



**IZIKO MUSEUMS OF  
SOUTH AFRICA**

**ANNUAL  
PERFORMANCE  
PLAN**

**2024 | 2025**



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**an agency of the  
Department of Sport, Arts and Culture**



**Mr Jabulani Sithole**  
**Chairperson of the Iziko**  
**Museums of South Africa**

The 2024-25 Annual Performance Plan for the Iziko Museums of South Africa is hereby presented. This financial period also coincides with the penultimate leg of the Medium-Term Strategic Framework (MTSF) period of the sixth administration of the Republic of South Africa. The organisation has sought to meaningfully contribute to the national development agenda by aligning its strategic objectives and programmes to the MTSF priorities, especially those relating to:

- A Capable Ethical and Developmental State
- Economic Transformation and Job Creation
- Education, Skills and Health
- Social Cohesion and Safer Communities
- A better Africa and World

Since our assumption of office in August 2022, Council has held detailed engagements with Management to reflect on the various functions performed within the organisation. This has also helped us to identify and prioritize key areas for intervention and potential growth. The Council will prioritize these areas as it continues to honor its oversight responsibilities and uphold good governance principles. As a collective, we take heed of the findings and recommendations from the Auditor General of South Africa's final report. The organisation experienced a number of setbacks in 2023-24 which hampered the optimal functioning of our operations. We remain committed to stabilizing the organisation and ensuring that adequate internal controls are maintained. The Council will continue to utilize the organizational policy framework to promote a culture of compliance. Through

the established Council Committees, we will continue to exercise due diligence by monitoring the quality of performance reported against the targets set.

Iziko Museums of South Africa is expected to observe a few significant milestones in the 2024-25 financial year. The Iziko South Africa Museum (ISAM), which is the oldest museum in South Africa, will be observing 200 years of existence. A number of special activities are planned to mark this occasion catering to a variety of audiences. This will provide an opportunity for the organisation to showcase its fine collections linked to the history of South Africa. We also hope to conclude the process of returning and reburying human remains that were unethically collected to their respective communities by 2025. The ISAM 200 activations will serve as a springboard towards reimagining Iziko Museums of South Africa and propelling us to the next level.

As a national flagship institution, Iziko Museums continues to reinforce itself as African Museums of Excellence. This entails ensuring that the organisation attracts and retains the best talent. It also requires us to continue upgrading our facilities to a world-class standard and host exhibitions that are authentic, stimulating

deep reflections and social dialogue. Iziko Museums will continue to fortify its standing in the global cultural and heritage community. Iziko Museums strives to be a future fit organisation by encouraging innovation and new ways of thinking, especially about heritage and culture which is inherent in all of us.

Our portfolio is growing and as such, Iziko Museums will be activating new sites and reactivating dormant sites. On 05 October 2023, the Minister of Sport, Arts and Culture published the handing over of the Nelson Mandela Prison House in Paarl to Iziko Museums in the Government Gazette. The site is important to the National Liberation Heritage Route. As the Council, we consider this announcement as a vote of confidence to Iziko Museums and ensuring that the legacy of our great former President, Nelson Mandela, continues to be memorialized. Management will commence with infrastructure and content development for the site subject to availability of funding.

Most importantly, 2024-25 will see the commencement of the amalgamation process of William Humphreys Art Gallery based in Kimberly and National Museums of Bloemfontein into Iziko Museums of South Africa. This is a positive step which will see the organisation extend its footprint into three provinces. It will be a very challenging time as integrating three established organizations will require a great deal of adjustment and commitment from all parties.

The Council continues to encourage Management to improve the income generation capacity of the organisation. Iziko Museums has great potential to generate additional income from different avenues beyond gate takings. Load shedding continues to impact our operations and subsequently our bottom-line. As part of our capital project proposals, we have developed an alternative energy generation proposal that will allow our buildings to operate uninterrupted.

We wish the Management and Team Iziko well for the financial year 01 April 2024 – 31 March 2025. We are confident that the organisation is ready to deliver on the commitments contained herein.



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**Mr Jabulani Sithole**  
**Chairperson of Council**  
**Iziko Museums of South Africa**



**Dr. Bongani Ndhlovu,**  
**Acting Chief Executive Officer**

The Senior Management Team (SMT) of Iziko Museums of South Africa conducted an exercise to reflect on the organisation's strategic objectives and the progress made to date towards achieving them. Departments held their own strategic sessions which informed the discussions of the broader Management session. Through this review process, it was decided that the strategic objectives outlined in the 2020 – 2025 Strategic Plan remain fit for purpose and thus no amendments have been made.

Currently, our portfolio consists of 12 museums around the Western Cape. In this financial period, our footprint will extend to two additional provinces with the amalgamation of National Museum Bloemfontein and William Humphreys Art Gallery into our portfolio. In addition, during this period, we will continue implementing plans to activate Nelson Mandela Prison House, West Coast Fossil Park and Iziko Old Townhouse. We will also commence implementation of ISAM 200 and a Reimagined Iziko Museums plan. This will see our organisation positioning itself as a future fit institution.

We are working towards cultivating a professionalised, empowered and resilient team. We want our employees to feel valued and proudly embody the values associated with Iziko Museums staff members. We have condensed our organisational values as part of reinforcing the notions of good customer service and leadership. Through this exercise, Management seeks to recalibrate our organisational culture and employee engagement. Our aim is to mobilise our staff around these values so that they see themselves as leaders and ambassadors of Iziko Museums of South Africa. We also seek to reinforce the compact

between us; our patrons and stakeholders by establishing clear standards of what they can expect from us.

Management continues to reflect on emerging issues and trends to identify areas for growth. This also ensures that work undertaken is focused and aligned with strategic priorities. We will continue applying a systematic approach to our work as part of optimizing workflows and incorporate available technological solutions to make our operations efficient. We encourage collaboration across the organization to derive maximum impact of work undertake. For our strategic objectives to be achieved meaningfully, all directorates should have an understanding of what they need to do to support each other. In addition, Management continues to encourage adherence to applicable regulations and protocols in the spirit of good governance. As Iziko Museums moves towards solidifying its position as a key player in the sector, it will become increasingly important to ensure that all employees are engaged and understand the value they bring to the achievement of our strategic goals. The plan is to encourage multidisciplinary collaboration both internally and externally to broaden insights and enrich the quality of our outputs.

As part of enhancing how people experience our facilities, we will also be upgrading our exhibition spaces and infrastructure in line with our Conservation and Management Plans. Apart from being an important institution that houses art, cultural and scientific objects of significant importance; Iziko Museums continues to lead the sector in many respects including pioneering research, public programmes and exhibitions hosted. Institutions such as ours have an important role in creating

platforms for social dialogue around difficult conversations to take place and empowering communities to be agents of their own change. We want to inspire all those who interact with our organisation to *'see things differently'* and embrace innovation.

On behalf of the Senior Management Team of Iziko Museums of South Africa we wish to present the Annual Performance Plan for the period 01 April 2024 to 31 March 2025. Management is confident that Team Iziko is ready deliver on this Annual Performance Plan.



**Dr. Bongani Ndhlovu,**  
**Acting Chief Executive Officer**

## OFFICIAL SIGN-OFF

It is hereby certified that this 2024 – 25 Annual Performance Plan (APP):

- Was developed by the Management of the Iziko Museums of South Africa under the guidance of Mr Jabulani Sithole as Chairperson of the 8<sup>th</sup> Council.
- Takes into account all the relevant policies, legislation, and other mandates for which the Iziko Museums of South Africa is responsible; and
- Accurately reflects the Inputs, Outputs, Outcomes, and Impacts, which the Iziko Museums of South Africa will endeavour to achieve over the period 2024-2025.



**Ms Ronell Pedro,  
Chief Financial Officer**



**Dr. Bongani Ndhlovu,  
Chief Executive Officer (Acting)**



**Mr. Jabulani Sithole  
Chairperson of Council**



**Mr. N.G. Kodwa, MP  
Minister of Sport, Arts and Culture**

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Figure 1: Various events held in August 2023 for Ms. Rooksana Omar's (former CEO) farewell, August 2023.

