
- Supporting income-smoothing for artists in a special unemployment insurance scheme and evaluating funding models for such initiatives.
- Developing sectoral determination legislation frameworks to protect heritage and arts-sector employees.

The nearly finalised draft White Paper on Arts, Culture and Heritage, along with the National Policy for Museums, will provide further direction and impetus to our development, while also impacting on the institution in ways that are yet to be fully understood. Our Council, Chief Executive Officer (CEO) and Senior Management are therefore vigilant and invested participants in the development of these revised strategic frameworks for our sector.

Recently, a Monitoring and Evaluation (M&E) Framework was developed by the DSAC-funded, South African Cultural Observatory<sup>4</sup> (see diagram below). This M&E framework identifies five cultural value themes and indicators that can be used to more effectively illustrate impact and value.

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<sup>3</sup> [http://www.unesco.org/fileadmin/MULTIMEDIA/HQ/BPI/EPA/images/media\\_services/Director-General/Shenzhen-DeclarationENG.pdf](http://www.unesco.org/fileadmin/MULTIMEDIA/HQ/BPI/EPA/images/media_services/Director-General/Shenzhen-DeclarationENG.pdf)

<sup>4</sup> <https://www.southafricanculturalobservatory.co.za/download/45>



Figure1: Monitoring and Evaluation Framework

This framework provides an important tool to demonstrate the tangible value of the arts, culture and heritage sector in contemporary society. It will more clearly define measurable impacts and assist to justify and motivate for the greater investment of public funding in this historically underestimated and underfunded sector going forward. The overview of Iziko's achievements for 2018/19, as set out in the Annual Report, clearly showed significant contribution to all five aspects of this framework.

#### **4.2.7. Engaging new technologies**

It is critical for Iziko to embrace new technologies and the realities of the fourth Industrial Revolution (4IR) and the technological advances that are changing our world and how we live.

Despite several initiatives and our best efforts that include the redevelopment of our website; the digital upgrade of our Planetarium and Digital Dome; the installation of the Gaiasphere<sup>5</sup>; and the development of a focused online presence strategy, it remains a challenge for Iziko to keep pace with the vast and rapid changes in technology. The appropriate use of technology to be more efficient as well as enhance visitor experience through the introduction of more interactive technology and audio-visual content in our museums, remains a priority going forward. This is especially important post the onset of COVID-19.

#### ***4.2.8. Planetarium Digital Upgrade and the ‘Courtyard Project’ – foregrounding the role of research and creating a Centre of Excellence***

Iziko's Planetarium, which has been in operation at the South African Museum since 1987, was upgraded and launched in May 2017. R28, 5 million was raised to support this initiative that was made possible through partnerships with the Department of Sport, Arts and Culture (DSAC), the Department of Science and Technology (DST), the National Research Foundation (NRF), the National Lotteries Commission (NLC); and academic institutions such as Cape Peninsula University of Technology, University of the Western Cape and University of Cape Town. This state-of-the-art digital full dome facility is suited to the needs of multiple audiences and stakeholders. This facility not only offers edu-tainment, but enables cutting edge eResearch, both for Iziko and our academic partners; contributes to the skills development pipeline in scarce skill areas such as science and mathematics; and provides a platform to expose South Africa's prestigious and globally significant scientific research initiatives, and the development of virtual exhibitions.

The upgraded Planetarium – renamed the Iziko Planetarium and Digital Dome (IDPP), is an important adjunct to the rollout of a major Capital Works Project – referred to as the Courtyard Project – at the Iziko South African Museum. This project should be completed in 2020/21. More than R220 million is being invested by DSAC to renovate what was a four-storey research and collection space, into a six-storey, contemporary research, office and conference facility that will be partially accessible to the public allowing them the opportunity to interact with and view this museum's research activities and collections.

The Iziko Planetarium and Digital Dome, located in the newly upgraded, state-of-the-art Iziko South African Museum, will ultimately create a new and unique *African Centre of Excellence*, where Iziko will pioneer the implementation of new technologies for the benefit of the public, as well as the research and academic communities.

#### ***4.2.9. The economic climate and financial constraints, and its negative impact on Iziko's ability to successfully deliver on its mandate***

Globally, museums face challenges of sustainability and inadequate funding as state and institutional funding streams are reduced by global recession and unforeseen environmental factors such the outbreak of pandemics. Museums are therefore increasingly aware of the need to diversify revenue streams to ensure they are not dependent on one source, and continue to support agendas that create access to education, learning resources, contributing to poverty alleviation and recording the natural, social and artistic heritage of our country.

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<sup>5</sup> An interactive digital theatre housed in a large (3.2 m diameter) back-projected hemisphere with which animations of changes happening on the earth's surface can be shown.

Iziko's achievements in recent years need to be understood against a backdrop of some serious constraints in an environment fraught with unprecedented combinations of challenges. These include:

- The lack of incentives to encourage private investments in heritage/arts has constrained how museums can tap into alternative sources of funding;
- The rapid advance of technology and the investment required to stay up to date, resulting in a lag;
- Adapting to increased social and economic pressures across all levels of society and an accelerated rate of change at every level – nationally, continentally and globally;
- The increasing burden of legislative, audit and supply chain compliance requirements that require extensive resourcing; and
- A deep-rooted interrogation of the values, ethics and strategies of our institution.

In South Africa limited economic growth and the slow recovery from recession requires us to anticipate that we will have to do more with less and to plan accordingly in the short-medium term. In recent years, and also in the 2019/20 financial year, the government subsidy to Iziko was cut and this is a clear sign that we need to be extremely strategic with our resources going forward. Iziko should adopt an entrepreneurial management approach and streamline across the board to ensure we are adapted to weather these lean years.

It is mainly for this reason that Iziko requires significant investment by both the public and private sectors to follow a trajectory that will empower Iziko to continue to deliver on the imperatives of its Strategic Plan.

Given the increasing budgetary constraints and reduction of spending on core function activities that are essential to our mandate and delivery, Iziko has successfully utilised funding received from a number of donors to implement various special projects. However, obtaining funding to implement key institutional projects remains a major challenge.

Several projects that urgently require focused funding include: the upgrade of our exhibition galleries; acquisition of a new bus to replace the existing 17-year-old Mobile Museum for our outreach programmes; the conservation and digitisation of the collections; and the further development of an interactive website to provide virtual access to our museums and resources. Implementation of these projects will contribute significantly to improving access to our collections and programmes, to be enjoyed by a diverse audience.

Since 2013, the proactive implementation of a strategic and focused advancement strategy to increase financial sustainability (project specific) has been essential to funding the successful delivery of Iziko's strategic objectives in recent years. Consequently, the economic environment has changed substantially.



Significantly, given the increasing handicaps to fundraising and income generation imposed by the legal framework of a public entity and in addition, the limited resources (both human and financial) allocated to fundraising and strategic development and the management of strategic relationships, Iziko is concerned that our performance to date in successfully raising funds, generating income and forging mutually beneficial partnerships to supplement our subsidy, which is in fact quite exceptional for our sector, is not sustainable. The National Treasury and DSAC will be required to assist an entity like Iziko to source other funding by creating a conducive environment and conditions to do so.

## **4.3 Internal Environment Analysis**

### ***4.3.1. Ensuring effective leadership***

Iziko's Council, CEO and Senior Management are committed to not only lead Iziko forward, but provide inspiration and leadership within the heritage sector and within the broader context of our society.

The re-alignment of the Iziko structure has been an ongoing process. The purpose of the re-alignment has been to revisit museum practice to enhance and integrate functions across the three disciplines that Iziko oversees, i.e. Art, Natural History and Social History. Reviewing our functions and operations in light of the decolonisation imperative has opened up debates about museum practice and how the collections are managed, stored and interpreted. The re-alignment is intended to increase cross-pollination of research, exhibitions, education and public programmes. There is a huge drive to overcome linear thinking and to open the opportunity to the Iziko staff to create new methodologies in museum work. We also wish to delegate, where appropriate, in order to empower staff and have better interaction with the recognized trade union for the benefit of the growth and efficiency of the museum.

### ***4.3.2. Budgetary and financial constraints***

In challenging times, organisations always cite limited budgets as a primary reason for shortcomings in implementation. This is currently the story of all parastatals and many scheduled institutions in South Africa. Fiscal pressures have forced rationalisation of ministries and this will invariably require efficiencies by merging institutions, departments and entities. Iziko is facing the strategic scenario of contraction, competition and market development. Additional competencies will be required inside the organisation, in all its functional areas. It is fortunate that many of these skills appear to be represented on the Council, which may provide insights to guide the organisation.

Several problems have been raised inside the organisation. Iziko is experiencing erratic visitor numbers; most recent indications are that visitations are under pressure. While closures of some sites may account for such decline, a critical examination of Iziko's marketing activity may be helpful. The strain on funding arises from the austerity which characterises the fiscus while costs are increasing simultaneously. Buildings require maintenance and are subject to strict regulations, which have also seen costs which were formerly subsidised by the DSAC and handled by the Department of Public Works and Infrastructure (DPWI) being passed onto Iziko. Strained resources further limit opportunities for creative new initiatives concerning collections, digitisation and exhibitions, a situation which may further deteriorate.

A unified organisational culture has to be speeded up and a strong brand identity has not yet been internalised by all staff, owing to previous amalgamations. The prospect of future amalgamations implies further fragmentation of the organisational identity, as separate narratives continue within Iziko.

Largely absent from the management narrative however, is the limited use of commercial concepts for planning and tracking progress, possibly because the organisation is obliged to prioritise compliance with rigorous procedural requirements imposed by government.

Balance between commercial and regulatory thinking will be helpful at this stage of Iziko's development. This task falls on the broad shoulders of Council and the management team. The National Treasury and DSAC will be required to assist Council and the management team to traverse this state of affairs by creating a conducive/enabling environment and conditions to do so.

#### 4.4 Strengths, Weaknesses, Opportunities and Threats (SWOT)

The table below gives a summary of strengths, weaknesses, opportunities and threats facing the institution.

Table 1: SWOT Analysis of Iziko Museums of South Africa

Strengths	Weaknesses	Opportunities	Threats
<ul style="list-style-type: none"> <li>Well established with experience, massive collection and a leader in research</li> <li>Good reputation and brand in government and in the industry</li> <li>Located in a tourist city</li> <li>Dedicated, passionate and skilled staff and management</li> <li>Functional Council</li> <li>Advanced facilities with a planetarium which offers a unique selling point</li> </ul>	<ul style="list-style-type: none"> <li>No strong national outreach footprint</li> <li>Financial constraints</li> <li>Difficulty in attracting staff with museological experience</li> <li>Challenges in terms of the maintenance of buildings such as lack of capacity and funding</li> <li>Delays in external bodies issuing permits for repair and maintenance of heritage buildings and documents are mislaid</li> <li>Lack of collection storage</li> </ul>	<ul style="list-style-type: none"> <li>Huge marketing opportunities to be exploited</li> <li>Partnership with BRICS and AU and the world</li> <li>Use of technology</li> <li>Opportunity to collaborate with sport, creative and cultural industries</li> <li>Opportunity to increase visitor numbers through mobile bus and planetarium</li> <li>Infrastructure exists to exploit assets</li> <li>Opportunity to decolonise collection</li> <li>Opportunity to increase community engagement and support</li> <li>Opportunity to improve digital environment in view of the impact of infectious diseases.</li> <li>Opportunity to devise new ways of maintaining contact with audiences and generating alternative financial resources in view of the impact of infectious diseases.</li> </ul>	<ul style="list-style-type: none"> <li>Economic decline in the country leading to budget cuts</li> <li>Declining visitor numbers</li> <li>Current amalgamation of Sport with Arts and Culture which prioritises sport</li> <li>Implications of implementation of the draft White Paper</li> <li>Inability to attract skills</li> <li>The impact of infectious diseases on visitor numbers, security of collections and overall economic sustainability</li> <li>The impact of pandemics/infectious diseases on Iziko's ability to deliver onsite/face to face public programmes and exhibitions.</li> <li>COVID-19 second wave infections has commenced</li> </ul>

Strengths	Weaknesses	Opportunities	Threats
<ul style="list-style-type: none"> <li>• Dedicated staff who take on additional work and who worked throughout the lockdown</li> <li>• Management can be flexible when circumstances change unexpectedly</li> <li>• The COVID-19 pandemic was managed well</li> <li>• The development of conservation and maintenance documents provide a good framework for facilities management</li> <li>• Sound policies and procedures in place</li> <li>• 100% achievement of performance objectives</li> <li>• No audit findings for several years</li> <li>• Strong culture of compliance</li> </ul>	<ul style="list-style-type: none"> <li>• Dependence on income generated by visitors.</li> <li>• Insufficient digital infrastructure to maintain online presence during pandemics.</li> <li>• Iziko organisational culture has to improve</li> <li>• High number of disciplinary matters</li> <li>• Heritage buildings are in very poor condition</li> <li>• Lacks of technical expertise to efficiently manage maintenance and repair of buildings as these functions have been assigned to the users DPWI.</li> <li>• Insufficient funding for facilities management</li> <li>• Upgrade of Payroll &amp; HR Information System</li> <li>• Upgrade of security to include remote monitoring of Iziko buildings</li> </ul>	<ul style="list-style-type: none"> <li>• With the realignment of the structure there exists the opportunity to appoint appropriately trained staff to address the changing working environment.</li> <li>• Conservation and maintenance documents are used by relevant departments to source funding for repair and maintenance of Iziko buildings</li> <li>• Update Disaster Management Policy in terms of lessons learnt - COVID-19 and refugees on Iziko premises</li> <li>• Operational costs need to be reduced</li> <li>• Introduce new business model where staff work from home where practicable</li> <li>• Automate systems and processes</li> <li>• Develop and update an image bank/database of high resolution images, with associated metadata, for collections to enable remote access for purposes of virtual exhibitions and researcher, educational and public access</li> </ul>	<ul style="list-style-type: none"> <li>• Reduced income generated and reduced DSAC grant</li> <li>• Drop in visitor numbers if foreign visitors are reluctant to travel</li> <li>• Unrealistic expectations and demands from internal stakeholders may impact negatively on the future of Iziko to perform.</li> <li>• Poor state of buildings impact negatively on the reputation of Iziko</li> <li>• When Iziko had to take over the payment of municipal accounts, the organisation became liable for the accrued interest due to DPWI not paying rates on buildings occupied by Iziko</li> <li>• Energy saving contract inherited from DPWI may cost Iziko millions of Rands in reimbursements to contractor</li> </ul>

## 4.5 Financial Information

The summarised financial results and position are reflected in the table below. The financial information reflects steady growth over a five-year period. Escalation in the net position of the entity at the end of the 2016/17 financial year resulted from the disclosure of heritage asset collections.

Financial Statement 1: Statement of financial position.

STATEMENT OF FINANCIAL POSITION					
	2015/16	2016/17	2017/18	Restated 2018/19	2019/20
	R	R	R	R	R
<b>ASSETS</b>					
<b>Non-Current Assets</b>	10 882 058	10 968 509	2 468 032 704	2 548 571 084	2 544 133 127
<b>Current Assets</b>	88 247 428	114 195 375	134 520 984	141 373 254	141 927 660
<b>TOTAL ASSETS</b>	<b>99 129 486</b>	<b>125 163 884</b>	<b>2 602 553 688</b>	<b>2 689 944 338</b>	<b>2 686 060 787</b>
<b>LIABILITIES</b>					
<b>Non-Current Liabilities</b>	81 301 997	65 089 049	79 899 353	82 943 634	90 041 952
<b>Current Liabilities</b>	20 234 232	55 680 101	58 766 063	49 760 417	37 844 803
<b>TOTAL LIABILITIES</b>	<b>101 536 229</b>	<b>120 769 150</b>	<b>138 665 416</b>	<b>132 704 051</b>	<b>127 886 755</b>
<b>NET ASSETS</b>	- 2 406 743	4 394 734	2 463 888 272	2 557 240 287	2 558 174 032
<b>TOTAL NET ASSETS AND LIABILITIES</b>	<b>99 129 486</b>	<b>125 163 884</b>	<b>2 602 553 688</b>	<b>2 689 944 338</b>	<b>2 686 060 787</b>

Statement 2: Statement of financial performance.