## PART A: OUR MANDATE

### 1. Updates To the Relevant Legislative and Policy Mandates

There have been no changes to the legislative and policy mandate of Iziko Museums of South Africa. Although Iziko Museums is expected to undergo an amalgamation process from 2024, it is not expected to result in legislative change.

There have been no recent court rulings applicable to Iziko Museums of South Africa.

#### 1.1. Constitutional Mandate

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

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

#### 1.2. Legislative and Policy Mandates, and Guidelines

The regulatory framework that guides Iziko Museums of South Africa emanates primarily from the following:

| No | Legislation That Iziko Museums Must Comply With   | Responsible Department (s) | Internal Custodian(s)                               | Monitoring Mechanism   |
|----|---|----------------------------|---|--|
| 1  | Basic Conditions of Employment Act, 1997, as amended (Act No. 75 of 1997)                       | Human Resources            | Director: Human Resources & Chief Financial Officer | Monitoring the implementation of relevant sections in the Act; actively scanning of media, alerts, and websites quarterly for changes in legislation |
| 2  | Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003)                           | Finance & Administration   | Chief Financial Officer                             | Monitoring the implementation of recommendations; actively scanning of media, alerts, and websites quarterly for changes in legislation              |
| 3  | Compensation for Occupational Injuries and Diseases Act, 1993, as amended (Act No. 130 of 1993) | Human Resources            | Director: Human Resources & Chief Financial Officer | Monitoring the implementation of relevant sections in the Act; actively scanning of media, alerts, and websites quarterly for changes in legislation |
| 4  | Competition Act, 1998 (Act No. 89 of 1998)  | Finance & Administration   | Chief Financial Officer                             | Monitoring the implementation of recommendations; actively scanning of media, alerts, and websites quarterly for changes in legislation              |

| No | Legislation That Iziko Museums Must Comply With                             | Responsible Department (s)                            | Internal Custodian(s)   | Monitoring Mechanism   |
|----|---|---|---|--|
| 5  | Constitution of South Africa Act, 1996, as amended (Act No. 108 of 1996)    | All departments                                       | Directors   | Monitoring the implementation of recommendations; actively scanning of media, alerts, and websites quarterly for changes in legislation              |
| 6  | Consumer Protection Act, 2008 (Act No. 68 of 2008)                          | Finance & Administration                              | Chief Financial Officer   | Monitoring the implementation of recommendations; actively scanning of media, alerts, and websites quarterly for changes in legislation              |
| 7  | Copyright Act, 1978 (Act No. 98 of 1978)                                    | Collections & Digitisation/<br>Research & Exhibitions | Director: Collections & Digitisation<br>Director: Research & Exhibitions    | Monitoring the implementation of recommendations; actively scanning of media, alerts, and websites quarterly for changes in legislation              |
| 8  | Cultural Institutions Act, 1998 (Act No. 119 of 1998)                       |   | Executives  | Monitoring the implementation of recommendations; actively scanning of media, alerts, and websites quarterly for changes in legislation              |
| 9  | Cultural Laws Amendment Act, 2001 (Act No. 36 of 2001)                      |   | Executives  | Monitoring the implementation of recommendations; actively scanning of media, alerts, and websites quarterly for changes in legislation              |
| 10 | Cultural Laws Second Amendment Act, 2001 (Act No. 69 of 2001)               |   | Executives  | Monitoring the implementation of recommendations; actively scanning of media, alerts, and websites quarterly for changes in legislation              |
| 11 | Culture Promotion Act, 1983 (Act No. 35 of 1983)                            | Research & Exhibitions and Education                  | Director: Research & Exhibitions<br>Director: Education & Public Programmes | Monitor the website of the Department of Sports, Arts and Culture: <a href="http://www.dac.gov.za/acts">http://www.dac.gov.za/acts</a>               |
| 12 | Electronic Communications Act, 2005 (Act No. 36 of 2005)                    | Finance & Administration                              | Chief Financial Officer   | Monitoring the implementation of recommendations; actively scanning of media, alerts, and websites quarterly for changes in legislation              |
| 13 | Employment Equity Act, 1998, as amended (Act No. 55 of 1998)                | Human Resources                                       | Director: Human Resources & Chief Financial Officer                         | Monitoring the implementation of relevant sections in the Act; actively scanning of media, alerts, and websites quarterly for changes in legislation |
| 14 | Employment Services Act, 2014 (Act No. 4 of 2014)                           | Human Resources                                       | Director: Human Resources & Chief Financial Officer                         | Monitoring the implementation of relevant clauses in the Bill; actively scanning of media, alerts, and websites quarterly for changes in legislation |
| 15 | Films and Publications Act, 1996 (Act No. 65 of 1996)                       | Research & Exhibitions                                | Director  | Monitoring the implementation of recommendations; actively scanning of media, alerts, and websites quarterly for changes in legislation              |
| 16 | Government Immovable Asset Management Act (GIAMA), 2007 (Act No.19 of 2007) | Support Services                                      | Director: Customer and Support Services                                     | Monitoring the implementation of relevant sections of the Act; actively scanning media, alerts, and websites quarterly for changes in legislation.   |
| 17 | Hazardous Substances Act, 1973 (Act No. 15 of 1973)                         | Collections & Digitisation/Research & Exhibitions     | All Directors   | Monitoring compliance concerning storage of chemicals; ensuring certification is up to date and scanning media for changes in legislation            |
| 18 | Heraldry Act, 1962 (Act No. 18 of 1962)                                     | Collections & Digitisation/Research & Exhibitions     | All Directors   | Monitoring compliance concerning storage of chemicals; ensuring certification is up to date and scanning media for changes in legislation            |

| No | Legislation That Iziko Museums Must Comply With  | Responsible Department (s)                        | Internal Custodian(s)  | Monitoring Mechanism   |
|----|--|---|--|--|
| 19 | Income Tax Act, 1962 (Act No. 58 of 1962)  | Finance & Administration                          | Chief Financial Officer  | Monitoring the implementation of recommendations; actively scanning of media, alerts, and websites quarterly for changes in legislation  |
| 20 | Income Tax Act no 68 of 1962   | Finance & Administration                          | Chief Financial Officer  | Monitoring the implementation of recommendations; actively scanning of media, alerts, and websites quarterly for changes in legislation  |
| 21 | Intellectual Property Laws Amendment Act, 2013 (Act No. 28 of 2013)                          | Collections & Digitisation/Research & Exhibitions | All Directors  | Monitoring compliance concerning artworks acquired and scanning of media, alerts, and websites quarterly for changes in legislation. Arranging updates via a workshop by a legal practitioner with expertise in IP laws.   |
| 22 | Labour Relations Act, 1995, as amended (Act No. 66 of 1995)                                  | Human Resources                                   | Director: Human Resources  | Monitoring the implementation of relevant sections in the Act; actively scanning of media, alerts, and websites quarterly for changes in legislation   |
| 23 | Legal Deposit Act, 1997 (Act No. 54 of 1997)   | All Departments                                   | Executives   | Monitoring the implementation of relevant sections in the Act to ensure the preservation and cataloguing of, and access to, published documents emanating from or adapted for, South Africa; actively scanning of media, alerts, and websites quarterly for changes in legislation |
| 24 | Medical Schemes Act, 1998, as amended (Act No. 131 of 1998)                                  | Human Resources                                   | Director: Human Resources & Chief Financial Officer                      | Monitoring the implementation of relevant sections in the Act; actively scanning of media, alerts, and websites quarterly for changes in legislation   |
| 25 | National Archives and Record Service of South Africa Act, 1996 (Act No. 43 of 1996)          | All departments                                   | All Directors  | Monitoring the implementation of recommendations; actively scanning of media, alerts, and websites quarterly for changes in legislation  |
| 26 | National Arts Council Act, 1997 (Act No. 56 of 1997)   | Research & Exhibitions                            | Director: Research & Exhibitions   | Monitoring the implementation of recommendations; actively scanning of media, alerts, and websites quarterly for changes in legislation  |
| 27 | National Council for Library and National Information Services Act, 2001 (Act No. 6 of 2001) | Collections & Digitisation/Research & Exhibitions | Director: Collections & Digitisation<br>Director: Research & Exhibitions | Monitoring the implementation of recommendations; actively scanning of media, alerts, and websites quarterly for changes in legislation  |
| 28 | National Council for Library and Information Services Act, 2001 (Act No. 6 of 2001)          | Collections & Digitisation/Research & Exhibitions | Director: Collections & Digitisation<br>Director: Research & Exhibitions | Monitoring the implementation of recommendations; actively scanning of media, alerts, and websites quarterly for changes in legislation  |
| 29 | National Credit Act, 2005 (Act No. 34 of 2005)   | Finance & Administration                          | Chief Financial Officer  | Monitoring the implementation of recommendations; actively scanning of media, alerts, and websites quarterly for changes in legislation  |
| 30 | National Economic Development and Labour Council (NEDLAC) Act, 1994 (Act No. 35 of 1994)     | All departments                                   | All Directors  | Monitoring the implementation of recommendations; actively scanning of media, alerts, and websites quarterly for changes in legislation  |

| No | Legislation That Iziko Museums Must Comply With                                | Responsible Department (s)                        | Internal Custodian(s)  | Monitoring Mechanism   |
|----|--|---|--|--|
| 31 | National Education Policy Act, 1996 (Act No. 27 of 1996)                       | Education   | Director: Education & Public Programmes                                  | Monitor the Department of Basic Education's website: <a href="https://www.education.gov.za/Resources/Legislation/Act%20s.aspx">https://www.education.gov.za/Resources/Legislation/Act s.aspx</a> |
| 32 | National Environmental Management Act, 1998 (Act No. 107 of 1998)              | All departments                                   | All Directors  | Monitoring the implementation of recommendations; actively scanning of media, alerts, and websites quarterly for changes in legislation  |
| 33 | National Environmental Management Amendment, 2008 (Act No. 62 of 2008)         | Research & Exhibitions                            | Director: Research & Exhibitions   | Monitoring the implementation of recommendations; actively scanning of media, alerts, and websites quarterly for changes in legislation  |
| 34 | National Environmental Management: Biodiversity Act, 2004 (Act No. 10 of 2004) | Research & Exhibitions                            | Director: Research & Exhibitions   | Monitoring the implementation of recommendations; actively scanning of media, alerts, and websites quarterly for changes in legislation  |
| 35 | National Film and Video Foundation Act, 1997 (Act No. 73 of 1997)              | Research & Exhibitions                            | Director: Research & Exhibitions   | Monitoring the implementation of recommendations; actively scanning of media, alerts, and websites quarterly for changes in legislation  |
| 36 | National Heritage Act, 1999 (Act No. 25 of 1999)                               | All departments                                   | All Directors  | Monitoring the implementation of relevant sections in the Act; actively scanning of media, alerts, and websites quarterly for changes in legislation   |
| 37 | National Heritage Council Act, 1999 (Act No. 11 of 1999)                       | All departments                                   | All Directors  | Monitoring the implementation of relevant sections in the Act; actively scanning of media, alerts, and websites quarterly for changes in legislation   |
| 38 | National Heritage Resources Act, 1999 (Act No. 25 of 1999)                     | All departments                                   | All Directors  | Monitoring the implementation of relevant sections in the Act; actively scanning of media, alerts, and websites quarterly for changes in legislation   |
| 39 | National Library of South Africa Act, 1998 (Act No. 92 of 1998)                | Collections & Digitisation/Research & Exhibitions | Director: Collections & Digitisation<br>Director: Research & Exhibitions | Monitoring the implementation of relevant sections in the Act; actively scanning of media, alerts, and websites quarterly for changes in legislation   |
| 40 | National Policy for Health Act, 1990, as amended (Act No. 116 of 1990)         | Human Resources                                   | Director: Human Resources & Chief Financial Officer                      | Monitoring the implementation of relevant sections in the Act; actively scanning of media, alerts, and websites quarterly for changes in legislation   |
| 41 | Occupational Health and Safety Act, 1993, as amended (Act No. 85 of 1993)      | All Departments                                   | Directors  | Monitoring the implementation of relevant sections in the Act; actively scanning of media, alerts, and websites quarterly for changes in legislation   |
| 42 | Pan South African Language Board Act, 1995 (Act No. 59 of 1995)                | Education   | Director: Education & Public Programmes                                  | Monitor the website of The Pan South African Language Board: <a href="https://pansalb.org/">https://pansalb.org/</a>   |
| 43 | Pension Funds Act, 1956 (Act No. 24 of 1956)                                   | Human Resources                                   | Director: Human Resources  | Monitoring the implementation of relevant sections in the Act; actively scanning of media, alerts, and websites quarterly for changes in legislation   |
| 44 | Preferential Procurement Policy Framework, 2000 (Act No. 5 of 2000)            | Finance & Administration                          | Chief Financial Officer  | Monitoring the implementation of recommendations; actively scanning of media, alerts, and websites quarterly for changes in legislation  |

| No | Legislation That Iziko Museums Must Comply With   | Responsible Department (s)                        | Internal Custodian(s)   | Monitoring Mechanism   |
|----|---|---|---|--|
| 45 | Prevention and Combating of Corrupt Activities, 2004 (Act No. 12 of 2004)                   | Finance & Administration                          | Chief Financial Officer   | Monitoring the implementation of recommendations; actively scanning of media, alerts, and websites quarterly for changes in legislation  |
| 46 | Promotion of Equality and Prevention of Unfair Discrimination Act, 2000 (Act No. 4 of 2000) | All departments                                   | All Directors   | Monitoring the implementation of relevant sections in the Act; actively scanning of media, alerts, and websites quarterly for changes in legislation   |
| 47 | Protected Disclosures Act, 2000 (Act No. 26 of 2000)  | All departments                                   | All Directors   | Monitoring the implementation of relevant sections in the Act; actively scanning of media, alerts, and websites quarterly for changes in legislation   |
| 48 | Protection of Personal Information Act, 2013 (Act No. 4 of 2013)                            | All departments                                   | All Directors   | Monitoring the implementation of relevant sections in the Act; actively scanning of media, alerts, and websites quarterly for changes in legislation   |
| 49 | Public Finance Management Act, 1999 (Act No. 1 of 1999)                                     | Finance & Administration                          | Chief Financial Officer   | Monitoring the implementation of recommendations; actively scanning of media, alerts, and websites quarterly for changes in legislation  |
| 50 | Skills Development Act (SDA), 1998 as amended (Act No. 97 of 1988)                          | Human Resources                                   | Director: Human Resources & Chief Financial Officer                     | Monitoring the implementation of relevant sections in the Act; actively scanning of media, alerts, and websites quarterly for changes in legislation   |
| 51 | Skills Development Levies Act, 1999 (Act No. 9 of 1999)                                     | Human Resources                                   | Director: Human Resources & Chief Financial Officer                     | Monitoring the implementation of relevant sections in the Act; actively scanning of media, alerts, and websites quarterly for changes in legislation   |
| 52 | South African Geographical Names Council Act, 1998 (Act No. 118 of 1998)                    | All departments                                   | All Directors   | Monitoring the implementation of relevant sections in the Act; actively scanning of media, alerts, and websites quarterly for changes in legislation   |
| 53 | South African Library for the Blind Act, 1998 (Act No. 91 of 1998)                          | Collections & Digitisation/Research & Exhibitions | Director Collections & Digitisation<br>Director: Research & Exhibitions | Monitoring the implementation of relevant sections in the Act; actively scanning of media, alerts, and websites quarterly for changes in legislation   |
| 54 | South African Qualifications Act, 1995 (Act No. 58 of 1995)                                 | Human Resources                                   | Director: Human Resources & Chief Financial Officer                     | Monitoring the implementation of relevant sections in the Act; actively scanning of media, alerts, and websites quarterly for changes in legislation   |
| 55 | South African Schools Act, 1996 (Act No. 84 of 1996)  | Education   | Director: Education & Public Programmes                                 | Monitor the Department of Basic Education's website: <a href="https://www.education.gov.za/Resources/Legislation/Acts.aspx">https://www.education.gov.za/Resources/Legislation/Acts.aspx</a> |
| 56 | Tax Administration Act, 2011 (Act No. 28 of 2011)   | Finance & Administration                          | Chief Financial Officer   | Monitoring the implementation of recommendations; actively scanning of media, alerts, and websites quarterly for changes in legislation  |
| 57 | The South African Council for Educators Act, 2000 (Act No. 31 of 2000)                      | Education   | Director: Education & Public Programmes                                 | Monitor the Department of Basic Education's website: <a href="https://www.education.gov.za/Resources/Legislation/Acts.aspx">https://www.education.gov.za/Resources/Legislation/Acts.aspx</a> |
| 58 | The South African Maritime Safety Authority (SAMSA) Act, 1998 (Act No. 5 of 1998)           | Support Services                                  | Director: Customer and Support Services                                 | Monitoring the implementation of relevant sections of the Act; actively scanning media, alerts, and websites quarterly for changes in legislation.   |