STATEMENT OF FINANCIAL PERFORMANCE					
	2016	2017	2018	2019	2020
	R	R	R	R	R
<b>REVENUE</b>	<b>88 811 105</b>	<b>115 988 631</b>	<b>196 881 929</b>	<b>187 191 619</b>	<b>183 755 953</b>
Revenue from non-exchange transactions	73 994 084	95 746 841	175 425 281	159 631 330	157 389 991
Government Grant: Subsidy - Department of Arts & Culture	68 336 000	71 958 000	75 556 000	77 779 000	91 557 000
Government Grant: Conditional Grants - Department of Arts & Culture	254 936	10 104 733	17 043 372	18 913 862	4 083 333
Service in Kind - Property Leases	-	4 857 882	52 463 343	51 966 208	54 551 815
Sponsorship	5 324 455	8 629 749	28 594 389	9 397 234	6 520 268
Cash and asset donations	78 693	196 477	1 768 177	1 575 026	677 575
Revenue from exchange transactions	14 817 021	20 241 791	21 456 648	27 560 289	26 365 962
<b>EXPENSES</b>	<b>81 319 972</b>	<b>109 044 904</b>	<b>164 724 491</b>	<b>173 379 133</b>	<b>182 906 121</b>
Personnel	58 819 226	61 095 713	65 141 714	66 029 024	66 473 934
Administrative	2 850 523	2 905 612	11 215 704	14 774 534	21 133 908
Depreciation and amortisation expenses	2 461 997	2 994 341	6 687 026	8 101 022	10 377 763
Post Retirement Actuarial Finance Costs	5 508 053	6 764 801	6 716 318	6 324 520	6 961 288
Other operating expenses	11 680 172	35 284 437	74 963 729	78 150 033	77 959 228
<b>NET SURPLUS FOR THE YEAR</b>	<b>7 491 134</b>	<b>6 943 727</b>	<b>32 157 438</b>	<b>13 812 486</b>	<b>849 832</b>



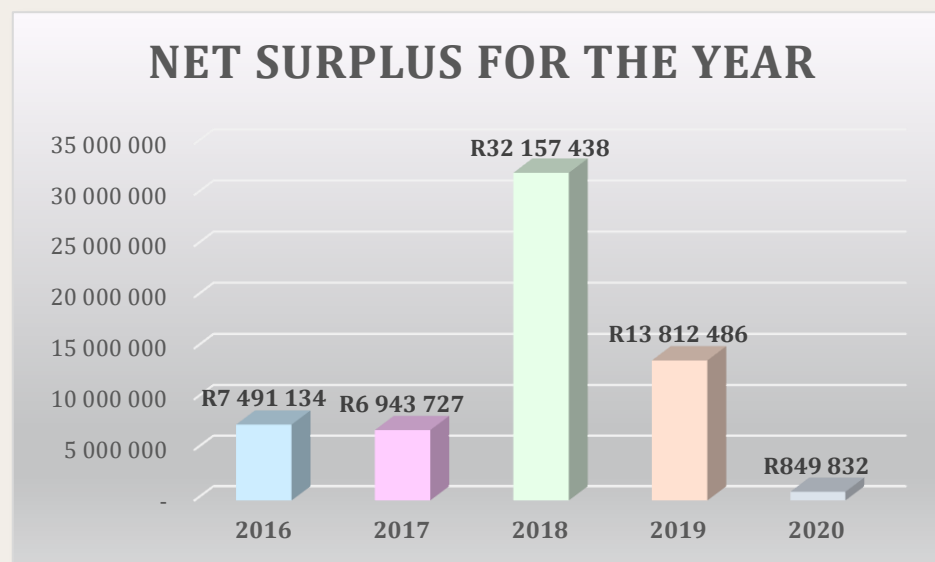
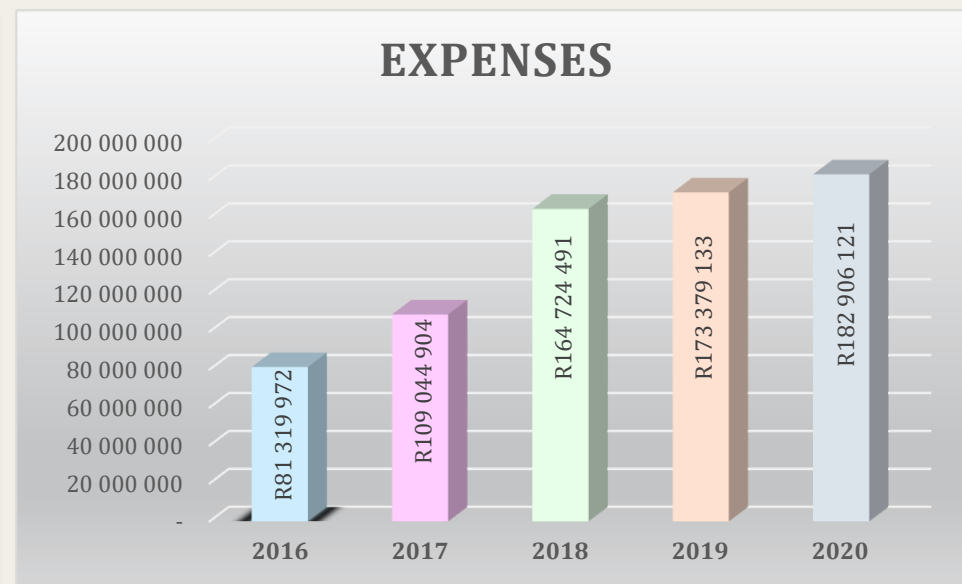
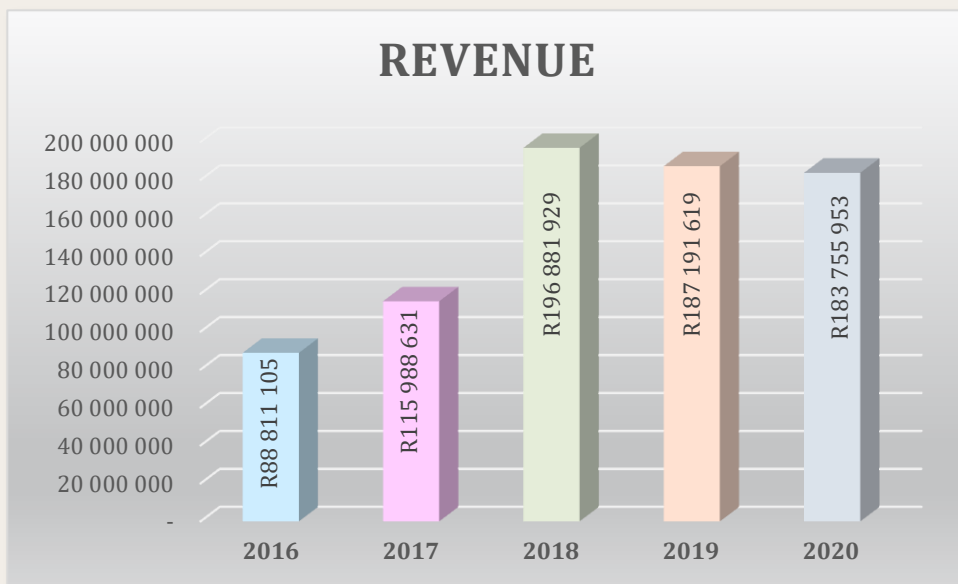


Figure 2: Bar Charts of Annual Revenue, Expenses and Net Surplus/Deficit

## Part C: Measuring Our Performance

### 5. Institutional Programme Performance Information

#### 5.1 Programme 1: Administration

Purpose: To provide strategic leadership, management and support services to Iziko Museums of South Africa.

Table 2: Outcomes, Outputs, Performance Indicators and Target

Outcome	Outputs	Output Indicators	Annual Targets						
			Audited/ Actual Performance			Estimated Performance	MTEF Period		
			2016/17	2017/18	2018/19		2019/20	2020/21	2021/22
Sound Governance and Compliance.	Financial statements in terms of GRAP Accounting Framework prepared.	Compliance with legislation and accounting standards by obtaining unqualified audit reports.	Unqualified audit report with findings.	Unqualified audit report with findings.	Unqualified audit report with findings.	Unqualified audit report with findings.	Unqualified audit report with findings.	Unqualified audit report without findings.	Unqualified audit report without findings.
	Increase in percentage of own income by 0.5% i.t.o. long term co-ordinated financial sustainability process established.	Long term financial sustainability plan aimed at increasing percentage of own income annually by 0.5%.	New.	New.	R 27,560,289	14% of 2019 total income (R 27,560,289)	Formulate long term financial sustainability plan.	Increase own income as a percentage of total income by 0.5% from the previous year.	Increase own income as a percentage of total income by 0.5% from the previous year.
	15 policies developed or reviewed by 31 March 2025.	Number of policies developed or reviewed	New.	3	2	3 policies developed.	3 policies developed.	Develop or review 3 policies	3 policies developed or reviewed by departments.

	Strategy to achieve 1% increase in the number of 32 funded projects by 31 March 2025 formulated.	Increase in number of funded projects in terms of the income/revenue stream strategy.	New	New.	32 Funded projects at 31 March 2019 (excluding conditional grants from DSAC).	Increase in number of funded projects by 1% i.t.o the income/revenue stream strategy.	Formulate strategy to increase the number of funded projects	Increase in number of funded projects by 0.25% in terms of the income/revenue stream strategy.	Increase in number of funded projects by 0.25 % i.t.o the income/revenue stream strategy.
	Training opportunities i.t.o the Annual Learning and Development Programme offered.	Number of training opportunities offered.	New.	New.	338 training opportunities offered.	Offer 260 training opportunities.	Implement the 2020-21 Learning and Development Programme that offers 100 training opportunities.	Implement the 2021-22 Learning and Development Programme that offers 100 training opportunities.	Implement the 2022-23 Learning and Development Programme that offers 120 training opportunities
Improved infrastructure to enhance visitor experience.	Implementation of projects as per the Annual Conservation and Maintenance plans over the five-year period.	Number of repair and renovation projects implemented in terms of the Annual Conservation and Maintenance plans.	Architects appointed to develop Existing Building Condition Report (EBCR) and Conservation and Maintenance Plan for 9 sites. EBCR for Rust en Vreugd completed.	The Existing Building Condition Report (EBCR) for Iziko Old Town House completed.	The EBCR for remaining 7 sites completed and the five-year Conservation and Maintenance Plan for each of the 9 sites completed.	Appointment of Project Manager and procurement of contractors to implement repair and maintenance projects.	Implement the 2020-21 conservation and maintenance plan.	Paint exterior of IR&V, continue repair and maintenance project at IOTH and commence construction of emergency escape at ISAM	Implement the 2022-23 conservation and maintenance plan.

## 5.2 Programme 2: Business Development (Collections)

Purpose: Collections and research development and the preservation of Collections as a lasting national resource reflecting our African heritage.

Table3: Outcomes, Outputs, Performance Indicators and Targets

Outcome	Outputs	Output Indicators	Annual Targets						
			Audited/ Actual Performance			Estimated Performance	MTEF Period		
			2016/17	2017/18	2018/19		2019/20	2020/21	2021/22
Nation Building through growth and development of collections.	New records entered on the collections databases	Number of new records entered on collections databases for Art and Social History Collections.	21,200	36,466	15,644	21,200	14,133	6 000	8 000
	New records entered on the collections databases/new acquisitions for Natural History	Number of new records/catalogue numbers entered on Specify database						21 200	25 000
	New acquisitions for Art and Social History Collections.	Number of new acquisitions for Art and Social History Collections.	2,055	2,380	13 337	2,068	500	150	180
	Peer reviewed publications (including articles or chapters) published.	Number of peer reviewed publications (including articles or chapters) published.	26	25	30	21	25	25	25
	Other (popular) publications published.	Number of other (popular) publications published.	9	14	7	14	12	12	12

### 5.3 Programme 3: Audience Development (Public Engagement)

Purpose: Enhancing the museum experience: Access and Audience Development.

Table 4: Outcomes, Outputs, Performance Indicators and Targets

Outcome	Outputs	Output Indicators	Annual Targets						
			Audited/ Actual Performance			Estimated Performance	MTEF Period		
			2016/17	2017/18	2018/19		2019/20	2020/21	2021/22
Knowledge generation through research to contribute to educated, informed and empowered community.	New exhibitions produced.	Number of new exhibitions.	13	23	19	15	5	5	10
	Special museum education programmes presented.	Number of special museum education programmes presented.	4	16	18	16	13	16	16
	Public programmes presented.	Number of public programmes presented.	12	12	14	16	14	12	12
	Outreach programme presented.	Number of outreach programmes presented.	52	59	53	52	16	29	52
	Internships and Work Integrated Learning students (WILS) hosted.	Number of interns and Work Integrated Learning students (WILS) hosted.	New	New	33	33	6	6	33
Creation of awareness and promotion of access to history, heritage and culture.	Visitor numbers to the museum/ sites increased.	Number of visitors to the museums/ sites.	459,634	545,669	528,409	554,820	250 000	200 000	440 000
	Visitor numbers to Iziko websites increased.	Number of visitors to Iziko websites.	200,088	242,3466	244,591	256820	200 000	200 000	297300
	Marketing campaign undertaken.	Number of marketing campaigns.	3	3	3	3	4	4	5
	Commemorative days promoted.	Number of commemorative days promoted per annum.	15	15	15	15	15	15	15

## 5.4 Programme's Indicators, Annual and Quarterly Targets

Table 5: Iziko's Programmes Indicators, Annual and Quarterly Targets

Output Indicators	Annual Target 2021/2022	Q1	Q2	Q3	Q4
PROGRAMME 1					
<b>Compliance with legislation and accounting standards by obtaining unqualified audit reports.</b>	Unqualified audit report without findings.	Address 10% of prior year audit findings.	Address 40% of prior year audit findings.	Address 40% of prior year audit findings.	Address 10% of prior year audit findings.
<b>Long term financial sustainability plan aimed at increasing percentage of own income annually by 0.5%.</b>	Increase own income as a percentage of total income by 0.5% from the previous year.	Increase own income as a percentage of total income by 0.125% from the previous year.	Increase own income as a percentage of total income by 0.125% from the previous year.	Increase own income as a percentage of total income by 0.125% from the previous year.	Increase own income as a percentage of total income by 0.125% from the previous year.
<b>Number of policies developed or reviewed.</b>	3 policies developed or reviewed by departments	Develop or review 1 policy	Develop or review 1 policy	Develop or review 1 policy	Develop or review policies
<b>Increase in number of funded projects by in terms of the income/revenue stream strategy.</b>	Increase in number of funded projects by 0.25% in terms of the income/revenue stream strategy.	Increase in number of funded projects by 0.0625% in terms of the income strategy.	Increase in number of funded projects by 0.0625% in terms of the income strategy	Increase in number of funded projects by 0.0625% in terms of the income strategy	Increase in number of funded projects by 0.0625% in terms of the income strategy
<b>Number of training opportunities offered.</b>	Implement the 2021-22 Learning and Development Programme that offers 100 training opportunities.	Offer 20 training opportunities to staff.	Offer 30 training opportunities to staff.	Offer 30 training opportunities to staff.	Offer 20 training opportunities to staff.

Output Indicators	Annual Target 2021/2022	Q1	Q2	Q3	Q4
<b>Number of repair and renovation projects implemented in terms of the Annual Conservation and Maintenance plans.</b>	Paint exterior of IR&V, continue repair and maintenance project at IOTH and commence construction of emergency escape at ISAM	Paint exterior and boundary wall at IR&V and IOTH. Repair gazebo at IR&V.	Implement electrical upgrade at IOTH, subject to HWC issuing a permit, and continue with repair and maintenance at IOTH.	Complete repair and maintenance at IOTH	Complete repair and maintenance projects at IOTH. Commence project to install emergency escape leading from ISAM 6 <sup>th</sup> floor
PROGRAMME 2					
<b>Number of new records entered on collections databases for Art and Social History Collections.</b>	6 000	1 500	1 500	1 500	1 500
<b>Number of new records/catalogue numbers entered on Specify database</b>	21 200	5300	5300	5300	5300
<b>Number of new acquisitions for Art and Social History Collections.</b>	150	37	38	38	37
<b>Number of peer reviewed publications (including articles or chapters) published.</b>	25	6	6	6	7
<b>Number of other (popular) publications published.</b>	12	3	3	3	3
PROGRAMME 3					
<b>Number of new exhibitions.</b>	5	0	1	2	2
<b>Number of special museum education programmes presented.</b>	16	4	4	4	4
<b>Number of public programmes</b>	12	3	3	3	3



Output Indicators	Annual Target 2021/2022	Q1	Q2	Q3	Q4
<b>presented.</b>					
<b>Number of outreach programmes presented.</b>	29	13	4	6	6
<b>Number of interns and Work Integrated Learning students (WILS) hosted.</b>	6	0	2	2	2
<b>Number of Visitor to the museums/ sites.</b>	200 000	50 000	50 000	50 000	50 000
<b>Number of visitors to Iziko websites.</b>	200 000	25 000	45 000	55 000	75 000
<b>Number of marketing campaigns.</b>	4	1	1	1	1
<b>Number of commemorative days promoted per annum.</b>	15	3	8	2	2

## 6. Explanation of planned performance over the medium-term period

### 6.1 Finance

Financial enablers key to effective governance consist of transparent policies, commitment, vision and leadership abilities to co-ordinate innovative activities and processes. The use of evidence in policy-making; in particular the governance of how evidence is collected, applied and integrated into decision-making, is a key element of an effective policy framework. It is crucial to ensure steadfast leadership with strategic vision, which translates into strategic plans or programme delivery. Iziko must invest in a value driven, result-oriented and community-centred culture of leadership at the senior level management. Co-ordination of activities and processes are essential for greater coherence of delivery and service to strengthen the institutional and financial capacities of the organisation. Innovation is about introducing and implementing new ideas and reinforcing the strategic agility and forward-looking nature of the entity while utilising technology to propel the entity forward.