| No | Legislation That Iziko Museums Must Comply With                         | Responsible Department (s)               | Internal Custodian(s)                               | Monitoring Mechanism   |
|----|---|--|---|--|
| 59 | Trademarks Act, 1993 (Act No. 194 of 1993)                              | All departments                          | All Directors                                       | Monitoring the implementation of relevant sections in the Act; actively scanning of media, alerts, and websites quarterly for changes in legislation |
| 60 | Unemployment Insurance Fund Act, 2001 (Act No. 63 of 2001)              | Human Resources Finance & Administration | Director: Human Resources & Chief Financial Officer | Monitoring the implementation of relevant sections of the Act; actively scanning of media, alerts, and websites quarterly for changes in legislation |
| 61 | Unemployment Insurance Fund Contributions Act, 2002 (Act No. 4 of 2002) | Human Resources Finance & Administration | Director: Human Resources & Chief Financial Officer | Monitoring the implementation of relevant sections of the Act; actively scanning of media, alerts, and websites quarterly for changes in legislation |
| 62 | Value-added Tax Act, 1991 (Act No. 89 of 1991)                          | Finance & Administration                 | Chief Financial Officer                             | Monitoring the implementation of recommendations; actively scanning of media, alerts, and websites quarterly for changes in legislation              |
| 63 | Nature Conservation Ordinance 19 of 1974                                |  | All Directors                                       | Monitoring the implementation of recommendations; actively scanning of media, alerts, and websites quarterly for changes in legislation              |

| National Policies; Regulatory Framework and Guidelines                  | Responsibility of Iziko Museums    |
|---|------------------------------------|
| King IV Report Corporate Governance in South Africa, 2016               | Apply                              |
| National Development Plan (NDP) Vision 2030                             | Align programmes to NDP objectives |
| The White Paper on Arts, Culture and Heritage, 1996                     | Ensure compliance                  |
| Skills Development Act (SDA), 1998 as amended (Act No. 97 of 1988)      | Ensure compliance                  |
| National Framework Towards the Professionalisation of the Public Sector | Apply                              |

| No | Frameworks/Guidelines/Policies That Iziko Museums Must Comply With  | Responsible Department(s)                         | Custodian                               | Monitoring Mechanism   |
|----|---|---|---|--|
| 1  | Asset Management (Heritage Assets) GRAP 103 issued in terms of the Public Finance Management Act, 1999 (Act No 1 of 1999)   | Finance & Administration                          | Chief Financial Officer                 | Monitoring the implementation of recommendations; actively scanning of media, alerts, and websites quarterly for changes in legislation  |
| 2  | Codes of Good Practice issued in terms of listed legislation  | All departments                                   | All Directors                           | Monitoring the implementation of recommendations; actively scanning of media, alerts, and websites quarterly for changes in legislation  |
| 3  | Exchange Control Regulations, 1961, issued in terms of the Exchanges Act, 1933 (Act No. 9 of 1933)  | Finance & Administration                          | Chief Financial Officer                 | Monitoring the implementation of recommendations; actively scanning of media, alerts, and websites quarterly for changes in legislation  |
| 4  | Standards of Generally Recognised Accounting Practice (GRAP) Framework  | Finance & Administration                          | Chief Financial Officer                 | Monitoring the implementation of recommendations; actively scanning of media, alerts, and websites quarterly for changes in legislation  |
| 5  | King IV Report on Corporate Governance in South Africa, 2016  | Finance & Administration                          | Chief Financial Officer                 | Monitoring the implementation of recommendations; actively scanning of media, alerts, and websites quarterly for changes in legislation  |
| 6  | National Curriculum Statements, 2002  | Education   | Director: Education & Public Programmes | Monitor the Department of Basic Education's website: <a href="https://www.education.gov.za/Resources/Legislation/Acts.aspx">https://www.education.gov.za/Resources/Legislation/Acts.aspx</a> |
| 7  | National Development Plan (Vision 2030)   | All departments                                   | Executives                              | Monitoring the implementation of recommendations; actively scanning of media, alerts, and websites quarterly for changes in legislation  |
| 8  | National Treasury Regulations, Instructions and Practice Notes  | Finance & Administration                          | Chief Financial Officer                 | Monitoring the implementation of recommendations; actively scanning of media, alerts, and websites quarterly for changes in legislation  |
| 9  | Regulation of Interception of Communications and Provision of Communication-related Information Act, 2002 (Act No. 70 of 2002)  | Finance & Administration                          | Chief Financial Officer                 | Monitoring the implementation of recommendations; actively scanning of media, alerts, and websites quarterly for changes in legislation  |
| 10 | Regulations of the South African Heritage Resources Agency (SAHRA), viz. Government Gazette, 2 June 2000, Vol. 420 No. 21239, Notice No. 548 (SAHRA Regulations) and Government Gazette, 6 December 2002, Vol. 450 no. 24116, Notice No.1512 (Types of Heritage Objects requiring Export Permits) | Collections & Digitisation/Research & Exhibitions | All Director                            | Monitoring the implementation of recommendations; actively scanning of media, alerts, and websites quarterly for changes in legislation  |
| 11 | Regulations on the Use of Official Languages Act, 2012 (Act No. 12 of 2012)   | Education   | Director: Education & Public Programmes | Monitor the website of The Pan South African Language Board: <a href="https://pansalb.org/">https://pansalb.org/</a>   |
| 12 | Supply Chain Management (SCM) Regulations   | Finance & Administration                          | Chief Financial Officer                 | Monitoring the implementation of recommendations; actively scanning of media, alerts, and websites quarterly for changes in legislation  |

| No | Frameworks/Guidelines/Policies That Iziko Museums Must Comply With | Responsible Department(s) | Custodian                               | Monitoring Mechanism   |
|----|--|---------------------------|---|--|
| 13 | The Western Cape Language Policy, 2001                             | Education                 | Director: Education & Public Programmes | Monitor the Western Cape Government's website: <a href="https://www.westerncape.gov.za/documents/policies/A">https://www.westerncape.gov.za/documents/policies/A</a><br><br>Monitor the work of the Western Cape Language Committee (WCLC), which was established in 1998. |
| 14 | The White Paper on Arts, Culture and Heritage, 1996                | All departments           | All Directors                           | Monitoring the implementation of relevant sections in the Act; actively scanning of media, alerts, and websites quarterly for changes in legislation   |
| 15 | The White Paper on Education (Inclusive education), 2001           | Education                 | Director: Education & Public Programmes | Monitor the Department of Basic Education's website: <a href="https://www.education.gov.za/Resources/Legislation/Acts.aspx">https://www.education.gov.za/Resources/Legislation/Acts.aspx</a>   |



Figure 2: School Children Group performance during 2023 in\_herit festival in the Whale Well at the Iziko South Africa Museum, 24 September 2023.

## 2. Updates to Institutional Policies and Strategies

### 2.1. Vision

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

### 2.2. Mission

- To manage and promote Iziko's unique combination of South Africa's heritage collections, sites, and services for the benefit of present and future generations.
- To continuously innovate and transform our heritage institutions to meet the needs of our democracy and serve our public.

### 2.3. Values

#### Service & Respect

- We practice an attitude of service and respect towards each other, including customers and stakeholders. In this regard we embrace the principles of Ubuntu (I am because you are) and Batho Pele (putting people first).

#### Inclusivity & Collaboration

- We listen to and work with communities, partners, stakeholders and each other to promote diversity and inclusion.