## 6.2 Human Resources

The position Workplace Relations Manager included in the re-aligned structure will be filled in the reporting period. One of the responsibilities will be to facilitate an improvement in the organisational culture by implementing programmes and interventions to develop sound employment relationships.

Staff development will focus on gender-based violence, identity and culture, life skills and job specific training such as customer care.

As a strategic partner to line management, the Human Resources Department will facilitate change management.

## 6.3 Facilities management

Iziko is responsible for the conservation and maintenance of the following nine buildings it occupies:

- Bertram House and Bertram House Annexe, (early 19th century)
- Bo-Kaap Museum (early 19th century)
- Koopmans-de Wet House (18th century)
- National Mutual Building (20th century) housing the Social History Centre
- Old Town House (18th century) housing the Michaelis Collection
- Rust en Vreugd Museum (late 18th century) and Rust en Vreugd Annexe
- Slave Lodge (foundation was laid in 1679, but sections were added in 17th and 18th centuries)
- SA Museum (late 19th century) and Planetarium (20th century)
- SA National Gallery (20th century) and SA National Gallery Annexe

Iziko is not responsible for the conservation and maintenance of buildings where the following museums are housed:

- Groot Constantia complex
- William Fehr Collection at the Castle of Good Hope, and
- Maritime Centre in the V&A Waterfront (the Maritime Centre will be closing at the end of 31 March 2021).

No major repair and renovation projects have been funded by the custodian department (DPWI) since 2005 so our buildings are in a poor state. Through the initiative and funding of the Department of Arts and Culture, an Architect was appointed to develop a five-year Conservation and Maintenance Plan, including an Existing Building Condition Report (EBCR), As-built plans and a Conservation Management Plan for each of the nine sites. This has given Iziko a framework within which to source funding as the estimated cost of each project is included in the documentation. The application process to implement projects for heritage buildings as permits required to implement repair takes longer due to our museum occupying old buildings. The appointment of a Property Manager, a position introduced in the re-aligned structure, will greatly assist with this mammoth task which Iziko has taken on without additional resources having been allocated.

Annual conservation and maintenance plans will be developed, based on the priorities set by the Architects and the funding allocated by the DSAC for major repairs and renovation, to facilitate the conservation and maintenance of buildings. Plan to improve access to buildings in the care of Iziko will be developed in consultation with persons with disabilities.

The performance will ensure that Iziko provides accessible, well-maintained and safe spaces for visitors to view our collections being showcased, and attend events that are held in the buildings occupied by Iziko.

## **6.4 Research and Exhibitions**

Iziko has rich and extensive collections, expanded research infrastructure which includes the Social History Centre and the soon to be completed Courtyard project combined with expert staff which includes 3 NRF rated scientists and a host of established and emerging curators. All of this enables us to provide a productive context for achieving the envisaged research outputs in the next five years. A refined and strategic research agenda must, however, continue to be proactively developed.

In addition, it is essential that research partnerships are cultivated and research grants secured to ensure adequate resources and capacity are in place to enable and optimise research activities.

Iziko's programme of exhibitions will require a strategic and innovative approach specifically in terms of exhibition and information design, curatorial methodology, and increased advocacy and involvement of communities in the development of our exhibitions and exhibition spaces. The proactive and strategic development of project and funding partnerships is essential to the delivery of high quality and relevant exhibition programme and successful public engagement.

Iziko's exhibition infrastructure, including elements such as lighting, display infrastructure, way-finding and signage and spatial/ narrative flow will also require specific attention and the allocation of resources to ensure they are upgraded and standards improved to meet visitor expectations. Iziko has to strive to increasingly make appropriate use of contemporary and interactive technologies to enhance visitor experiences and make our knowledge resources more accessible in both the physical and virtual space.

## **6.5 Collections and Digitisation**

Given the size of Iziko's collections it is necessary to have the software and hardware to run an efficient Collections Management Database for all of the collections. With rapid technological changes it is also necessary that staff be trained to keep abreast of developments and to ensure that documentation and digitisation of collections is in line with international museum standards. The Coronavirus pandemic and subsequent lockdown demonstrated the importance of developing a strong digital bank for the Iziko collections that can be accessed for purposes of virtual exhibitions as well as for research and educational purposes. There is opportunity for partnership with universities

and other institutions at a local, national and international level to develop digitisation projects for creating high resolution images of aspects of the collections. We will need to be proactive in developing such partnerships.

The preservation and conservation of the collections is one of the core roles of the Collections and Digitisation department and our challenge is to ensure that we have staff with the necessary skills and knowledge to monitor, preserve and conserve the collections. Given that conservation skills are scarce in South Africa, it is also important that Iziko continues to provide training for its staff as well as for other museums in the region.

## **6.6. Education**

The education department is continuously able to grow and expand the reach of its outreach programmes through the use of a mobile museum. The mobile museum is a bus that carries museum artefacts and educational materials to communities who are unable to visit the museum. In order to give greater exposure to local South Africans of cultural heritage issues, the Iziko celebrate 15 commemorative days as a nexus of reflection and memory. The public programmes section is responsible for arranging events on these days. The education section presents daily educational programmes to school learners through art, natural history and social history education which enhance an understanding of history, natural and cultural heritage education at 11 Iziko Museum heritage sites. These programmes run concurrently with the school curriculum. In order to inspire young people to the role of science in society, we have one of the most advanced Planetarium and Digital Domes in the world. Additionally, the Education Department has collaborative programmes with other institutions to carry out the mandate of Iziko Museum and the Department of Sport, Arts and Culture.

## **6.7 Advancement**

The congruencies between the organisation's mandate and vision; national imperatives as well as the contemporary societal context within which museums are finding themselves are enabling (internal and external) factors for Iziko. Thus, to grow new audiences, a strategic approach to develop product (i.e. our museum, exhibitions and public programmes) is required to meet the needs and expectations of the publics. Adequate investment and resourcing to strengthen the unit will enable effective delivery in the medium to long term.

## **7. Rationale for planned performance in relation to outputs within budget programmes**

### **7.1 Finance**

A financially sustainable institution needs a framework in which to consider future financial challenges through agreed upon principles, strategies and process. The implementation of such a framework will guide the organisation in making decisions necessary to plan for financial sustainability, while maintaining a level of adaptability, in order to help achieve the strategic plan's vision.

Sound governance at Iziko must be reflected in policies and procedures which ensure efficient operations enhance stability and facilitate consistency in decision-making and operational procedures.

Numerous financial challenges and pressures can threaten the financial sustainability of any institution. For Iziko these issues include, but are not limited to expenditure pressures, new growth, inflation, securing sustainable revenues and funding sources, and pressure to keep entrance fees affordable.

Compliance with legislation and accounting standards ensures relevant, reliable and audited financial statements, which are a key aspect of good governance and accountability. Legislative auditing has a well-established identity and both internal and external auditors provide assurance to the public on the fair presentation of the financial state of affairs of institutions and therefore achieving unqualified audits enhances financial accountability

### **7.2 Information and Communication Technology**

Iziko recognises the need to respond to communities by investing in ICT by closing the digital gap and using the investment to increase productivity and become more competitive, which is critical to growth. Such ICT investment must be prioritised more effectively and focus on creating the right conditions for investment. The information and communication technology (ICT) revolution is radically affecting the way information is shared and distributed besides improving productivity and enhancing innovation and competitiveness. This means improvements to ICT infrastructure and improved ICT skills.

## 8. Contribution of outputs to the achievement of the outcomes

### 8.1 Finance

Action plans, including post audit action plans developed based on internal and external audit findings are essential to addressing internal control deficiencies and increase the probability of obtaining unqualified audit reports without findings.

An Integrated financial sustainability plan provides a big picture, holistic strategy designed to address the challenges of sustainability and to plan for a desirable and sustainable future. The use of evidence in policy-making; in particular the governance of how evidence is collected, applied and integrated into decision-making, is a key element of an effective policy framework. Innovation is about introducing and implementing new ideas by reinforcing the strategic agility and forward-looking nature of the entity and utilising technology to propel the entity forward.

Key to effective governance include quality measures and tools such as transparent policies; commitment, vision and leadership; co-ordination of activities and processes and innovation. It is crucial to ensure committed leadership with strategic vision, which translates into in strategic plans or programme delivery. Iziko must invest in a value driven, result-oriented and community-centred culture of leadership at the senior level management. Co-ordination of activities and processes are essential to greater coherence of delivery and service to strengthen the institutional and financial capacities of the organisation.

## 8.2 Programme Resource Considerations

Table 6: Budget Allocation for programme and sub-programme as per the Estimates of National Expenditure (ENE)

Rand thousand	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
<u>Objective/Activity</u>	<u>Audited Outcome</u>	<u>Audited Outcome</u>	<u>Audited Outcome</u>	<u>Budget estimate</u>	<u>Budget estimate</u>	<u>Revised budget estimate</u>	<u>Planning Budget Estimate</u>
Administration	97 219	77 755	131 932	89 699	94 737	90 338	93 790
Collections	10 713	27 285	27 767	47 141	48 045	39 080	40 533
Public Engagement	1 110	12 437	13 735	16 601	17 531	19 836	20 647
<b>Total</b>	<b>109 043</b>	<b>117 477</b>	<b>173 434</b>	<b>153 441</b>	<b>160 313</b>	<b>149 254</b>	<b>154 970</b>
<b>Current payments</b>	<b>103 450</b>	<b>117 477</b>	<b>115 787</b>	<b>153 441</b>	<b>160 313</b>	<b>142 600</b>	<b>148 069</b>
Compensation of employees	<b>61 096</b>	<b>65 162</b>	66 029	92 684	97 890	82 106	85 160
Salaries and wages	50 153	54 820	55 374	78 586	83 002	69 509	72 094
Social contributions	10 943	10 342	10 655	14 099	14 888	12 597	13 066
Goods and services	32 685	38 912	36 354	54 070	55 361	53 050	55 189
Advertising	-	330	212	236	249	249	258
Audit costs	-	2 610	2 901	2 451	2 588	2 754	2 857
Bank charges	-	262	217	242	255	281	291
Board costs	-	723	634	795	840	642	666
Communication	794	1 026	1 088	1 212	1 280	1 279	1 327
Computer services	1 357	1 537	1 730	1 927	2 035	2 034	2 109
Consultants	3 215	1 044	588	655	692	691	717
Entertainment	-	85	-	-	-	-	-
Lease Payments	1 573	1 173	1 688	1 881	1 986	1 984	2 058
Legal fees	-	816	720	802	847	846	878
Repairs and maintenance	1 877	557	65	72	76	76	79
Research and development	2 083	2 252	1 888	3 272	3 455	3 453	3 581
Training and staff development	325	589	624	695	734	733	760
Travel and subsistence	1 304	499	635	707	747	746	774
Other unclassified expenditure	20 158	25 409	23 364	39 121	39 576	37 280	38 833
Depreciation	2 905	6 687	6 687	6 687	7 061	7 444	7 721
Interest	6 764	6 716	6 717	-	-	-	-
Social benefits	5 592	-	5 681	-	-	6 654	6 901
<b>Total Expenditure</b>	<b>109 043</b>	<b>117 477</b>	<b>173 434</b>	<b>153 441</b>	<b>160 313</b>	<b>149 254</b>	<b>154 970</b>



## 9. Resource contribution towards achievement of outputs

The allocation of resources towards the achievement of outputs requires assigning and managing assets in a manner that supports the outputs to be achieved. The resource allocation includes managing assets and human capital. Resources are allocated across programmes based on inputs from programme managers who assess the resources required to deliver on projects and programmes, after consultation with all stakeholders. Final allocations are coordinated and made after competing needs are balanced and prioritised to determine the most effective course of action in order to maximise the effective use of limited resources.

## 10. Updated Key Risks

Table 7: Key risks linked to strategic outcomes and mitigating factors.

Outcome	Key risk	Risk mitigation
<b>Sound Governance and Compliance.</b>	Funding availability and donor fatigue.	Increasing own income generation, building partnerships with donors.
	Increasing operating costs.	Ensuring sound financial management practices and cost control.
	Overdependence on subsidy.	Create new sources and generate own income
	Adverse economic environment.	Achieve financial sustainability.
	Shortage of people with relevant or required skills.	Training staff, filling of vacant positions.
	Workplace relations issues impacting on productivity.	Prioritising and filling of vacant positions, improvement of organisational culture.
	Managing technologies.	Training of staff to increase ICT skills, filling of vacant positions.
	Crime (impact on visitor numbers and security of collections).	Improve security measures in collections, ensuring adequate security in surrounds are in place.
	Loss of income due to closure of museums and decreased visitor numbers due to COVID-19 lockdown.	Invest in technology and increase online offerings.
<b>Improved infrastructure to enhance visitor experience.</b>	Lack of capacity to manage major repair and renovation projects.	Property Manager position introduced in the re-aligned structure to be filled in the reporting period.
	Decrease in service levels and inability to complete projects due to loss of income, closure of museums sites and working from home due to COVID-19 lockdown.	Review and evaluate remote work policies and capabilities including remote IT connections. Test the resilience and cyber risks of the enhanced IT infrastructure. Secure newly implemented or scaled remote working practices and ensure the continuity of critical functions.

<b>Nation Building through growth and development of collections.</b>	Limited resources (personnel, financial and material).	Entering into partnerships with institutions pursuing similar objectives, development of detailed budgets and effective project management.
	Decrease in service levels and inability to complete projects due to loss of income, closure of museums sites and working from home due to COVID-19 lockdown.	Review and evaluate remote work policies and capabilities including remote IT connections. Test the resilience and cyber risks of the enhanced IT infrastructure. Secure newly implemented or scaled remote working practices and ensure the continuity of critical functions.
<b>Knowledge generation through research to contribute to educated, informed and empowered community.</b>	Limited resources (Personnel, financial and material).	Establishing partnership relationships with advertising agencies and schools.
	Highly regulated procurement process which impact on agile response to opportunity.	Training of staff and automation of systems.
	Decrease in service levels and inability to complete projects due to loss of income, closure of museums sites and working from home due to COVID-19 lockdown.	Review and evaluate remote work policies and capabilities including remote IT connections Test the resilience and cyber risks of the enhanced IT infrastructure Secure newly implemented or scaled remote working practices and ensure the continuity of critical functions.
<b>Creation of awareness and promotion of access to history, heritage and culture.</b>	High costs of data.	Providing public access Wi-Fi in museum spaces if funding becomes available.
	Competition within the cultural/heritage/attractions industry new entrants on the market (within the arts arena – private art galleries e.g.: Norval/ Zeitz).	Implementing new marketing and communication initiatives to increase visitors to Iziko Museums.
	The impact of COVID-19 on access to history and heritage resources.	More virtual activities to retain the visibility of the Iziko Museums in the public domain.

## 11. Public Entities

Iziko Museums of South Africa is a public entity of the Department of Sport, Arts and Culture. No other public entity reports to Iziko.

## 12. Infrastructure Projects

Table 8: Iziko Museums of South Africa Infrastructure projects names, description, dates and estimate cost. Expenditure of these projects has not been incurred yet.

No.	Project name	Programme	Project description	Outputs	Project start date	Project completion date	Total Estimate Cost	Current year Expenditure
	Repair and maintenance of buildings managed by Iziko	Programme 1.	To prepare the external surfaces and paint the exterior of the following five buildings: Iziko Bo-Kaap Museum Iziko Old Townhouse Iziko South African National Gallery Iziko South African Museum Iziko Rust en Vreugd	Painting of buildings.	April 2021.	31 December 2021	R1, 509,248.	Repair and maintenance buildings managed by Iziko
	Major repair and renovation of Old Town House.	Programme 1.	Repair and renovation of the interior and exterior of the Iziko Old Town House, including upgrade of electrical supply subject to HWC issuing permit.	Repair and maintenance of building.	April 2021	31 December 2022.	R 4, 395, 216.	Not Applicable.

### 13. Public Private Partnerships

Iziko Museums of South Africa is a public entity of the Department of Sport, Arts and Culture. It does not have any affiliated Public Entities.

#### Part D: Technical Indicator Descriptions (TID).

Indicator Title	Definition	Source of data	Method of Calculation / Assessment	Assumptions	Disaggregation of Beneficiaries (where applicable)	Spatial Transformation (where applicable)	Reporting Cycle	Desired Performance	Indicator Responsibility
Compliance with legislation and accounting standards by obtaining unqualified audit reports.	Audit opinion of the Auditor- General of South Africa indicates an unqualified audit opinion as they relate to the Annual Financial Statements.	Audit report of the Auditor-General of South Africa.	Audit report.	Iziko continues to operate as a going-concern.			Annual.	Sound Governance and Compliance.	Chief Financial Officer (CFO).
Long term financial sustainability plan aimed at increasing percentage of own income annually by 0.5%.	Own income generated refers to all income, excluding income from donors for special projects, income from the DSAC subsidy allocation and any conditional grants from DSAC.	Statement of Financial Performance and accounting records.	Count.	Current resources remain in Iziko's control Legislative framework enables planned initiatives.			Annual.	Increase own income as a percentage of total income by 0.5% from the previous year.	CFO.

Indicator Title	Definition	Source of data	Method of Calculation / Assessment	Assumptions	Disaggregation of Beneficiaries (where applicable)	Spatial Transformation (where applicable)	Reporting Cycle	Desired Performance	Indicator Responsibility
Number of policies developed or reviewed.	Formulation of new policies and review of existing policies to improve museum functions.	Approved policies.	Approved new and revised policies in existence.	Legislative framework enables planned initiatives.			Annual.	Sound Governance and Compliance.	EXCO
Increase in number of funded projects in terms of the income/ revenue stream strategy	Funded projects refer to special projects funded by donors, excluding income from the DSAC subsidy allocation and any conditional grants from DSAC.	Statement of Financial Performance and accounting records.	Count.	Current resources remain in Iziko's control Legislative framework enables planned initiatives.			Annual.	Increase in number of funded projects.	Director Advancement.

Indicator Title	Definition	Source of data	Method of Calculation / Assessment	Assumptions	Disaggregation of Beneficiaries (where applicable)	Spatial Transformation (where applicable)	Reporting Cycle	Desired Performance	Indicator Responsibility
Number of training opportunities offered.	Number of staff members trained in terms of the Annual Learning and Development Programmes for staff developed with input from senior managers as well as staff and based on priorities and available budget.	Records such as attendance registers and invoices and certificates of attendance issued for external virtual training.	Count.	Employees will be employed for the full reporting period.			Annual, progress monitored when reporting quarterly.	All training included in the annual Learning and Development Programme completed in the reporting period.	Director Human Resources.

Indicator Title	Definition	Source of data	Method of Calculation / Assessment	Assumptions	Disaggregation of Beneficiaries (where applicable)	Spatial Transformation (where applicable)	Reporting Cycle	Desired Performance	Indicator Responsibility
Number of repair and renovation projects implemented in terms of the Annual Repair and Maintenance plans.	Annual repair and maintenance projects planned in terms of annual maintenance plan based on priorities listed in the five-year Conservation and Maintenance plan as well as available funding.	Annual Repair and Maintenance Plan.	Count.	DSAC will annually allocate funding for repair and renovation projects.			Annual, progress monitored when reporting quarterly milestones identified in project plan.	All projects listed in the Annual Repair and Maintenance Plan completed during the reporting period.	Director Support Services.



Indicator Title	Definition	Source of data	Method of Calculation/ Assessment	Assumptions	Disaggregation of Beneficiaries (where applicable)	Spatial Transformation (where applicable)	Reporting Cycle	Desired Performance	Indicator Responsibility
Number of new records entered on collections databases for Art and Social History Collections.	Number of collection object records entered on collections databases for Art and Social History. Each record constitutes the information about an accessioned (numbered) item (or series of items) in a collection. Number of digital images with linked metadata added to the collections database.	Information is derived from the Art and Social History collections databases at Iziko.	(Number of records at end of the financial year) - (Number of records at beginning of the financial year).	Iziko continues to have the IT hardware and software resources to enable ongoing digitisation of the collections.			Output; Total; Count; Annual; Old.	The aim is to digitise all accessioned items in the Iziko collections.	Director Collections and Digitisation.

Indicator Title	Definition	Source of data	Method of Calculation/ Assessment	Assumptions	Disaggregation of Beneficiaries (where applicable)	Spatial Transformation (where applicable)	Reporting Cycle	Desired Performance	Indicator Responsibility
Number of new records/catalogue numbers entered on Specify database.	Number of collection specimen records entered on collections databases for Natural History collections. Each record constitutes the information about a catalogued (numbered) item (or series of items) in an Iziko collection. Number of digital images with linked metadata added to the collections database.	Information is derived from the Natural History collections database at Iziko.	(Number of records at end of the financial year) - (Number of records at beginning of the financial year).	Iziko continues to have the IT hardware and software resources to enable ongoing digitisation of the collections as well as to enable natural history researchers to embark on field trips, and specimens will be donated.			Output; Total; Count; Annual; Old.	The aim is to digitise all catalogued or accessioned items in the Iziko collections and to build natural science collections that adequately represent South Africa's biodiversity through time.	Director Collections and Digitisation and Director Research and Exhibitions.

Indicator Title	Definition	Source of data	Method of Calculation/ Assessment	Assumptions	Disaggregation of Beneficiaries (where applicable)	Spatial Transformation (where applicable)	Reporting Cycle	Desired Performance	Indicator Responsibility
Number of new acquisitions for Art and Social History collections.	Artefacts acquired through research activities, donation and purchase based on careful motivation to fill collections gaps and add to thematic content of museums.	Collections motivation forms/ acquisitions approved at Core Functions.	Count.	Iziko will have a budget for the acquisition of art and social history collections, and objects and artworks will be donated.			Input; Count; Annual; Old.	To create a collection that is increasingly representative of all South Africans, according to available resources.	Director Research and Exhibitions and Director Collections and Digitisation.

Indicator Title	Definition	Source of data	Method of Calculation/ Assessment	Assumptions	Disaggregation of Beneficiaries (where applicable)	Spatial Transformation (where applicable)	Reporting Cycle	Desired Performance	Indicator Responsibility
Number of peer reviewed publications (including articles or chapters) published.	Number of papers, books, and/or book chapters by Iziko staff and associates appearing in journals, or in scientific book form, where the publication is selected on the basis of a peer- review process. i.e. where it is reviewed and published with the intention of contributing to further knowledge generation by subject specialists.	Record of scientific publications generated is collated on a spread-sheet. The date of publication (either online or in print) is then used to determine the date of publication at which point it is counted for reporting purposes.	Count.	Iziko will have sufficient resources to sustain its research outputs and ensure that the quality of our publications merit peer-review status.			Output; Count; Annual; Old.	Curators publishing in the region of at least 2 peer-reviewed publications per year have a greater chance of raising research funding through the NRF and other funding agencies.	Director Research and Exhibitions.

Indicator Title	Definition	Source of data	Method of Calculation/ Assessment	Assumptions	Disaggregation of Beneficiaries (where applicable)	Spatial Transformation (where applicable)	Reporting Cycle	Desired Performance	Indicator Responsibility
Number of other (popular) publications published.	Other publications produced that have involved research. These can include non-peer-reviewed books, catalogues, brochures, museum guides, etc. These are publications are meant to make research and knowledge generated through research, accessible to a broader general public.	A record of popular publications generated is collated on a spread-sheet. The date of publication (either online or in print) is then used to determine the date of publication at which point it is counted for reporting purposes.	Count.	Iziko researchers will produce publications that are relevant and suitable for popular publication; and that Iziko will be able to secure suitable platforms for these publications to reach a broad audience.	Certain publications may specifically target women and youth as an audience and focus on issues that are specifically relevant to these groups.		Output; Count; Annual; Old.	Popular publications have a particular significance in terms of making research accessible to a broader public in support of lifelong learning and educational benefits for diverse audiences.	Director Research and Exhibitions.

Indicator Title	Definition	Source of data	Method of Calculation/ Assessment	Assumptions	Disaggregation of Beneficiaries (where applicable)	Spatial Transformation (where applicable)	Reporting Cycle	Desired Performance	Indicator Responsibility
Number of new exhibitions.	Number of new exhibitions presented to the public at Iziko's sites/museums. This includes temporary, online and permanent exhibitions.	Exhibitions schedule and proposals.	Count.	Iziko will have adequate capacity and resources to produce high quality temporary, online and permanent exhibitions.	Iziko will produce specific exhibitions that are intended to be relevant to youth and women and that cater for people with disabilities.		Output; Cumulative; Quarterly; Old.	Enrich the visitor experience through innovative exhibitions that inspire and inform. Proactively revise, reimagine and decolonise existing, outdated exhibits that reflect the bias of pre-democracy mind-set.	Director Research and Exhibitions.

Indicator Title	Definition	Source of data	Method of Calculation/ Assessment	Assumptions	Disaggregation of Beneficiaries (where applicable)	Spatial Transformation (where applicable)	Reporting Cycle	Desired Performance	Indicator Responsibility
Number of special museum education programmes presented.	Four special education programmes presented per quarter, one programme per focus learning-area. There are 4 focus learning-areas, i.e. Art; Planetarium; Social History and Natural History. Total: 16 per annum.	Any three items of: worksheet, photographs, attendance registers, booking forms, e-news, social media, website, information booklets, exhibition programmes, posters, banners, communication with partner/s, newspapers.	Count.	That there will be interest in Iziko's offerings; and that basic demand and requests will be received from educational institutions and parties interested in arts, planetariums, social and natural history.	The education department offers several programmes which includes people living with disabilities.		Output; Count; Quarterly, Old.	Learners gaining and learning information in a more interactive way.	Director Education.

Indicator Title	Definition	Source of data	Method of Calculation/ Assessment	Assumptions	Disaggregation of Beneficiaries (where applicable)	Spatial Transformation (where applicable)	Reporting Cycle	Desired Performance	Indicator Responsibility
Number of public programmes presented	These programmes could be aligned, but are not limited to both the institutional and national vision of celebrating and commemorating historic events relating to our national holidays, while raising awareness regarding our history and heritage.	Events programmes and a combination of three of the following: internal emails; external emails; Facebook; Twitter; e-news; posters; exhibitions ; attendance registers; website.	Count.	Assuming that there will be sustained interest in the quality of our programming and that the entity will be adequately resourced to implement the project.	Special emphasis is placed on women and youth on public programmes such as Youth Day and Women's Day. Young people and women also actively participate and give input on all public programmes hosted by the museum.		Output; Cumulative; Quarterly; Old.	The indicator helps monitor and standardise the public programmes offerings to the public. Its alignment with the national vision and commemorative days helps broaden the scope and vision, and adds to social cohesion.	Director Education.



Indicator Title	Definition	Source of data	Method of Calculation/ Assessment	Assumptions	Disaggregation of Beneficiaries (where applicable)	Spatial Transformation (where applicable)	Reporting Cycle	Desired Performance	Indicator Responsibility
Number of outreach programmes presented.	Outreach is mainly organised under the Iziko outreach programme (Mobile Museum) and aimed at taking the museum to the people/ Communities.	Outreach schedule, venues visited and a combination of two of the following: photographs, correspondence, attendance registers; e-news; Facebook; website.	Count.	Assuming that the mobile bus will be fully functional and that Iziko will be adequately resourced to run it.			Output; Cumulative; Quarterly; Old.	Building new audiences; taking the museum to the people and the increase in the number of activities/ programmes may indicate the interest of the public in heritage and museums.	Director Education.

Indicator Title	Definition	Source of data	Method of Calculation/ Assessment	Assumptions	Disaggregation of Beneficiaries (where applicable)	Spatial Transformation (where applicable)	Reporting Cycle	Desired Performance	Indicator Responsibility
Number of interns and Work Integrated Learning students (WILS) hosted.	Internships and Work Integrated Learning Students.	List of names of interns, attendance registers and records and correspondence.	Count.	Assuming that there will be sustained interest in the quality of our programs and that the entity will be adequately resourced to accommodate students.	Special emphasis is placed on youth and women.		Output; Cumulative; Quarterly; Old.	To provide experiential learning and assist with skills development in the heritage sector and contributes to employment creation.	Director Education.

Indicator Title	Definition	Source of data	Method of Calculation/ Assessment	Assumptions	Disaggregation of Beneficiaries (where applicable)	Spatial Transformation (where applicable)	Reporting Cycle	Desired Performance	Indicator Responsibility
Number of visitors to the museums/ sites.	Number of visitors from all communities accessing Iziko's museum resources. The term visitor this does not refer to individuals but counts “feet through the door”. Repeat visits are therefore included in the calculation of number of visitors. The total number of visitors reported includes all categories of visitors (excluding outreach).	Visitor statistics are collated monthly and reported quarterly on an Excel spread sheet.	Point of Sale (PoS) data, venue hire and visitor numbers.	Socio-economic conditions will enable visitors to access Iziko’s spaces and that Iziko will continue to source transport for communities.			Output; Cumulative for the year; Quarterly; Old.	Increase in the number of diverse audiences visiting and participating in Iziko programmes, visiting the Iziko website and following Iziko on Social media that indicates the public interest in Iziko’s offering as well as the quality and relevance of exhibitions and programmes.	Director Advancement.

Indicator Title	Definition	Source of data	Method of Calculation/ Assessment	Assumptions	Disaggregation of Beneficiaries (where applicable)	Spatial Transformation (where applicable)	Reporting Cycle	Desired Performance	Indicator Responsibility
Number of visitors to Iziko websites.	Number of visitors to Iziko website as recorded using the Google Analytics tool. Repeat visits are included in the calculation of number of website visitors. Visits by specific individuals or IP are referred to as unique visits.	Website visitors are collated using Google Analytics.	Google Analytics reports.	Adequate ICT functions and visitor engagement.			Output; Cumulative for the year; Quarterly; Old.	Increase in the number of diverse audiences visiting and participating in Iziko programmes, visiting the Iziko website and following Iziko on social media.	Director Advancement.

Indicator Title	Definition	Source of data	Method of Calculation/ Assessment	Assumptions	Disaggregation of Beneficiaries (where applicable)	Spatial Transformation (where applicable)	Reporting Cycle	Desired Performance	Indicator Responsibility
Number of marketing campaigns.	Marketing campaigns for the Celebrate Summer; International Museum Day Winter/ Holiday; Heritage Month; and Planetarium programmes.	Marketing material, pamphlets, audio and video footage, where applicable.	Count.	Assuming the entity will be adequately resourced to implement the project.			Output; Cumulative Quarterly; Old.	Diversify audiences visiting and participating in Iziko programmes and visiting the Iziko spaces.	Director Advancement.

Indicator Title	Definition	Source of data	Method of Calculation/ Assessment	Assumptions	Disaggregation of Beneficiaries (where applicable)	Spatial Transformation (where applicable)	Reporting Cycle	Desired Performance	Indicator Responsibility
Number of commemorative days promoted per annum.	Number of Commemorative days promoted. (i.e. Human Rights Day, Freedom Day, International Museum Day, Africa Day, Youth Day, National Women's Day, Heritage Week (7 days), Emancipation Day, and Reconciliation Day). Visitor numbers on free commemorative days extracted from the Excel spreadsheet.	Marketing material, pamphlets, audio and video footage, where applicable.	Count	Pandemic and Socio-economic conditions and subsequent behaviours will facilitate visitors to access Iziko's			Quarterly	Increase in the number of diverse audiences visiting and Iziko museums physically and virtually.	Director Advancement.

## Part E: Annexures

This being a new Annual Performance Plan for the 2020 to 2021 period, there are no amendments to it.