#### Accountability & Transparency

- We promote a culture of transparency, honesty and accountability throughout the organization. This ensures that trust is built and maintained amongst all stakeholders.

#### Excellence & Innovation

- Through embracing new and responsible methods of practice, we strive to be a leading heritage institution.

#### Integrity & Stewardship

- Through living by our collective code of ethics, we endeavour to improve care of our shared heritage.

## 2.4. Linking to Government Priorities

Iziko Museums annual performance plans are strategically influenced and aligned to the following:



### Constitutional and Legislative Provisions



### National Development Plan (vision 2030)



### Medium-Term Strategic Framework (2019 – 2024)



### Department of Sports Arts and Culture

Strategic Plan (2020 – 2025)

Annual Performance Plans



### Institutional Plans

Strategic Plan (2020 – 2025)

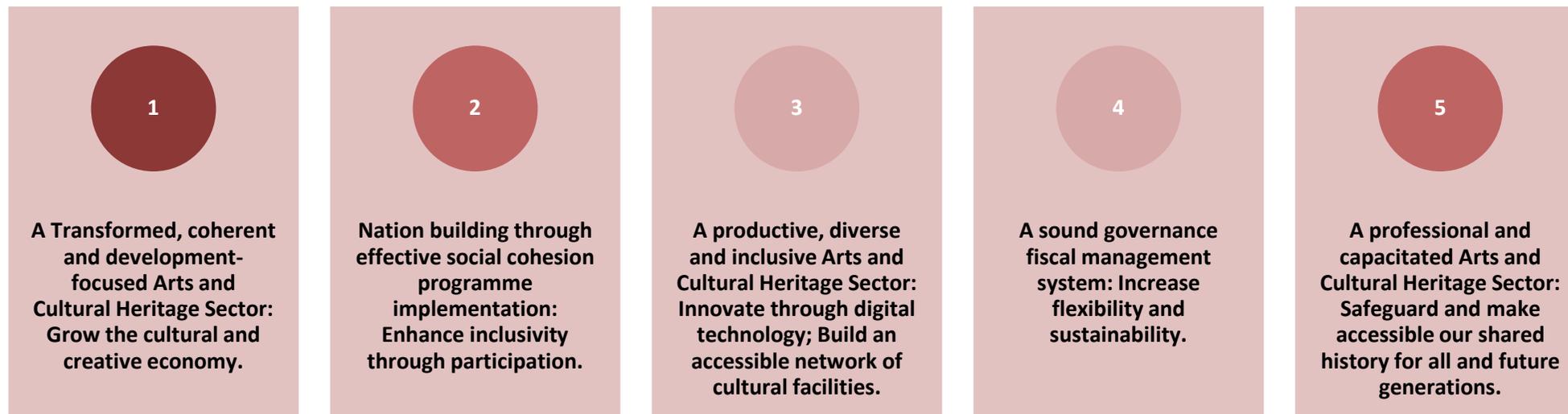
Annual Performance Plan

Reimagined Iziko Museums Implementation Plan

The alignment of Iziko Museums programmes and activities to the priorities of the sixth administration as contained in the Medium-Term Strategic Framework (MTSF) are tabulated below:

| PROGRAMME   | MTSF PRIORITY   |
|---|---|
| Programme 1: Administration                           | <b>Priority 1:</b> Capable, Ethical and Developmental State<br><b>Priority 2:</b> Economic Transformation and Job creation<br><b>Priority 3:</b> Education, Skills and Health |
| Programme 2: Business Development (Collections)       | <b>Priority 6:</b> Social Cohesion and Safer Communities<br><b>Priority 7:</b> A Better Africa and World  |
| Programme 3: Audience Development (Public Engagement) | <b>Priority 3:</b> Education, Skills and Health<br><b>Priority 6:</b> Social Cohesion and Safer Communities<br><b>Priority 7:</b> A Better Africa and World                   |

## DSAC Priorities:



## 2.5.Policies

The Eighth Council of Iziko Museums of South Africa together with Management seeks to create a conducive compliance environment by establishing an institutional policy framework that supports the strategic vision of the organisation. The Iziko Museums' Policy Framework serves to guide decision-making and operating procedures to ensure that all programmes and activities pursued by the organisation are directed towards fulfilling its mission and establish a solid platform upon which the future organisation is to be based.

In accordance with good governance principles and promoting a sound compliance culture, Iziko Museums of South Africa will continue to:

- Review its internal policies to promote good governance and alignment with best practice.
- Update relevant policies when amendments to relevant legislation are promulgated.
- Update applicable policies in line with updated regulations; and
- Develop new policies where required.

## 2.6.Strategies

The Eight Council of Iziko Museums of South Africa and Management have formulated several strategies aimed at providing direction and advancing the vision and mission of the institution, considering existing barriers and limited resources.

### 2.6.1. Marketing and Communication Strategy

A Marketing and Communication Strategy is about how an organisation plans to convey a particular message to its target audiences and the mediums used to do so. The offerings of Iziko Museums of South Africa appeal to a broad and diverse audience. From art enthusiasts to environmental activists, researchers, tourists and fun-seekers etc. A comprehensive marketing and communications strategy is required that appeals to the interests of these diverse groupings. Simultaneously, the strategy should also be consistent and reflect the strategic identity the organisation wishes to establish. It is important that Iziko maximises the visibility of its brand across available public and online platforms. Strategic partnerships and affiliations will also assist in strengthening the marketing initiatives of the organisation by partnering with compatible organisations.

Now that Iziko Museums will be commencing its activities to observe 200 years of the Iziko South Africa Museum and the Reimagined Iziko campaign, the marketing and communications strategy will be revised. The intention is to improve the institution's appeal to the interests of the potential client base, segmented to identify the different audiences and stakeholders. The strategy will also clearly indicate the overarching message we want to communicate to our clients and stakeholders, who we are appealing to and the means to be used to do so. This will require all departments to work together and plan collectively to ensure that all our messaging, branding, advertising, and promotions are consistent across all platforms.

A sound marketing communication strategy will help us to better communicate our values and what we espouse as an organisation. We will also encourage our workforce to serve as ambassadors of the organisation and its values to our clients and stakeholders. Consistent implementation of the strategy will be required to ensure maximum impact and mileage for the organisation is derived beyond any isolated campaign. Although Iziko Museums has experienced a demand in online activity, this activity has been difficult to monetize thus far. Gate takings continue to be an important source of income generated thus marketing campaigns should also be aligned with social dialogue and interests to entice more people to visit our museums in-person.

Iziko Museums of South Africa has migrated to an online ticketing system. It is hoped that this initiative will further improve the visitor experience and modernising our operations. This also forms part of improving our ability to improve the accuracy of captured visitor statistics and data which will enhance the way we profile our client-base. In addition, this will also assist us to analyse visitor trends and the effectiveness of marketing campaigns embarked upon.

### 2.6.2. Fundraising

Iziko Museums of South Africa seeks to adopt comprehensive Income Generation and Financial Sustainability Strategies. Given financial the constraints experienced during the Medium-Term Economic Framework, there has been an increased need to diversify income streams to ensure sustainable income generation for the organisation. In 2024 – 25 Iziko Museums will continue to secure partnerships with strategic organisations locally and abroad to manage costs of its planned activities without compromising on the impact of programmes embarked upon.

With the commencement of ISAM200 and Reimagined Iziko Museums activities, Management also plans to leverage from existing investments to generate more income for the organisation. With the operationalisation of West Coast Fossil Park and the gradual onboarding of other dormant Iziko Museums facilities, income is also expected to increase. Iziko Museums will establish a Non-Profit component which will provide an incentive to private individuals and companies an incentive to make donations by making the donation tax-deductible. Consideration will be given to alternative resourcing models and consider sourcing project-specific external fund-raising initiatives from identify prospective donors locally and abroad.