### Annexure A: Acronyms and Abbreviations

AAM	American Alliance of Museums	ISL	Iziko Slave Lodge
AAB	Approved Annual Budget	Iziko	Iziko Museums of South Africa
AFS	Audited Financial Statements	MAP	Meaningful Access Project
ASP	Approved Strategic Plan	M&E	Monitoring and Evaluation
AU	African Union	MTSF	Medium-term Strategic Framework
BCEA	Basic Conditions of Employment Act	NDP	National Development Plan - Vision 2030
BRICS	Brazil, Russia, India, China and South Africa	NLC	National Lotteries Commission
CATHSSETA	Culture, Art, Tourism, Hospitality and Sport Sector Education and Training Authority	NRF	National Research Foundation
CCMA	Commission for Conciliation, Mediation and Arbitration	Norval	Norval Foundation - Art Museum
CEO	Chief Executive Officer	OD	Organisational Development
CFO	Chief Financial Officer	PoS	Point of Sale
CPUT	Cape Peninsula University of Technology	SCM	Supply Chain Management
DAC	Department of Arts and Culture	SKA	Skills Development Act, 1998 (Act No. 97 of 1998)
DSAC	Department of Sport, Arts and Culture	UAMP	User Asset Management Plan
DST	Department of Science and Technology	UCT	University of Cape Town
EBCR	Existing Building Condition Report	UNESCO	United Nations Educational, Scientific and Cultural Organisation
ENE	Estimates of National Expenditure	UWC	University of the Western Cape
GIAMA	Government Immovable Asset Management Act	WILS	Work Integrated Learning Students
GRAP	Generally Recognised Accounting Practice	Zeitz	Zeitz MOCAA - Museum of Contemporary Art Africa
HR	Human Resources	4IR	Fourth Industrial Revolution
ICT	Information and Communication Technology	i.t.o	in terms of
ISANG	Iziko South African National Gallery	N/A	Not Applicable
ISAM	Iziko South African Museum		
IOTH	Iziko Old Town House housing the Michaelis Collection		

## Annexure B: Materiality and Significance Framework for the 2021/2022 Financial Year

### 1. Definitions and standards

- Audited financial statements: 2019/2020 (AFS)
- Approved annual budget: 2020/2021 (AAB)
- Approved Strategic Plan: 2020-2025 (ASP)
- Event: An activity that has the elements of income and expenditure
- Trading venture: An activity that has the elements of buying and selling of products and/ or services
- Total income: Total income, excluding the income from events and trading ventures
- Total expenditure: Total expenditure, excluding event and trading venture expenditure

### 2. Applicable sections of the PFMA

- Section 50(1)
- Section 54(2)
- Section 55 (2)Section 66(1)

### 3. Treasury regulation

- 28.1.5

### 4. Framework

4.1 Section 50: Fiduciary duties of Accounting Authority	Value (Quantitative)	Nature of Event (Qualitative)
<p>(1) Accounting authority must-</p> <p>a) on request, disclose to the Executive Authority responsible, all material facts which in any way may influence the decisions or actions of the Executive Authority</p>	<p>(a) Any unbudgeted transaction of which the amount exceeds 1% of the total value of assets per AFS)</p> <p>(b) Any budgeted event where income is a legitimate expectation where the actual income is less than 5% of the total expenditure</p> <p>(c) Any trading venture where income is exceeded by expenditure by more than 0,5% of income</p> <p>d) Total actual income is less than budgeted income by more than 0,5% of budgeted income</p> <p>1. (e) Total actual expenditure is more than budgeted income by more than 0,2% of budgeted expenditure</p>	<p>(a) Any unplanned event that affects the core purpose or mandate of entity per the ASP</p> <p>(b) Any activity that is outside the parameters of each public entity's enabling legislation</p>



4.2 Section 54: Information to be submitted by the Accounting Authority	Value (Quantitative)	Nature of Event (Qualitative)
<p>a.) before a public entity concludes any of the following transactions, the Accounting Authority for the entity must promptly and in writing inform the relevant treasury of the transaction and submit relevant particulars of the transaction to its Executive Authority for approval of the transaction:</p> <p>b.) participation in a significant partnership, trust, unincorporated joint venture or similar arrangement</p> <p>c.) acquisition or disposal of a significant shareholding in a company</p> <p>d.) acquisition or disposal of a significant asset</p> <p>e.) commencement or cessation of a significant business activity</p>	<p>N/A</p> <p>N/A</p> <p>Any transaction of which the amount exceeds 1% of the total value of assets per AFS</p> <p>Any transaction of which the amount exceeds 1% of the total value of assets per AFS</p>	<p>Any unplanned event per the ASP that may affect the core purpose or mandate of the entity</p> <p>Any unplanned event per the ASP that may affect the core purpose or mandate of the entity</p> <p>Any unplanned event per the ASP that may affect the core purpose or mandate of the entity</p> <p>Any unplanned event per the ASP that may affect the core purpose or mandate of the entity</p>

4.3 Section 55: Annual Report and Annual Financial Statements	Value (Quantitative)	Nature of Event (Qualitative)
<p>(3) the annual report and financial statements must:</p> <p>(b) include particulars of:</p> <p>(i) any material losses through criminal conduct and,</p> <p>(ii) any irregular expenditure and fruitless and wasteful expenditure that occurred during the year</p> <p>(iii) any losses recovered or written off</p>	<p>(a) Any loss of which the amount exceeds 1% of the total value of assets per AFS</p> <p>(b) Any loss of a National Estate as defined in section3 of the National Heritage Resources Act, 1999 (Act No. 25 of 1999)</p> <p>All</p> <p>All</p>	<p>Any unplanned loss per the ASP that may affect the core purpose or mandate of the entity</p> <p>All</p> <p>All</p>

<b>4.4 Section 66: Restrictions on Borrowing, Guarantees and Other Commitments</b>	<b>Value (Quantitative)</b>	<b>Nature of Event (Qualitative)</b>
Iziko may not enter into any financial commitment beyond its approved budgets and its accumulated reserves	N/A	N/A

<b>MATERIALITY FRAMEWORK 2020-2023</b>						
<b>Basis</b>	<b>Acceptable</b>	<b>2020 Value</b>	<b>Minimum</b>	<b>Maximum</b>	<b>Iziko</b>	<b>%</b>
	<b>% range</b>		<b>Value</b>	<b>Value</b>	<b>Materiality</b>	
Total assets as per 2020 AFS	1% - 2%	2 686 060 787	26 860 607	53 721 215	26 860 607	1%
Revenue as per 2020 AFS	0,5% - 1%	183 755 953	918 780	1 837 559	918 780	0,5%
Net surplus as per 2020 AFS *	2% - 5%	849 832	16 996	42 491	42 491	5%
Budget: Expenditure 2020/2021	0,1% - 0,5%	144 459 093	144 459	722 295	288 918	0,2%

## **Annexure C: Iziko Museums of South Africa Council Charter**

### **1. PURPOSE OF THE COUNCIL CHARTER**

The purpose of this document is to set out the mission, duties and responsibilities of Council Members of the Iziko Museums of South Africa (Iziko Museums).

### **2. MISSION OF COUNCIL MEMBERS**

The mission of Council Members is to represent the interests of the shareholder (the Government) and by implication the South African public in ensuring a successful business that achieves vision of the Museum.

The Council is ultimately accountable and responsible to the South African Government and Parliament for the performance and affairs of the Museum. The Council must therefore retain full and effective control over the institution and give strategic direction to the management of the Museum. The Council is also responsible for ensuring compliance with all relevant laws, regulations and codes of business practice.

In addition, the Council has a responsibility to the broader stakeholders which include the present and potential beneficiaries of the Museum's products and services, clients, lenders and employees, to achieve continuing prosperity for the Museum as well as professional service delivery.

### **3. FIDUCIARY RESPONSIBILITY**

The individual Council Members of the Museum, both executive and non-executive carry full fiduciary responsibility in terms of the binding Acts under which this institution is managed.

### **4. SELECTION AND COMPOSITION OF THE COUNCIL**

- 4.1. Council Members shall be selected and appointed or removed by the Minister, in accordance with the applicable legislation<sup>6</sup>.
- 4.2. The Council may form committees consisting of Council Members, and such committees may take independent professional advice with the consent of the Chairperson at the Museum' expense as and when necessary. However, it must be noted that the Council is not precluded from the Supply Chain requirements when procuring these services. These committees should report regularly to the Council on their activities. The committee structure, membership and mandates should be reviewed regularly.

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<sup>6</sup> Cultural Institutions Act No.119 of 1998

## **5. COUNCIL LEADERSHIP**

The Chairperson of the Council should not be the CEO or any other employee of Iziko Museums. The role of the Chief Executive Officer and Chairperson should accordingly be separate and the Chairperson should be an Executive Council Member. The Chairperson together with the various chairpersons' of council committees constitutes the Executive Committee of Council.

## **6. ORIENTATION OF NEW COUNCIL MEMBERS**

Council Members have a responsibility to acquaint themselves with their fiduciary duties, and responsibilities, as well as with the issues pertaining to the operations and business environment of the Museum so that they are able to fulfil their duties. To assist them, the Council should establish a formal orientation programme for new Council Members which includes background material, meetings with senior management and visits to the Iziko Museum sites.

Further, briefings on relevant new laws and changing commercial risks should be held periodically or as required.

## **7. CONFLICTS OF INTEREST**

7. 1 A Council Member is disqualified by virtue of his/her office from contracting directly or indirectly with the Museum.
7. 2 Full disclosure of the nature of a Council Member's direct or indirect interest on any matter before the Council is required.
7. 3 A Council Member may not vote on any matter in which they have an interest. Additionally, they should be recused from any meeting when such matters are discussed.
7. 4 A register of declarations of interest should be kept.
7. 5 A Council Member who applies for a management position within the organisation must first resign as a Council Member before doing so. In the event that the application is unsuccessful, such a Council Member may not be re-appointed to the Council.
7. 6 Executive Council Members must distinguish between their role as Council Member and that of the Chief Executive Officer. Should they be unable to reconcile the two roles, they should withdraw from the discussion.
7. 7 The Chairperson may for good reason request the Chief Executive Officer to leave the Council room for any part of the Council meeting. This is especially so during deliberations relating to executive performance or remuneration.
7. 8 A Council Members' Code of Conduct shall be codified and disclosed in the annual report.

## **8. SEGREGATION OF ROLES**

In the execution of its fiduciary obligation the Council will ensure a segregation of roles between itself (strategy and policy) and management (implementation) without abdicating its accountability role as imposed on it by applicable legislation.

## **9. COMMITTEES**

### **9.1 Council Committees**

The Council should appoint the following permanent committees:

- Audit and Risk Committee
- Core Functions, Advancement and Restitution Committee
- Finance, Operations and Human Resources Committee and
- Governance and Ethics Committee.

The purpose of each Committee must be clearly spelt out. Each committee should have at least two Council members part of it with the exception of the Audit Committee that should have at least one Council member. The Council may establish any other such committee as required and should determine the functioning of those committees, and delegate powers to such committees.

### **9.2 Committee members**

The Chairperson is to assign Council Members to various committees subject to any requirements for specific skills and experience.

## **10. EVALUATION**

### **10.1 General**

Council members should evaluate the Council's contribution as a whole and should specifically review areas in which the functioning of the Council could be improved.

### **10.2 Formal evaluation of the Chief Executive Officer**

The Chairperson should annually make a formal evaluation of the Chief Executive Officer. The Chairperson may decide to involve the Executive Committee of Council in this evaluation. The evaluation should be based on objective criteria including performance of the business, accomplishment of long-term strategic objectives, development of management, etc. For this purpose the Chief Executive Officer should be interviewed.

### **10.3 Formal Evaluation of Council committees**

The Council should evaluate the performance and effectiveness of the Council Committees on an annual basis, to determine areas in which the functioning of the committees require improvement.

## **11. COUNCIL RELATIONSHIP TO STAFF AND EXTERNAL ADVISORS**

### **11. 1 Attendance of non-Council Members at Council meetings**

The Chairperson may permit members of the Museum staff through the Chief Executive Officer and outside parties to attend all or part of Council meetings at specific or regular times. The purpose for such attendance is to provide the Council with expert insights to their deliberations or as capacity building for potential Council Members. The Museum Chief Executive Officer should propose such attendance and should consult the Chairperson of Council before reaching a decision.

### **11. 2 Council access to senior staff and the books and records**

Council Members in consultation and permission of the Chairperson may consult the Museum's senior Managers, through the Chief Executive Officer, regarding information about the operations of the organisation, records, documents and property, which they may require to make competent decisions on behalf of Council. Such contact should not be distracting to the business operation of the Institution and be in writing, sent to the office of the Chief Executive Officer and the Chairperson of the Council. Council members shall refrain from contacting staff directly, without the approval of the Chairperson and CEO.

### **11. 3 Council access to external experts**

Council members may collectively or individually consult external professional advisors with the permission of the Chairperson on any matter of concern to the Museum after having advised the Museum Chief Executive Officer and Chairperson as appropriate. The Museum shall be obliged to bear the costs of these consultation services provided the museum's procurement procedures are adhered to.

## **12. SUCCESSION AND EMERGENCY PLANNING**

The Chairperson should determine in consultation with the Museum Chief Executive Officer, a succession plan for the Museum Chief Executive Officer and one for executive management. Similarly, acting arrangements for when the Museum Chief Executive Officer is away or indisposed should be pre-planned. Should the Museum Chief Executive Officer be indisposed for an extended period or indefinitely, the Chairperson should consult with the Council on acting arrangements, before an acting Museum Chief Executive Officer is appointed.

## **13. COUNCIL MEETINGS**

13.1 Council meetings shall be held as determined by legislative imperatives, in accordance with applicable legislation specifying the Council's reserved powers.

- 13.2 The Council shall make decisions by a majority of votes which is fifty percent plus one (50% + 1) additional member's vote. An alternative member of a committee of Council has the same voting and decision making powers as the standing member of the committee when the standing member of the committee is unable to attend the meeting.
- 13.3 A record should be kept of the attendance of Council Members at Council meetings. Council members must attend in person or virtually not less than fifty percent of the annual sub-committee and council meetings.
- 13.4 The Chairperson, with the assistance of the Secretariat, shall establish the agenda for each Council meeting and in doing so should consult with other Council Members and the Museum Chief Executive Officer where necessary. The Chairperson should place any item on the agenda that is proposed in writing and motivated by a Council Member.
- 13.5 The Museum Chief Executive Officer shall, with the assistance of the Secretariat, ensure that information and data that is important to the Council's understanding of the business to be distributed in writing before the Council meets. This material should be as brief as possible while still providing the essential information.
- 13.6 Presentations should be sent to the Council Members in advance so that the Council's meeting time can be conserved, and the discussion time focused on questions that the Council has about the material. On those occasions when the subject matter may in the opinion of the Chairperson be too sensitive to record, the presentation will be discussed at the meeting.
- 13.7 Minutes of all Council meetings shall record the proceedings and decisions taken, the details of which shall remain confidential.

#### **14. SECRETARIAL ROLE**

The Council, assisted by the Museum Chief Executive Officer, is responsible for the selection and appointment of the Secretariat. The Council Secretary is responsible for the delivery of secretarial services and adequate Council meeting logistics for the successful running of the Council's business. The Council Secretary shall attend all Council and Council Committee meetings to record the proceedings and decisions.

#### **15. RESERVATION OF POWERS**

Except as reserved for in terms of applicable legislation, the Council has unfettered powers to govern the Organisation. The Council shall adopt a strategic plan for the business. In addition, all material matters reserved for decision by the Minister and the Council, and those powers that have been delegated to management are set out in the museum Delegated Powers document, Delegation of authority document 2018 or as amended and approved thereafter.

#### **16. RISK MANAGEMENT AND INTERNAL CONTROL**

The Council is responsible for determining the policies and processes necessary to ensure the integrity of the internal controls and risk management. Specifically, the Council must ensure that a formal risk assessment is undertaken annually to identify and evaluate key risk areas. The Council must also ensure that it continually reviews and forms its own opinion on the effectiveness of the risk management process.



## **17. MONITORING OF OPERATIONAL PERFORMANCE**

The Council should ensure that procedures are in place for monitoring and evaluating the implementation of its strategies, policies and business plans, as a measure of operational performance and management.

## **18. PUBLIC COMMUNICATIONS**

Public communications on the affairs of the organisation is dealt with by the Chief Executive Officer. The Council may, by exception, decide to communicate directly, in which case only the Chairperson or his/her deputy should make such communication. No Council Member is permitted to make any public statements about the museum in any public forum or in the press. All communications that Council members want to make about the institution has to be sanctioned by the Chairperson.

An individual Council Member however has fiduciary responsibility to a wide range of stakeholders. Where such Council Member is compromised by a serious matter of conscience and feels compelled to make a public communication, he or she should first discuss the matter with the Chairperson and on the Chairperson's advice, with the stakeholder.

## **19. CODE OF ETHICS**

The Council should establish the values of the Organisation in support of its mission, and establish principles and standards of ethical business practice in support of such values. These principles and standards should be communicated to affected stakeholders in codified form, and the Council should assume responsibility and accountability to stakeholders for compliance with these.

## **20. QUORUM**

The Council's quorum will be fifty percent plus one to make decisions on behalf of the Iziko Museums. The meeting will still be deemed quorate should a member join the meeting via a conference/video call for the duration of the meeting.

## **21. REVERSAL OF THE CHARTER (AMENDMENTS)**

The Museum Council may choose to amend the whole Charter or sections of the Charter. This can only be done at a formal meeting of the Iziko Museums Council where the Council Member motivates for the amendment. All Council Members will be expected to vote on accepting or rejecting the change or changes. Any amendments to this Charter will be done by majority vote.

## **22. REMUNERATION OF COUNCIL**

- 22.1. Council members shall be remunerated for their services on the basis as determined by National Treasury Regulations and adopted by the Department of Sport, Arts and Culture and the Iziko Council.
- 22.2. Council members will be paid a preparation fee for meetings as periodically approved by the Chairperson, upon the advice of the CEO.
- 22.3. Council members will be paid an hourly rate for ad hoc work like, reviewing documents and make critical decisions on an urgent consultative basis.
- 22.4. Council members shall keep their expenses, where necessary, reasonable and consistent with the Council's rate of remuneration applicable to Council or any other applicable tariff and any allowances payable for services rendered to or on behalf of Council.
- 22.5. Council members shall furnish acceptable records of their expenses (where necessary).
- 22.6. The remuneration of Council shall be reviewed on an annual basis.
- 22.7. The logistical arrangements around the above will be handled by the Office of the CEO or such delegated official.

## Appendix 1 - Council Code of Conduct

### 1. INTRODUCTION

The Council is accountable for the governance of the Organisation. It is also responsible inter alia, for strategic vision, setting policies and procedures, monitoring operational performance, sustainability and communications.

In order to be able to carry out their duties, the Council Members must:

- know and understand the regulatory environment in which the organisation operates;
- ensure that they have sufficient facts at their disposal to make informed decisions; and
- identify on an ongoing basis the risks in the management of the Organisation and ensure that there are appropriate systems to manage such risks

In addition to exercising due prudence and skill, Council Members must conduct their fiduciary duties loyally and in the best interests of the organisations they serve. These standards form the foundation of this code.

### 2. GOVERNING PRINCIPLES

The following twelve principles, grouped into the two overriding standards of diligence and good faith, govern Council Members' conduct:

#### **Diligence** (duties of care and skill)

- Induction and training
- Regulatory compliance
- Preparation and attendance at meetings
- Access to information and expert advice
- Disciplined, proactive and courageous participation
- Performance evaluation

Council Members should not only act with integrity but they should also ensure that they know their duties and responsibilities. They should exercise a higher level of care than they would exercise when carrying out their own affairs.

The standard of care required is greater than that of a reasonable person; the duty is to observe the utmost good faith and to exercise proper care and diligence in the safe custody, control or governance of the Organisation.

A Council should understand its duties and responsibilities and it should ensure that it acts in accordance with the organisation's rules as well as all applicable legislation and other laws.

The Public Finance Management Act 1973 and equivalent legislation only prescribes minimal criteria for being elected or appointed as a Council Member. Subject to its Articles of Association or rules of establishment, a Council can establish its own guiding principles for such elections and appointments. However it is essential that Council Members should be persons of integrity who are competent to carry out the duties required of a Council.

No person should be appointed as a Council Member who has been found guilty of an offence involving dishonesty or is an un-rehabilitated insolvent.

#### **Good Faith** (fiduciary duties)

##### Honesty and integrity

- Personal transactions
- Payments, gifts, entertainment and travel
- Disclosure of interests
- Confidentiality of information
- Abiding by the law

The Council has a fiduciary responsibility to the organisation and its stakeholders and should protect their interests above the interests of any third party or the personal interests of Council Members individually or collectively.

It is the duty of the Council to protect and serve, impartially and with due care and consideration, the equitable interest of all stakeholders such as employees, suppliers, customers and regulators. Councils are required to ensure competing interests of the active and passive (e.g. the environment) stakeholders are balanced in an equitable and fair manner, and that no individual or group of stakeholders is given preferential treatment over others.

The Council's discretionary powers have to be exercised in terms of its rules, the provisions of the Act and other regulations. In the exercise of its discretionary powers, Councils must act reasonably and fairly. The Council may not do anything, which will fetter its discretion, and may not delegate a fiduciary responsibility to those whom that responsibility is owed. A Council is always accountable for decisions it makes, as well as the actions and decisions made by those to whom the Council has delegated responsibility.

Disclosure is an inherent aspect of this fiduciary duty to act with due care diligence and good faith. The Council is required to disclose adequate and relevant information to institutional stakeholders and beneficiaries in an institution.

### **3. CODE OF CONDUCT**

#### **3.1. Induction and training**

Council Members must be aware of their accountabilities and responsibilities, and must attend training programmes and workshops to assist them in executing their duties. Induction training needs to cover general governance, as well as organisation specific legislation and operations.

As the regulatory environment continually evolves, it is essential that each Council Member learns about the amendments or new laws and regulations that impact on the organisation and future decisions that will be taken by the Council. Formal update sessions must be conducted and attended by all Council Members on a regular (at least annual) basis to discharge this responsibility.

#### **3.2. Regulatory compliance**

Council Members will abide by the law at all times.

The Council Members must also always act within limitations imposed by the Council on its activities.

Council Members' responsibilities and limitations are primarily set out in the Public Finance Management Act or other rules, and Council resolutions.

The Council Members are expected to strictly observe the provisions of the statutes applicable to the use and confidentiality of corporation information.

#### **3.3. Preparation and attendance at meetings**

Council Members need to be aware of the procedures to be followed at Council meetings as provided for in its Charter or other the rules of the organisation. Council members must ensure that they attend not less than fifty percent of their meetings. Virtual attendance is regarded as attendance to the meeting.

Council members are required to prepare for each Council and committee meeting. Sufficient information shall be distributed to them before hand to enable each Council Member to prepare adequately.

Council Members must ensure that they make every effort to attend all Council meetings (virtual attendance is regarded as being present) as scheduled and notified. Where they also serve on Council committees, the same level of commitment applies.

Minutes should be kept reflecting all decisions taken and the basis on which such decisions were made. The minutes must also reflect which members attended each meeting.

Where consensus is not achieved, dissenting views should be recorded in the minutes and, in the case of Council committee meetings, communicated to the Council through the institutions' secretary or Council Chairperson.

#### 3.4. Access to information and expert advice

The Council is entitled and in fact is obliged to obtain expert advice from professionals such as lawyers, actuaries and auditors in matters where its members lack sufficient expertise. Council Members should give the advice due consideration, and make decisions based on the assessment of the advice obtained.

Where the management, administration and investment functions of the Institution are delegated, Council Members remain responsible for the actions of those to whom these functions are delegated. The mandates in terms of which these functions are delegated must clearly set out the delegated responsibilities and the rights of recourse by the Council or the Institution against those to whom these responsibilities are delegated. There must be a process of regular reporting to the Council by those to whom the responsibilities have been delegated. Where investment functions have been delegated, the Council should ensure that there are appropriate benchmarks for performance and that the risk profile matches that of the stakeholders of the Institution, where appropriate.

The Council Members are entitled to have access, at reasonable times, to all relevant business information and to senior management to assist them in the discharge of their duties and responsibilities and to enable them to take informed decisions. A protocol is normally established through the Institution's secretary, Museum Chief Executive Officer or Chairperson of the Council for this purpose.

#### 3.5. Disciplined, proactive and courageous participation

The Council needs to be disciplined in carrying out its role, with the emphasis on strategic issues and policy.

The Council's discussions must be open and constructive. The Chairperson will seek a consensus in the Council but may call for a vote, where considered necessary. Discussions and records of the Council proceedings must remain confidential unless a specific direction from the Council to the contrary has been issued.

The Council has sole authority over its agenda but any Council Member may request that additional items are added to its agenda.

It is incumbent on individual Council Members to exercise complete objectivity and independence especially in situations driven by a dominant or charismatic leader, which may not be in the best, sustainable interests of the organisation.

### 3.6. Performance evaluation

Every Council Member of the Council and its committees needs to strive to improve his or her performance, objectively adjudged by peers. A prerequisite for this is a clear and mutual understanding of the role and responsibilities assumed by each individual, preferably documented as a formal performance contract that runs for a maximum of 3 years.

### 3.7. Honesty and integrity

Council Members must act honestly and with integrity in all their dealings on behalf of the Institution. They should not discriminate on the grounds of race, religion, gender, marital status, or disability.

Council Members may not make promises or commitments that the Institution does not intend, or would be unable to honour. Council Members' conduct, at all times, will be such that their honesty is beyond question.

Council Members shall adhere to the truth, and not mislead directly or indirectly nor make false statements, nor mislead by omission.

### 3.8. Personal transactions

Council Members personal or other business dealings will be kept separate from their dealings as a Council Member of the organisation. Council Members shall not use the name of the organisation or any group Organisation to further any personal or other business transaction.

Council Members agree to use goods, services and facilities provided to them by the Organisation, strictly in accordance with the terms on which they were provided.

### 3.9. Payments, gifts, entertainment, travel and other forms of enrichment

Council Members may not under any circumstances solicit or accept benefits, entertainment or gifts of any kind (including, without limitation, cash preferred pricing, preferred loans, securities, secret commission) or any other direct or indirect benefit, financial or otherwise as an inducement for performing an act or as consideration for failing to act in any manner or in exchange for preferential treatment. In particular, no Council Member may make any secret profit or otherwise enrich himself or herself at the expense of the Institution by virtue of his or her office. Any benefit, direct or indirect and financial or otherwise received by the Council Member by virtue of his or her office, unless it constitutes part of the Council Member's declared remuneration, shall be passed on to the Institution.

Hence Council and committee members should treat with caution any offer of gifts, favours, hospitality or fees arising from their position in the Institution. Entertainment, hospitality and modest gift items (such as business lunches, exchange of modest items between business associates, the presentation of small tokens of appreciation at public functions or an inexpensive memento) should be reasonable and never lead to a sense of obligation. Specifically those entertainment, hospitality and modest gift items:

- must be within the bounds of propriety, a normal expression of courtesy or within the normal standards of hospitality;
- must not bring suspicion on the Council Member's objectivity and impartiality;
- must not compromise the integrity of the Organisation; and
- must also not be perceived to be the above

Inappropriate gifts that are received by a member of the Council, or committee, should be returned to the donor with a letter making reference to this procedures/code.

Any benefit, direct or indirect and financial or otherwise received by the Council or committee member by virtue of his or her office, unless it constitutes part of the Council Members declared remuneration, shall be passed on to the organisation.

A record of all gifts, hospitality and fees accepted, surrendered to the Institution, or refused by Council and committee members must kept in the registered office/ domicilium of the organisation and made open to inspection on request. Members should therefore make all necessary declarations using the appropriate form.

The identity of persons offering any Council Member any benefit, direct or indirect and financial or otherwise for acting or failing to act in any particular manner should be revealed to the Council, which should decide on the appropriate action to be undertaken against such a person. Every Council must codify a policy and procedures for declaring any gifts or favours that are received by Council Members by virtue of being members of a Council.

Council Members shall not use their status as Council Members to seek personal gain from those doing business or seeking to do business with the Organisation.

Council Members shall not accept any personal gain of any material significance if offered.

### 3.10. Disclosure of interests

The Council is required to maintain an independent and dispassionate interest in the affairs of the Institution and be seen to do so.



Council Members may not have a direct and material financial interest in any organisation (including administrators, expert advisors, or consultants) to which any of the responsibilities of the Council are delegated. Ideally, Council Members also should not have a personal interest in any other entity entrusted to their stewardship with which the Organisation contracts to do business. They must also consider the interests held by their spouses, partners or close family, and by persons living in the same household as well as the interests of other connected persons such as trusts.

Council Members who have any queries or concerns about these situations, and particularly when in doubt, should discuss them with the Chairperson. In all circumstances, they should ask themselves whether members of the public, knowing the facts of the situation, would reasonably conclude that the interest involved might influence the approach taken to the actions of the Council or committee.

The Chairperson should take particular care that no possible conflict of interest in this area is allowed to arise.

In cases where a member of the Council and its committees or advisers has a beneficial interest in any matter to be considered by the Institution, or should a potential conflict of interest arise:

- the interest and its nature must be disclosed at the earliest opportunity, if not in advance There are two type of disclosure:
- a general declaration of interest that is furnished annually in advance; and
- a special declaration at any point in time throughout the year
- the person must not influence or seek to influence any decision relating to the matter;
- the person should take no part in a decision on the matter; and
- the person will withdraw from the proceedings if so requested and in any event not contribute further to that item unless requested

The Public Finance and Management Act and equivalent legislation sets standards and procedures for the disclosure of interest in contracts with which Council members must comply in accordance with the best interest of the organisation.

Individual Council and committee members shall sign an annual Declaration of Interests and signing this shall be a condition of appointment. These declarations must be entered into a register of interests, which should be tabled at Council meetings. Should a conflict or potential conflict of interest arise it must be disclosed to the Council and should be minuted at the next Council meeting.

The Council and committee members must have regard to the requirement on the organisation to disclose material transactions with related parties in financial statements, and must enable the Institution to comply with this requirement. In all cases, 'members interests' covers also the interests of any related parties, including family members or members of the same household who may be expected to influence, or be influenced by, Council or committee members.

Council Members shall fully disclose active private or other business interests promptly and any other matters which may lead to potential or actual financial conflicts of interest in accordance with such policies that the Council Members may adopt from time to time.

Council Members shall fully disclose all relationships they have with the Institution in accordance with policies in independence that the Council Members may adopt from time to time.

Council Members' dealings with the Institution will always be at arm's length to avoid the possibility of actual or perceived conflicts of interest.

### 3.11. Confidentiality of information

Any information acquired by a Council Member by virtue of his or her office can only be utilised for the purposes of furthering the interests of the Institution, and not for his or her own personal gain.

Confidential information includes proprietary, technical business, financial, joint venture and any other information, which organisation treats as confidential or which is not made available publicly.

Council Members who leave or retire from the Institution continue to be obligated not to disclose such confidential information.

Council and committee members therefore should:

- maintain at all times, the confidentiality of all information and records that are the property of the Institution and must not reveal such information unless it becomes a matter of general public concern;
- not make any contact nor divulge any information to external organisations, including the media, without prior approval from the Council or the chair;
- not use confidential information obtained by virtue of that member's association for personal gain, or to benefit friends, relatives and others;
- not do or say anything which might be construed as damaging the credibility or integrity of the Council or the organisation; and
- not attend any external meeting on behalf of organisation without prior approval of the Council, its Chairperson, or in an emergency, the Museum Chief Executive Officer

Council Members will ensure that confidential information relating to customers, employees and Institution operations is not given inadvertently or deliberately to third parties without the consent of the Institution.

Council Members will not use information obtained by them from their office for personal gain, nor will the information be used to obtain financial benefit, profit or gain for any other person or business.

Council Members will respect the privacy of others. In addition, a Council should be aware of the provisions of the Promotion of Access to Information Act and must ensure that the required manual and access procedures required in terms of that Act are established for the institution.