The demand for hiring venues at various Museum sites remains strong. Management has developed a comprehensive maintenance plan which will see the upgrading of some of our facilities. As part of our marketing initiatives, we will promoting the diverse usage of our venues for conferencing, team buildings, corporate events, private functions, filming etc. The leasing of restaurant space at Groot Constantia has taught us many lessons. We will continue to explore the use of public-private partnerships for some of our identified spaces for further income generation. A task team will be established to expound on these proposals and develop specifications accordingly. The following facilities have been identified as suitable for venue hire:

- Whale Well – traditionally used for concerts, banquets, performances.
- New Bicentennial Conference Centre (5<sup>th</sup> Floor) – 200-seater auditorium that can be subdivided. It has adjacent breakaway rooms and a fully fitted catering kitchen. Ideal for functions and conferences.
- New Cafeteria and Picnic Garden – will be able to accommodate small summer concerts and performances, parties, and live events.
- Planetarium – special screenings for parties, talks and functions.
- Amphitheatre – Ideal for performance art and other live events
- Education Classrooms – ideal for workshops, meetings and parties. Has a fitted kitchen.

Iziko Museums has further identified the following spaces as being suitable for retail activity:

- New Museum Shop in the old Gathering Space which is usually the space used to exit the museum – Proposed items on sale will include animal figurines, stationary, t-shirts, hoodies, books, invitation cards, bags, replica dinosaur teeth, replica shark teeth, environmentally friendly shopping bags, keyrings, fridge magnets, mugs, water bottles. These can even be customized to resemble objects that appear in temporary or special exhibitions. Animal prints from our collections or photographic exhibitions. All the items need to be environmentally friendly.
- New Cafeteria, Restaurant, Outdoor Food Kiosk Deck and Picnic Garden in the H2O Today Space – This alternate access concession area will be able to operate outside of museum hours and will significantly enhance visitor experience.
- The New Bicentennial Garden of Life will be accessible to general access paying visitors but will make use of self-contained containers to host Gogga Corner with live insects, a water feature along the panoramic window that flanks the new Amanzi e Africa Exhibition filled with endemic fishes and potentially live reptiles housed in shipping containers. These additional experiences could be charged extra for. Partnerships with SANBI, Two Oceans Aquarium, Butterfly World and a reptile park will be explored.

Management continues to explore possibilities for additional income generation. Our rich collections and research initiatives are also untapped avenues for revenue generation. Through responsible lending of some of our objects to known institutions who have an established working relationship with Iziko, we could further unlock an additional income stream. This is envisioned to further improve and diversify our revenue collection.

### 2.6.3. Facilities Management

The Iziko Museums of South Africa portfolio consists of the following heritage buildings:

1. Bertram House (early 19th century) and Annexe (IBH)
2. Bo-Kaap Museum (early 19th century) (IBK)
3. Koopmans-de Wet House (18th century) (IKdW)
4. National Mutual Building (20th century) housing the Social History Centre (ISHC)
5. Old Townhouse (18th century) housing the Michaelis Collection (IOTH)
6. Rust en Vreugd Museum (late 18th century) (IR&V)
7. Slave Lodge (foundation was laid in 1679, but sections were added in 17th and 18th centuries) (ISL)
8. SA Museum (late 19th century) and Planetarium (ISAM)
9. SA National Gallery (20th century) (ISANG)
10. Nelson Mandela Prison House (also referred to as Madiba House)

Iziko does not manage the maintenance of the following sites:

- Iziko Groot Constantia
- Iziko William Fehr Collections at the Castle of Good Hope
- West Coast Fossil Park

The Department of Sport, Arts, and Culture (DSAC) continues to fund the maintenance and repairs of Iziko Museums' buildings which are also recognised as heritage structures in and of themselves. Iziko Museums of South Africa will continue with the implementation of its comprehensive Conservation Management Plan. In 2024-25, focus will be placed on completing the ongoing roof repairs; installation of a staircase between the 5<sup>th</sup> and 6<sup>th</sup> floors at ISAM; waterproofing and upgrading of drainage systems for all the buildings will be prioritised. Roof leakages place our collections (both on display and in storage) at risk of being damaged. When heavy rains are experienced, they impact the electricity supply and cause further damage to the infrastructure. Through the User Asset Management Plans (UAMP) and the ongoing Space Utilisation Project, Management will ensure optimal use of available spaces for office use; venue hire and suitable storage facilities to house our various collections. A high-level proposal for a visitor's centre at the Nelson Mandela Prison House has been prepared as part of plans to activate the site. This centre is envisioned to enhance the visitor experience and allow more space for content to be exhibited.

Load shedding has had a significant impact on our operations and our ability to generate income. As part of ensuring business continuity and improved disaster management planning, Iziko Museums of South Africa has developed an alternative energy generation proposal for all its buildings which will be implemented upon the availability of funding. This will reduce disruptions to our daily operations and enhance our visitors' experience as our museums will be accessible even during load shedding.

#### **2.6.4. Public Programmes and Exhibitions**

Iziko Museums' commitment to ISAM 200 Project and the Reimagining Implementation Plan places a significant emphasis on exhibitions, research, education, and public programs. The strategic implementation of plans aimed at reimagining and decolonizing exhibitions and spaces will fundamentally reshape the societal narrative conveyed by Iziko Museums. By fostering a new era of collaborative curation that embraces inclusivity, multidisciplinary research, and innovative technologies, our endeavours aim to unite diverse audiences and create programming that resonates with all segments of African society while addressing global challenges.

Functioning as a public entity within the Department of Sport, Arts, and Culture, Iziko Museums seeks to enhance its contributions to nation-building through inclusive offerings that transcend the boundaries of sports, arts, culture, and science. The transformative narratives surrounding our national athletes, both able and differently abled, present an opportunity to incorporate inspiring stories into exhibitions, programming, and marketing initiatives. These initiatives are designed to attract a diverse visitor base and encourage active participation, particularly among young people, by leveraging social media interactivity to dismantle historical barriers within the museum environment.

Collaboration with the Department of Education will remain a pivotal aspect of our strategy, as we seek creative ways to enhance classroom learning through experiential opportunities available in our exhibitions, collections, laboratories and public programs. Furthermore, ensuring the accessibility of educational content via virtual platforms will enable continued engagement with the public.

#### **2.6.5. Strategic and Integrated Human Resources**

In 2024-25 the drafting of an Integrated Human Resource Management Strategy will commence to ensure that Iziko Museums continuously adapts to an ever-changing environment. There will be renewed focus on reviving the organisational culture by empowering staff at all levels to see themselves as leaders as well as build resilience, enhance agility and foster team leadership. Management continues to reflect on functions performed and competencies required to achieve organisational efficiency. Through the integrated strategy, Iziko Museums aims to position itself as an employer of choice, by building on its solid reputation within the sector to attract and retain suitable talent that will take the organisation to greater heights.

The Management of Iziko Museums seeks to transform the organisational culture by creating a values-driven and ethical culture within the organisation. The revised Human Resource Manual and Employee Handbook will be institutionalised to further promote sound and ethical conduct. This policy review process is also envisioned to contribute towards invigorating the internal culture and realising the objectives of a reimagined Iziko. It is for this reason that Management opted to

conduct an internal activation of ISAM 200 to ensure that all staff members are brought on board and can contribute meaningfully to the success of this initiative. Subsequently, the organisational values have been condensed as part of reaffirming the compact between Iziko Museums' officials and our various stakeholders. 2024 – 25 will see a renewed focus in promoting good customer service to ensure that we create a memorable experience for our visitors and stakeholders.

The institutions' learning and development programme will be, in consultation with management, enhanced to not only identify skills requirements and gaps within the organisation but also to address the latter with a program to the latter and bolster staff retention and organisational growth as well as build a leadership pipeline to support succession planning.

#### **2.6.6. Information and Communication Technology**

Iziko Museums' forward-looking Information and Communication Technology (ICT) strategy encompasses a comprehensive approach to full integration of ICT systems across all departments. Our focus remains on aligning technology directly with our core business objectives. Key elements of this strategy include the automation of manual processes, the effective digitization and management of our collections, and the introduction of virtual access and digital enhancements to our exhibitions. These innovative initiatives are designed to elevate the experience for both Iziko Museums visitors and the broader community. In line with our commitment to capacity planning and management, we are dedicated to ensuring that our ICT environment is adequately staffed, and our infrastructure is appropriately scaled to meet current and future needs. As the digital demands of our organisation continue to evolve, we acknowledge the necessity of continually expanding processing power, memory, and storage capacity within our ICT systems. While the potential benefits of ICT are considerable, it's important to recognize that ICT investments can be substantial and must compete with other essential priorities within our organisation. Therefore, the unwavering commitment to our ICT strategy by key stakeholders is of paramount importance in ensuring that ICT contributes effectively to Iziko's strategic objectives. We emphasize the need for policies that not only reflect but also drive truly comprehensive and integrated strategies for harnessing and maximizing the potential of information and technology. This approach is crucial for setting Iziko Museums apart in the market, increasing value, and enhancing operational effectiveness, ensuring we continue to evolve and lead in the digital landscape.