3.12. Abiding by the law

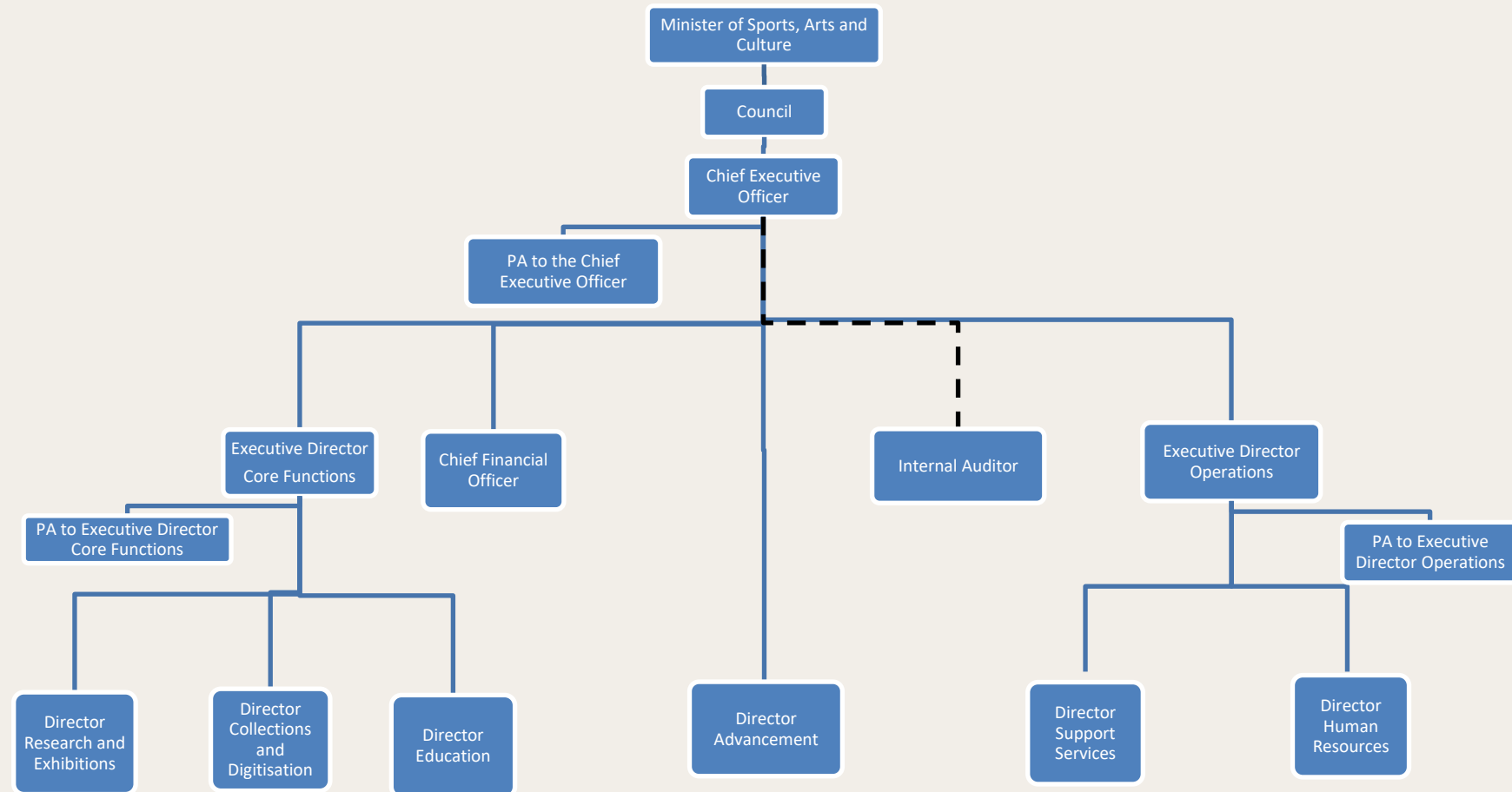
Individual Council Members and committee members must comply with all applicable laws and regulations that relate to their activities for and on behalf of the Institution. They will not commit or condone any violation of the law or unethical business dealing and shall not engage in or give the appearance of being engaged in any illegal or improper conduct.

4. BREACH OF CODE OF CONDUCT

The Council should have mechanisms and sanctions set out in the Institution's rules on how to deal with Council Members that breach their fiduciary duties or any aspect of this code of conduct.

Where a full Council Member is in serious breach of any aspects of this Code of Conduct, the Minister shall be informed so that appropriate action can be taken.

## Annexure D: Iziko Senior Management Structure



# Annexure E: FRAUD PREVENTION PLAN

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## GLOSSARY OF TERMS

Throughout this document, unless otherwise stated, the words in the first column below have the meanings stated opposite them in the second column (and similar expressions shall bear corresponding meanings), words importing one gender include the other too; words importing the singular include the plural and vice versa:

"Code"	- Code of Ethics and Business Conduct
"Committee"	- Fraud Prevention Committee
"Council"	- Council of Iziko Museums of Cape Town
"Constitution"	- The Constitution of the Republic of South Africa, 1996
"Employees"	- Indefinite employees, employees appointed on a fixed-term contract and casual workers
"Fraud"	- Any dishonest, fraudulent, maladministration or corrupt act;
	- Theft of funds, supplies, or other assets, misappropriation of Iziko funds or property;
	- Maladministration or financial misconduct in handling or reporting on money, financial transactions or other assets;
	- Making a profit from insider knowledge;
	- Disclosing confidential or proprietary information to outside parties;
	- Accepting, requesting offering or giving anything of material value to or from contractors, suppliers, or other persons providing services and/or goods or otherwise transacting with Iziko;
	- Irregular and unauthorised disposal, removal, or abuse of records (including intellectual property and other assets) furniture, equipment and heritage assets (collections);
	- Deliberately omitting, neglecting or refusing to report or act upon reports of any such irregular or dishonest conduct if the reporting of such an act is a requirement of the position; and
	- Any similar or related irregularity.
"Iziko"	- Iziko Museums of South Africa
"Management"	- CEO, Executive Directors, Directors, Heads of Department and Supervisors of Iziko
"PFMA"	- Public Finance Management Act (Act 1 of 1999) as amended
"Plan"	- Fraud Prevention Plan
"Policy"	- Fraud Prevention Policy
"Protected Disclosures Act"	- Protected Disclosures Act No. 26 of 2000

## 1. INTRODUCTION

- 1.1 The Chief Executive Officer of Iziko initiated the development of a Fraud Prevention Plan for Iziko in order to meet the requirements of the PFMA and Treasury Regulations which stipulates that the accounting authority of a public entity must ensure that a fraud prevention plan is developed.
- 1.2 The primary objectives of the Plan are the following:
  - (a) To encourage a culture within Iziko where all employees and other stakeholders continuously behave ethically in their dealings with, or on behalf of Iziko, or towards other employees; and
  - (b) To encourage all employees and other stakeholders to strive toward the prevention, detection and reporting of fraud impacting, or having the potential to impact, on Iziko.
- 1.3. The objectives of the Plan will be achieved through an awareness strategy aimed at all employees and other stakeholders of Iziko. This strategy will rely on education and communication and is the central component around which the Plan will revolve.
- 1.4. This document details the Plan for Iziko. The Plan is dynamic and it will continuously evolve as Iziko makes changes and improvements in its drive to promote ethics and to prevent fraud.

## 2. COMPONENTS OF THE PLAN

The components of the Plan for Iziko are the following:

Creation of awareness amongst employees and other stakeholders through communication and education of the Code of Ethics and Business Conduct (Code) and the Fraud Prevention Policy;

- a) A Code in which management of Iziko believes, and to which it requires employees to subscribe;
- b) A Fraud Prevention Policy (Policy) setting out Iziko's policy stance on fraud as well as steps to be followed when allegations are raised;
- c) Iziko's policies, procedures and other relevant government prescripts;
- d) Disciplinary code and procedure;
- e) Internal controls;
- f) Internal Audit;
- g) Ongoing risk assessment;
- h) The Fraud Prevention Committee, created to steer and take responsibility for the Plan;
- i) Reporting and monitoring of allegations of fraud;
- j) Physical and information security; and
- k) Ongoing maintenance and review of the Plan.

## **2.1 Creating awareness**

For the plan to be successful, Iziko will maintain an effective and sustained awareness campaign which includes creating awareness of fraud indicators, the "red flags" of fraud (Annexure 1). This component of the Plan is divided into two categories:

- Education and
- Communication.

### **2.1.1 Education**

2.1.1.1 Awareness will be created through education and will be attained by the following:

- a) Conducting fraud awareness presentations for all employees;
- b) Workshops to be convened for management and selected employees of Iziko, whose responsibility it would be to extend such awareness to other employees within Iziko; and
- c) Securing other appropriate support, for example, the use of independent consultants, to ensure that an effective and sustained awareness campaign is appropriately directed at all employees of Iziko.

### **2.1.2 Communication**

2.1.2.1 The objective of the communication strategy is also to create awareness of the Plan among employees and other stakeholders in order to facilitate a culture where all stakeholders strive to contribute towards making the Plan a success and sustaining a positive, ethical culture within Iziko.

2.1.2.2 The communication media that will be considered by Iziko are the following:

- a) Developing a poster campaign aimed at all stakeholders to advertise Iziko's zero tolerance approach towards fraud and its expectations with regard to the integrity and ethics of all stakeholders;
- b) Circulating copies of the Code and the Policy to all divisions and libraries as well as placing it on the Intranet;
- c) Circulating appropriate sections of the Code to other stakeholders.

## **2.2 Code of Ethics and Business Conduct**

2.2.1 Iziko has developed a Code of Ethics and Business Conduct. The Code is intended to set clear guidelines relating to the Ethics and Business Conduct that Iziko subscribes to and expects all stakeholders, including management and employees, to subscribe to.

2.2.2 Iziko will develop a consolidated database of all employees' private business interests. The following will be re-emphasised to all employees:

- a) Permission should be secured before any employee is allowed to engage in private business activities; and
- b) Private business interests must be declared to Management.



2.2.3 Iziko will conduct ethics awareness workshops for employees and other stakeholders in order to clarify its expectations relating to ethics and acting with integrity

2.2.4 Iziko will ensure that all employees sign a declaration to confirm their commitment to, and understanding of the Code.

### **2.3 The Fraud Prevention Policy**

2.3.1 Iziko has developed a Fraud Prevention Policy detailing its policy stance to fraud, the process to be followed to report, investigate and resolve incidents of fraud which impact on Iziko.

2.3.2 The Policy will be circulated to all employees together with the Code. The awareness programme with regard to the Policy and the Code will be sustained on an ongoing basis.

2.3.3 In terms of the Policy all employees are obliged to report any irregularity affecting Iziko that they notice or become aware of, failing which appropriate action could be taken against such person(s) for failure to report such irregularity.

2.3.4 Fraud investigations may not be abused for personal or any other gain other than that described in the Policy.

2.3.5 Iziko undertakes to provide appropriate feedback to employees through the Fraud Prevention Committee (Committee), within 30 days from the date on which any report of an irregularity is received, depending on the nature and sensitivity of the irregularity.

2.3.6 Iziko will consider the viability of developing and implementing a fraud hotline, which will provide a further mechanism to all employees and other stakeholders of Iziko to anonymously report fraud affecting Iziko.

2.3.7 Iziko will consider the establishment of a structured Forensic Investigations capacity with a clear mandate to investigate allegations of fraud impacting on Iziko.

### **2.4 Iziko's policies, procedures and other relevant government prescripts**

2.4.1 Iziko has a number of policies, procedures, rules, regulations and other prescripts designed to ensure compliance with government legislation as well as to meet the provisions of good corporate governance. All employees and other stakeholders (where appropriate) of Iziko are expected to adhere to these laws and provisions. One of the primary purposes of the PFMA and the policies and procedures of Iziko is to limit risk. This risk, viewed in the context of the Plan, includes fraud risk.

2.4.2 Iziko has identified the strategic fraud risk in this area as being the following:

- a) Weaknesses in the system for adequately implementing policies and procedures;
- b) Collusion in the procurement process;
- c) Procurement policy still in draft;
- d) Lack of thorough pre-employment screening of potential candidates for positions in Iziko; and
- e) Lack of relevant policies and procedures in compliance with legislation;

2.4.3 In order to address the above-mentioned risks Iziko will take the following steps:

- a) Ensure that all policies and procedures are distributed to employees and to have workshops to communicate the contents of the policies more effectively and to educate employees regarding the implementation and monitoring of these policies.
- b) Develop a Procurement Policy in line with the Framework for Supply Chain Management.  
Coordinate an in-depth review of current procurement practices. Such a review will be directed at identifying any shortcomings in terms of it being inclusive enough to limit the risk of fraud. Appropriate improvements will then be made.
- c) Fraud detection reviews aimed at detecting possible fraud relating to the irregular awarding of orders to contractors, consultants or other suppliers of goods or services will be regularly undertaken. These reviews will be conducted with a particular emphasis on fraud detection and prevention using qualified forensic specialists, where appropriate. Evidence that will be sought in these reviews will be signs of undue favours being paid to or received by employees, manifested as follows:
  - Suppliers not offering regular discounts and special deals;
  - Ambiguous or vague descriptions on invoices;
  - Surplus orders or inappropriate stock levels;
  - Bid prices and specifications being similar; and
  - Tenders or quotations being accepted after the closing date;
- d) Develop a process for the initiation of thorough pre-employment screening of all applicants for sensitive and senior management positions within Iziko before they are employed. The assistance of Forensic Auditors, and a positive relationship with the SAPS, will be secured in instances where the Human Resources Division is unable to procure decisive results from its probity investigations in screening potential candidates.
- e) Conduct relevant background checks before existing employees are promoted to sensitive positions that will be identified by Iziko. These background checks will be focused on securing clarity on specific issues, which could exclude the candidate from securing the position. For example, for certain positions in the finance department it is important that people of high integrity and without serious personal financial problems (for example, bad debt judgements) are appointed;
- f) Initiates steps to review its current policies and procedures, in particular with regard to human resources and financial administration and internal control, e.g. travel policies and policies relating to outsourcing of certain business activities in order to ensure that these are in line with Iziko's changing business strategy and activities.

- 2.4.4 In order to further limit the risk of fraud, Iziko will continue to develop and maintain sound human resources systems, policies and procedures which incorporate the following basic fraud prevention principles:
- a) Sound, mutually beneficial industrial relations;
  - b) A system for the payment of equitable salaries enabling employees to maintain a livelihood that obviates any desire for employees to justify increasing their income through fraud;
  - c) Grievance procedures that encourage aggrieved employees to address their grievances.  
This is based on the recognition that aggrieved employees may become malicious, thus increasing the risk of them committing unethical conduct and corrupt acts;
  - d) Clear guidelines for delegation of authority and responsibility;
  - e) A system for transparent and merit-based hiring and promotion practices with objective standards in order to reduce the risk of nepotism and favouritism, both of which the Council recognises as being damaging employment practices; and
  - f) Commitment to competence.
  - g) Iziko recognises that, notwithstanding ongoing organisational and policy changes, and the requirements of employment equity policies, matching of competence to job requirements is extremely important.
  - h) A lack of competence could lead to stress on employees and consequently result in those employees evading rules because this is the only practical means available to them that can be applied to deliver specific outputs.
  - i) On the other hand, it is also recognised that staffing low-Level jobs with over-qualified personnel may lead to lack of job satisfaction and low morale.
  - j) As part of its approach to the management of human resources, the Office of the CEO will, in conjunction with Council, apply measures upholding a system of competency-based recruitment assessments.

## **2.5 Disciplinary Policies and Procedures**

Iziko recognises the fact that the consistent and efficient application of disciplinary measures is an integral component of effective fraud prevention. Iziko is therefore committed to the consistent, efficient and speedy application of disciplinary measures.

- 2.5.1 The need for the speedy application of disciplinary measures and the negative implications of this not being done, particularly with reference to the overall drive to limit the risk of fraud, will be emphasised to management on a regular basis.
- 2.5.2 A system to facilitate the consistent application of disciplinary measures will be developed.
- 2.5.3 Where the need is identified for training of management in the application of disciplinary measures, this will be addressed.
- 2.5.4 Iziko will develop a system where management is held accountable for the management and addressing of misconduct and fraud within their sections.

## **2.6 Internal controls**

2.6.1 Iziko has developed and implemented basic controls in most of its operational areas and is committed to and will continue to maintain internal controls that are practical and effective. These internal controls comprise two main components, namely:

- Basic internal controls (discussed below); and
- Training of employees in internal control measures and processes as well as performing their daily duties.

### **Basic Internal Controls**

2.6.2 The policies, procedures and other prescripts of Iziko prescribe various controls, which, if effectively implemented, would minimise the risk of fraud within Iziko. These controls may be categorised as follows, it being recognised that the categories contain overlapping elements:

- a) **Prevention controls**  
These are divided into two sub-categories, namely, Authorisation and Physical Control.
- b) **Detection controls**  
These are divided into four categories, namely, Arithmetic and Accounting, Physical, Supervision and Management Information
- c) **Segregation of duties**

#### **2.6.2.1 Prevention controls**

##### **a) Authorisation**

- (i) All transactions require the authorisation or approval by an appropriate and responsible person.
- (ii) The limits for these authorisations are specified in the Iziko Delegation of Authority.

##### **b) Physical**

- (i) These controls are concerned mainly with employees being the custodians of assets, including heritage assets (collections) and involve procedures and security measures designed to ensure that access to assets is limited to authorised personnel. This is of importance in respect of the protection of valuable, portable, exchangeable and desirable assets.

#### **2.6.2.2 Detection controls**

##### **a) *Arithmetic and accounting***

- (i) These are basic controls which check that transactions to be recorded and processed have been authorised, that they are included completely, and that they are correctly recorded and accurately processed. Such controls include checking the arithmetical accuracy of the records, the maintenance and checking of totals, reconciliations, control accounts, and accounting for documents.

##### **b) *Physical***

- (i) These controls also relate to the security of records. They therefore underpin mostly arithmetic and accounting controls.
- (ii) Their similarity to prevention controls lies in the fact that these controls are also designed to limit access.

##### **c) *Supervision***

- (i) This control relates to supervision of day-to-day transactions as well as the recording thereof by responsible employees.

##### **d) *Management Information***

- (i) This relates to the review of management accounts and budgetary control.
- (ii) Management normally performs these controls over and above the day-to-day routine administration of the system.

#### **2.6.2.3 Segregation of duties**

- a) One of the primary means of control is the separation of those responsibilities or duties which would, if combined, enable one individual to record as well as process a transaction until completion, thereby providing him/her with the opportunity to manipulate the transaction irregularly and commit fraud.
- b) In the context of fraud prevention, segregation of duties involves separating the authorisation or the custodial function from the checking function.
- c) Segregation of duties reduces the risk of intentional manipulation or error and enhances the element of checking.
- d) Functions that should be separated include those of authorisation, execution, custody, and recording and in the case of computer-based accounting systems, systems development and daily operations.

- 2.6.3 To ensure that these internal controls are effectively and consistently applied, deficiencies and non-compliance identified by internal audit will be addressed as follows:
- a) Iziko will continue to regularly emphasise to management that consistent compliance by employees with internal control is one of the fundamental tools in place to prevent fraud. Management will be encouraged to recognise that internal control shortcomings identified during the course of audits are, in many instances, purely symptoms and that they should strive to identify and address the causes of these internal control weaknesses rather than only the symptoms;
  - b) Where management are found to lack specific financial control and management skills, appropriate training will be provided as a matter of urgency;
  - c) Iziko will develop a formal system where the performance of management is also appraised by taking into account the number of audit queries and repeat queries raised and the level of seriousness of the consequent risk to the organisation as a result of the internal control deficiency identified. This is intended to raise the level of manager and supervisor accountability for internal control;
  - d) A matrix of internal control weaknesses identified during audits will be developed and reviewed for repeat audit queries. This will assist in identifying management who require training or who are simply negligent and have an apathetic attitude to internal control and areas that require additional focus; and
  - e) Where management do not comply with delegation of authority limits, for example, in signing off contracts when they are not authorised to do so, disciplinary action will be taken.
- 2.6.4 The role of Internal Audit will be communicated to management on a regular basis in order to enhance their understanding thereof and of the internal control function.
- 2.6.5 Management will also be expected to conduct random site visits.
- 2.6.6 The current measures in place to control personal files will be thoroughly reviewed in order to make improvements to limit the risk of information leaks. Where information leaks still occur, these will be investigated thoroughly and disciplinary action taken where individuals who initiated or facilitated these information leaks are identified.

## **2.7 Internal audit**

- 2.7.1 Iziko has an Internal Audit department that is intended to promote the following, *et al*:
- a) The safeguarding and control of the assets of Iziko;
  - b) Compliance with relevant statutory legislations and prescriptions; and
  - c) The economical and efficient management of the resources of Iziko and the effective performance of the strategic objectives and operational functions of Iziko.
  - d) To enhance management's understanding of risk management and the underlying concepts, and assist in implementing an effective risk management plan and related systems and processes, and

e) To provide objective feedback on the quality of organisational controls and performance.

2.7.2 Iziko recognises the fact that the positive support by all its employees for Internal Audit and its functions, and speedy response as well as the addressing of queries raised by Internal Audit is vital to the success of this Plan.

2.7.3 The role of Internal Audit as an important component of the Plan will also be stressed to management.

## **2.8 Ongoing risk assessment**

2.8.1 Iziko acknowledges the fact that it faces diverse business risks, including fraud risks, from both internal and external sources. Iziko further recognises that sound fraud prevention requires that fraud risk assessments are conducted of business cycles, processes, activities and/or areas which management views as being susceptible to serious fraud. Hence, Iziko acknowledges that the business cycles and processes, amongst others, which are currently particularly high fraud risk areas because of their susceptibility to collusion between Iziko's employees and with external parties are the following:

- (i) Tendering and procurement;
- (ii) Payroll;
- (iii) Debtors;
- (iv) Cheque payments;
- (v) Contracts management, particularly the management of deliverables on contracts;
- (vi) Cash collection;
- (vii) Selection criteria for the appointment of consultants;
- (viii) Appointment of service providers;
- (ix) Appointment of temporary and casual workers;
- (x) Tariff determination;
- (xi) Inventory and asset management, including heritage assets (collections);
- (xii) Control of expenditure, e.g. telephone accounts and project budgets; and
- (xiii) Project approval;

2.8.2 Iziko will conduct ongoing risk assessments with a particular emphasis on the above areas, in order to enhance management's understanding of the full spectrum of risks facing Iziko in these and other areas as well as to secure detailed recommendations on how to mitigate the risks identified. Specific fraud risk assessments and random fraud detection reviews will also be considered.

2.8.3 Iziko will comply with Treasury Regulations to the PFMA, which require that it conducts risk assessments to ensure that all significant risks facing it are understood and addressed. To this end Iziko will initiate consultations with Internal Audit in order to ensure that a structured programme is implemented for risk assessments to be conducted in line with the requirements of the PFMA.

## **2.9 The Fraud Prevention Committee**

2.9.1 Iziko has not yet formalised the composition of the Committee. This will be done as a priority.

The Fraud Prevention Committee will be made up of the following representatives:

- a) Chief Executive Officer
- b) Chief Financial Officer
- c) Executive Director: Core Functions
- d) Executive Director: Operations
- e) Internal Auditor
- f) Representatives of Council, including member/s of the Audit Committee

2.9.2 The objectives of the Committee will be the following:

- a) To provide direction and facilitate the implementation of the Plan;
- b) To make decisions relating to the further development of the Plan;
- c) To maintain and review the Plan as and when required taking into account prevailing government prescripts and those of Iziko;
- d) Identifying and managing, including taking steps to address the strategic fraud threats facing Iziko;
- e) To promote and foster a culture based on the highest standards of probity, integrity and conduct within Iziko;
- f) To ensure and monitor compliance with Iziko's policies, procedures, rules, regulations and other relevant government prescripts;
- g) Creating awareness of the Plan;
- h) Ensuring the speedy and effective application of all appropriate legal remedies when faced with incidents and allegations of fraud; and
- i) Ensuring that corrective measures are put in place when incidents and allegations of fraud are raised, to limit future occurrence.

2.9.3 The terms of reference of this Committee are included as Annexure 2.

## **2.10 Reporting and monitoring of allegations**

The Council has noted that no consolidated record is kept of allegations of fraud made to management. The effect thereof is that fraud risk cannot be managed effectively as threats/ risks to Iziko could be overlooked.

2.10.1 Iziko will develop a system to keep proper records of allegations and incidents of fraud that are reported.

2.10.2 Every employee of Iziko has an obligation to report any irregularity that s/he becomes aware of. The failure to report any such irregularity could result in appropriate actions being taken.



- 2.10.3 The Committee will provide appropriate feedback to employees on matters reported, depending on the nature and sensitivity of the matter, within 30 days from the date of the report being received.
- 2.10.4 This system will culminate in the reporting of all such allegations and incidents to the Committee. This will also assist Iziko in addressing the risk of victimisation of whistle blowers and other persons or entities that supply information relating to fraud impacting on Iziko.
- 2.10.5 Iziko will encourage employees to utilise the Whistle Blowers Hotline implemented by the Department of Arts and Culture in order to create an additional channel through which reports of fraud can be made in total anonymity.
- 2.10.6 Iziko has also recognised the fact that whistle blowers could be victimised by fellow employees or management in contravention of the Protected Disclosures Act, without Council being aware of this. This could have severe negative implications for Iziko, for example, adverse media publicity.
- 2.10.7 The Council will establish a Fraud Bin which:
- a) deter potential fraudsters by making all employees and other stakeholders aware that Iziko is not a soft target, as well as encouraging their participation in supporting, and making use of this facility;
  - b) raise the level of awareness that Iziko is serious about fraud;
  - c) detect incidents of fraud by encouraging whistle-blowers to report incidents coming to their knowledge;
  - d) assist the Council in complying with the requirements of the Protected Disclosures Act, by creating a channel through which whistle-blowers can report irregularities which they witness or which come to their attention; and
  - e) further assist the Council in identifying areas of fraud risk in order that existing preventive and detection controls can be appropriately improved or developed.

The Office of the CEO supports the Fraud Bin and encourages employees to place information concerning fraud into the Fraud Bin. The Fraud Bin is also an integral mechanism for reporting fraud in terms of the Policy. With the Protected Disclosures Act having come into effect on 16 February 2001, the Fraud Bin will serve as an effective channel for whistle-blowers to make reports of fraud.

- 2.10.8 The Council will ensure that the responsibility of responding to and investigating information secured through the Fraud Bin is addressed by the Fraud Prevention Committee and clearly negotiated with Internal Audit and that proper records are kept of all allegations. This will assist Iziko in managing areas of risk.
- 2.10.9 The Council will, however, also ensure that a system is developed where it keeps records of all other allegations brought to its attention independently of the Fraud Bin. This will be crucial in effectively addressing the risk of whistle-blowers being victimised, by management and fellow employees, in contravention of the Protected Disclosures Act.
- 2.10.10 Iziko will deal sternly with false allegations made with malicious intent by employees.

## **2.11 Physical and information security**

### ***Physical security***

- 2.11.1 Recognising that effective physical security is one of the front line defences against fraud, Iziko will take steps to improve physical security at all its sites and operational areas.
- 2.11.2 When employees leave the employment of Iziko, Iziko will ensure that management supply a clearance certificate. This certificate will include confirmation by management that:
- a) All access cards, equipment or other material belonging to Iziko have been returned;
  - b) The employee has signed an agreement that Iziko may deduct the cost of replacing lost or damaged Iziko property (specifying the property and the amount of the deduction) from his/her final remuneration, including his/her pension payout. A special form has to be completed for the latter in terms of the Pension Fund Act.
  - c) Immediate prevention of access to assets or records, including the revision of passwords was undertaken; and
  - d) Physical searches of the personal effects, workspaces and vehicle of suspended or dismissed employees for Iziko's assets were undertaken to the extent permissible.

### ***Information security***

- 2.11.3 Iziko will consult, where appropriate, with specialists in order to review and develop a consolidated detailed Information and Technology Security Policy, Guidelines and Procedures which will include mechanisms to limit the risk of future information leaks.
- 2.11.4 Physical access restrictions will be implemented and administered to ensure that only authorised individuals have the ability to access or use information resources of Iziko.

## **2.12 Ongoing maintenance and review**

- 2.12.1 The Committee is responsible for the ongoing maintenance and review of the Plan. This includes the items listed in paragraph 2.9.2 and the following:
- a) Reviewing and making appropriate amendments to the Code and the Policy;
  - b) Amending the awareness program as necessary, and implementing the changes;
  - c) Ensuring that ongoing communication strategies are developed and implemented; and
  - d) Developing and overseeing the implementation of additional strategies to motivate buy-in and create awareness amongst all employees and other stakeholders.

## **Annexure A: SCHEDULE OF 'RED FLAGS' FOR IZIKO**

### **1. Indications that individuals may be susceptible to committing fraud:**

- a) Unusually large personal debts
- b) Severe personal financial losses
- c) Living beyond one's means
- d) Extensive involvement in speculative investments
- e) Excessive gambling habits in establishments or activities not prohibited by law
- f) Alcohol abuse problems
- g) Drug abuse problems
- h) Undue family or peer pressure to succeed
- i) Feeling of being underpaid
- j) Dissatisfaction or frustration with job
- k) Feeling of insufficient recognition for job performance
- l) Continual threats to quit
- m) Belief that the job is in jeopardy
- n) Close associations with suppliers
- o) Close associations with customers
- p) Poor credit rating
- q) Rationalisation or justification of poor performance
- r) Wheeler-dealer attitude and acquaintances
- s) Desire to "beat the system"
- t) Unreliable communications and reports
- u) Criminal record
- v) Not taking vacations
- w) Rationalisation for conflicting behavioural patterns
- x) Undisclosed conflicts of interest

### **2. Indicators that the organisation or department may be a target for a fraudster:**

- a) A department that lacks competent personnel
- b) A department that does not enforce clear lines of authority and responsibility
- c) A department that does not enforce proper procedures for authorisation of transactions
- d) A department that lacks adequate documents and records
- e) A department that is not frequently reviewed by internal auditors

- f) Lack of independent checks
- g) No separation of custody over assets from the accounting for them
- h) No separation of authorisation of transactions from the custody of the related assets
- i) No separation of duties between the various duties within each business cycle
- j) Inadequate physical security in departments, such as locks, safes, access control, keys, cards, etc.
- k) Inadequate human resources policies
- l) Failure to maintain records of disciplinary actions
- m) Inadequate disclosure of personal investment and other income
- n) Undisclosed conflicts of interest
- o) Operating on a crisis basis
- p) Operating without budgetary control
- q) Too much trust placed in key employees
- r) Unrealistic productivity requirements
- s) Pay levels not commensurate with responsibilities
- t) Inadequate staff quality and quantity
- u) Failure to discipline violators of organisational policy
- v) Inadequate communication about disciplinary codes and codes of conduct
- w) Absence of conflict-of-interest questionnaires or regular updating thereof
- x) Inadequate background and reference checking before decisions as to appointment of employees

### **3. Indicators of opportunities to commit fraud**

- a) Rapid turnover of key employees, through resignation or dismissal
- b) Dishonest or dominant management
- c) Inadequate training programmes
- d) Complex business structures
- e) Ineffective or no internal audit function
- f) Using several different auditing firms or frequent changes in auditors
- g) Reluctance to provide auditors with requested information
- h) Use of several legal firms or changes in legal counsels used
- i) Making use of many different banks, and excessive numbers of accounts
- j) Large year-end and unusual accounting transactions

**4. Indicators of situations which might lead to fraud**

- a) Unfavourable economic conditions within the sector
- b) Insufficient working capital
- c) High debt
- d) Dependence on one or two products, customers, projects or transactions
- e) Problems in obtaining finance or restrictions placed thereon
- f) Costs rising faster than income
- g) Problems with collecting debtors amounts
- h) Sudden tax adjustments
- i) Non-existent and over-valued assets
- j) Unexplained increases in assets
- k) Unusual large transactions between related parties that are not in the ordinary course of business

## **Annexure B: TERMS OF REFERENCE FOR THE FRAUD PREVENTION COMMITTEE**

### **1. Objectives**

- 1.1 To provide direction, structure and content to the Fraud Prevention Plan and to facilitate its implementation;
- 1.2 To make recommendations to the Council for the further development of the Fraud Prevention Plan and, where applicable, to ensure the implementation thereof; and
- 1.3 To maintain and review the Fraud Prevention Plan on an ad hoc basis, taking into account prevailing National and Council prescripts.

### **2. Scope**

- 2.1 To promote and foster a culture based on the highest standards of probity, integrity and conduct; and
- 2.2 To ensure compliance with Iziko's policies, procedures, rules, regulations and other relevant prescripts.

### **3. Accountabilities**

The Fraud Prevention Committee is accountable for:

- 3.1 Monitoring the effectiveness of the various components of the Fraud Prevention Plan;
- 3.2 Performing an annual risk assessment;
- 3.3 The further development of the Fraud Prevention Plan, taking into account prevailing prescripts and the results of fraud risk management initiatives and findings;
- 3.4 Reviewing and recommending updates to the Fraud Prevention Plan;
- 3.5 Considering reports on relevant forensic investigations;
- 3.6 Creating awareness of the Fraud Prevention Plan;
- 3.7 Overseeing forensic investigations, where applicable;
- 3.8 Reporting to the Audit Committee on the level of incidence of fraud, theft, misappropriation and maladministration and the findings of forensic investigations; and
- 3.9 Reviewing the declarations of interests and potential or actual conflicts of interest.

## Iziko Museums of South Africa

The impact of COVID-19 has had a major impact on museums globally. It has been estimated that at least 10% of museums may never open to the public again. COVID-19 has jolted the Iziko Museums of South Africa into strategizing at how we can do our work differently and continue to provide content and engage with our various publics.

In our endeavour to continue to provide the public a continued service, we have strategized and moved over to a form of blended service, partly offering our services via the different technological platforms and offerings through our museum.

The challenges of the 21st century museums remains with us and the impetus is up to the Iziko Museums staff to decide how to dismantle the old practices and usher in new ways of providing a robust and engaging museum experience, especially if we want to fulfil our vision of being...

African museums of excellence that empower and inspire all people to celebrate and respect our diverse heritage.





**IZIKO MUSEUMS OF SOUTH AFRICA**  
**ANNUAL PERFORMANCE PLAN 2021/2022**  
10 National Museums

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