#### **2.6.7. Collections and Research**

For nearly two centuries, the research endeavours of Iziko Museums' curatorial staff have laid the foundation for a diverse collection of art, cultural, and natural heritage objects, artefacts and specimens. These collections constitute an invaluable part of South Africa's national heritage and serve as the foundations for applied research. The generation and dissemination of new knowledge stemming from this research contribute to decision-making that impacts the continent and our global society. Impact areas include ethical practices in society, sustainable use of living heritage resources, the transformation of the bioeconomy, cultural economy, and tourism sectors, as well as advancements in education, training, health (including commercial pharmaceuticals and ethnomedicines), and safety measures such as cultural alternatives to crime prevention and the maintenance of a stable natural environment.

Recognising its leadership role in foundational heritage research, Iziko Museums is committed to conveying the value of knowledge generation to stakeholders, including funders, managers, sponsors, and, notably, the public. The historic buildings situated in the heart of one of Africa's premier cities, along with the heritage assets they house, are deemed irreplaceable and transcend their considerable monetary worth. Consequently, Iziko Museums places a high priority on tasks such as digitisation, management, conservation, and accessibility of collections, as well as the maintenance of the sites themselves, ensuring their benefit for present and future generations.

Within Iziko Museums' comprehensive strategic framework, collection management stands out as a crucial element. It aims to safeguard South Africa's diverse cultural, environmental, historical, natural, scientific, technological, and artistic heritage indefinitely, making it accessible to a broad audience nationally and globally.

Research is recognised as the most reliable means to comprehend and address the complexities of various human challenges. Collections-based research holds particular importance, and Iziko Museums actively acknowledges its pivotal role by making collections visible and demonstrating its impact to funders, managers, sponsors, and, crucially, the public.



Figure 3: Infecting the City public arts festival in collaboration with UCT Institute for Creative Arts, November 2023.

### 3. Updated Situational Analysis

#### 3.1. Background

The inception of Iziko Museums of South Africa (Iziko Museums) in 1999 marked the amalgamation of five clusters of established national museums in and around Cape Town, aligning with the Cultural Institutions Act (Act No. 119 of 1998) issued by the Minister of Arts and Culture. Recognised as the foremost flagship heritage institution in South Africa, Iziko Museums is one of three national museum institutions in the Western Cape, encompassing 12 national museums and sites, including The Iziko South African Museum (approaching its 200th anniversary in 2025), the Iziko Slave Lodge, and the Iziko South African National Gallery. Among its facilities are the state-of-the-art immersive Planetarium and Digital Dome, three collection-specific libraries, the Iziko Social History Centre, and the Iziko Mobile Museum.

Housing an invaluable collection of over 10 million objects, fossils, and specimens, our museums span the realms of art, social history, and natural history, allowing visitors to traverse the origins of life on earth to the present day and beyond. However, these collections were predominantly amassed during colonial and apartheid eras, and despite transformation efforts since 1999, a "pre-democracy" worldview bias persists in both the structures and archival presentation. To address this, Iziko Museums has developed a strategic plan for re-imagining and decolonizing its museums and galleries, with a commitment to raising the exposure of intangible heritage and Indigenous knowledge systems. The institution aims to manifest and reflect the heritage and narratives of the majority of South Africans, rectifying historical marginalisation and exclusion through changes to methodologies and curatorial practices, and ensuring transparency in the examination of the origin, collection practices and documentation relating to unethical displays.

Iziko Museums undertakes diverse research and presents ground-breaking exhibitions, with a major project focused on re-imagining its sites and galleries to showcase Africa's rich natural, cultural, and artistic heritage. Through global partnerships and collaborations, the institution advances research on slavery in southern Africa and globally, while exploring our history of liberation and struggle. The biodiversity and palaeontology research projects, supported by the National Research Foundation and international partners, play a pivotal role in decision-making related to climate change, agriculture, food security, biomedicine, and health. Iziko is also a change-leader in the Art sector; pushing the boundaries of what is considered art and breaking down the walls of division created through colonialism.

In the contemporary context of the 21st century, Iziko Museums continually explores innovative perspectives on arts, culture, heritage, and creativity sectors to remain a relevant and accessible museum. As a catalyst for social development and change, Iziko Museums strives to activate museums as agents of redress. With its vision set on becoming an "African Museum of Excellence," Iziko Museums anticipates celebrating the 200th anniversary of the South African Museum in 2025, aiming to transform into a world-class, uniquely African institution that serves as an unparalleled showcase for the art, social, and natural heritage of Africa and beyond.

## 3.2. External Environment Analysis

Management used the PESTLE analysis to analyse the external environment. The methodology can also be used as a proactive risk management tool to identify potential external factors which may impact the organization. By identifying the key factors in the environment which could influence the achievement of priorities or desired change, strategies to manage the associated risks can be developed timeously. The respective departments have factored these possible risks in their planning and risk management processes. Further, the organization will be in a better position to capitalize on identified opportunities. The following key observations were noted under each category:

|                              |  |
|------------------------------|--|
| <b>POLITICAL FACTORS</b>     | <ul style="list-style-type: none"><li>➤ Amalgamation of public entities under DSAC</li><li>➤ Reconfiguration of Ministries through the NMOG process</li><li>➤ 2024 National and Provincial Elections</li><li>➤ BRICS</li><li>➤ Ongoing International Conflict</li></ul>      |
| <b>ECONOMIC FACTORS</b>      | <ul style="list-style-type: none"><li>➤ Subsidy cuts from the shareholder</li><li>➤ Rising cost of goods and services</li><li>➤ High unemployment</li><li>➤ Demand for above inflation salary increases</li><li>➤ Tourism trends in relation to economic downturns</li></ul> |
| <b>SOCIAL FACTORS</b>        | <ul style="list-style-type: none"><li>➤ Crime</li><li>➤ Unrest</li><li>➤ Strike action</li><li>➤ Corruption</li><li>➤ Demographics</li><li>➤ Skill shortages</li></ul>   |
| <b>TECHNOLOGICAL FACTORS</b> | <ul style="list-style-type: none"><li>➤ Rise in the use of Artificial Intelligence</li><li>➤ Automation</li><li>➤ Cyber security</li><li>➤ Digitisation</li></ul>  |
| <b>LEGAL FACTORS</b>         | <ul style="list-style-type: none"><li>➤ Sectorial targets</li><li>➤ Changes in Tax laws</li><li>➤ Intellectual property rights</li><li>➤ Compliance</li><li>➤ Repatriation laws</li><li>➤ Changes in labour legislation</li></ul>  |
| <b>ENVIRONMENTAL FACTORS</b> | <ul style="list-style-type: none"><li>➤ Climate Change</li><li>➤ Energy efficient</li><li>➤ Sustainable practices</li><li>➤ Traffic</li></ul>  |



Figure 1: Day 2 of the South Africa Heritage Hub Inception Workshop, 11 October 2023.

### 3.3. Internal Environment Analysis

#### 3.3.1. Ensuring effective leadership

The Eighth Council provides leadership, support, and strategic guidance and oversight on the implementation of the five-year strategy and annual performance plans. Iziko Museums Council, CEO, and Senior Management are committed to not only leading Iziko Museums forward but also providing inspiration and leadership within the heritage sector and the broader context of our society.

The re-alignment of the Iziko Museums 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 Museums oversees, i.e., Art, Natural History, and Social History. Reviewing our functions and operations considering 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 the cross-pollination of research, exhibitions, education, and public programmes. There is a significant drive to overcome linear thinking and to open the opportunity to the Iziko Museums staff to create innovative methodologies in museum work.

#### 3.3.2. Budgetary and Financial Constraints

Iziko Museums recognizes the pivotal role of budgeting in realizing our mission. Our budgets serve as a means to translate our programme priorities into a financial plan that aligns anticipated revenues with proposed expenditures. However, navigating the budgetary landscape presents formidable challenges. We operate within the framework of revenue constraints inherent in the budgeting process, striving to meet a diverse range of legitimate demands while ensuring that our budget priorities remain consistent with our declared policy framework and strategic priorities. The challenge lies in making the necessary trade-offs and judiciously allocating financial resources to our programs, with a commitment to full and proper expenditure management.

Historically, museums have relied on the generosity of donors for financial support. However, this source of funding is dwindling, necessitating our exploration of alternative fundraising methods. This transition is a challenging task, especially in the absence of substantial internal fundraising capacity.

Efforts to enhance cost-effectiveness, efficiency, accountability, performance management, and service delivery are not easy, as we grapple with increasing our own income generation and meeting stakeholder expectations. To address these challenges, we have engaged with the National Treasury, which has approved the use of reserves to fund shortfalls, improve organisational capacity, and pursue growth initiatives. These reserves are earmarked for several crucial projects, including gallery upgrades, collection storage expansion, the acquisition of a new outreach bus, conservation and digitization of collections, and the development of an interactive website for virtual access to our museum resources. The acquisition of Madiba House and the imminent amalgamation of Iziko Museums of South Africa with the William Humphreys Art Gallery and the National Museum Bloemfontein is envisioned to further enhance our financial positioning. Our Council places a significant emphasis on directing available resources toward initiatives aimed at increasing our income-generating capacity. Implementation of key projects under ISAM 200 and Reimagined Iziko Museums will attract a more diverse and dedicated audience.

Load shedding has had a significant impact on our ability to generate revenue. In 2024 – 25, we are actively seeking funding to implement an alternative energy solution to our museums to minimise disruptions. Despite these challenges, we remain committed to improving our financial sustainability and ensuring that the public can continue to benefit from our offering.

The table below provides a summary of strengths, weaknesses, opportunities, and threats to facing the institution as identified by Management:

|   |  |  |  |
|---|--|--|--|
|  <p><b>STRENGTHS</b></p> <ul style="list-style-type: none"> <li>Unique and diverse collections</li> <li>Scarce expertise &amp; skills</li> <li>Financial liquidity</li> <li>Robust social responsibility programmes</li> <li>Advanced facilities including the Planetarium</li> <li>Accessibility of our Museums (12 free commemorative days hosted annually)</li> <li>Passionate &amp; committed staff</li> <li>Popular online presence</li> <li>Established brand and strong reputation within the sector</li> <li>Contemporary and regularly updated programmes</li> <li>Curriculum aligned education programmes</li> <li>Consistently being recognized as one of the top visitor destinations in Cape Town</li> </ul> |  <p><b>WEAKNESSES</b></p> <ul style="list-style-type: none"> <li>Inadequate financial and human resources</li> <li>Aging infrastructure</li> <li>Security of collections &amp; resources</li> <li>Poorly aligned ICT systems</li> <li>High staff turnover</li> <li>High vacancy rate</li> <li>Inadequate supply chain capacity</li> <li>Organizational structure misaligned in certain units</li> <li>Orphaned collections</li> <li>Inadequate storage facilities</li> <li>Weakness in asset management control</li> <li>Inconsistent internal and external communications</li> </ul> |  <p><b>OPPORTUNITIES</b></p> <ul style="list-style-type: none"> <li>Upturn in tourism figures</li> <li>Automation of systems</li> <li>Bi-centennial celebrations (ISAM 200)</li> <li>Commercial opportunities</li> <li>Monetizing skills and/or research and information</li> <li>Regional engagement - partnerships</li> <li>Increase community engagement and support</li> <li>Utilizing creative methods to engage diverse audiences and increase brand awareness.</li> <li>Establishing a stronger network of stakeholders and partners</li> </ul> |  <p><b>THREATS</b></p> <ul style="list-style-type: none"> <li>Loadshedding</li> <li>Cost of diesel to offset power outages</li> <li>Increased municipal costs</li> <li>Crime and vandalism of heritage facilities</li> <li>Competing online content and entertainment sources</li> <li>Private museums</li> <li>Skills shortages</li> <li>Increase in compliance framework</li> <li>Limited mitigation of safety risks</li> <li>Aging infrastructure</li> <li>weak internal controls</li> </ul> |
|---|--|--|--|

*SWOT Analysis of Iziko Museums of South Africa*



Figure 5 – Visit to Iziko Slave Lodge and Iziko Groot Constantia by BRICS Tourism Ministerial delegation, October 2023

### 3.4. Overview of Budget and MTEF Estimates

Iziko's 2024-25 MTEF budget allocation is set within a context of an uncertain economic environment. Iziko's budget and spending priorities are structured in terms of its three programmes viz Administration, Business development and Audience development, which remain relevant and effective. The factors considered during budget deliberations include stabilisation, recovery, efficiency and effectiveness, transformation and inclusion, and sustainability. Iziko's strategic focus and policy imperatives are outlined in its Strategic Plan, which takes into account the MTSF priorities. The ability of museums to contribute towards economic transformation and job creation; education and skills, social cohesion and a better Africa and World is well documented. Iziko Museums of South Africa is strategically positioned to contribute to the MTSF Priorities through its programmes and initiatives.

Iziko's financial commitments exist within all programmes and include fixed costs related to the running of the organisation such as fleet management and equipment leasing costs, salaries, municipal charges, licence fees and computer network costs and insurance. Most of this overhead expenditure is accommodated within the Administration programme. Expenditure items within the Business Development (Programme 2) and Audience Development (Programme 3) are largely variable but include expenditure on projects using funds received from local and foreign donors. Donor income is conditional in that funds may only be applied to specific projects and as such is regarded as financially committed. Any cost cutting on these programmes has a direct impact on the ability for the entity to meet the priorities identified during the MTEF period. Capital expenditure is incurred based on conditional grant funding from DSAC and all conditional grants from this source is committed to capital expenditure programmes already identified and currently underway.

#### Financial Information

The tables below provide a concise summary of Iziko's financial performance and projected results until 31 March 2027. The financial data indicates consistent and steady growth over the next five years.

#### Financial Position

As of March 31, 2023 Iziko's Statement of Financial Position indicates net assets totaling R 2 728 198 503. Additionally, investments, cash, and cash equivalents stand at R 157951 047. This cash includes funding earmarked for ongoing projects both from donors and the DSAC for capital projects. It is important to note that these cash reserves will gradually decrease as project related expenses are incurred. The post-retirement medical liability as of March 31, 2023, amounts to R73 156 552. Addressing this liability remains a priority and initiatives with the DSAC and National Treasury to alleviate it continue.

To safeguard the heritage assets held within our collections from deterioration, it is imperative that adequate financial support is received to upgrade and maintain storage facilities. Preserving and caring for our heritage assets is not merely a financial necessity; it is an imperative that transcends monetary concerns. These treasures embody the cultural legacy of all South Africans, connecting us to our past, enriching our present and shaping our future. Neglecting their upkeep creates a potential risk of irreparably damaging and losing invaluable historical and cultural items of significance. Furthermore, the importance of maintaining heritage assets extends beyond their immediate physical condition. These assets serve as educational resources, offering insight into our history, traditions, and the diverse narratives of our society. They are tracked tourists, contribute to local economies, and enhance our global reputation.

| STATEMENT OF FINANCIAL POSITION         | 2021/22          | 2022/23          | 2023/24              | 2024/25              | 2025/26              | 2026/27          |
|---|------------------|------------------|----------------------|----------------------|----------------------|------------------|
|   | Audited Outcome  | Audited Outcome  | Projected Estimates* | Projected Estimates* | Projected Estimates* |                  |
|   | R'000            | R'000            | R'000                | R'000                | R'000                | R'000            |
| <b>ASSETS</b>                           |                  |                  |                      |                      |                      |                  |
| Non-Current Assets                      | 2 570 607        | 2 566 074        | 2 565 794            | 2 565 724            | 2 565 649            | 2 565 574        |
| Current Assets                          | 154 883          | 162 125          | 172 995              | 158 986              | 143 704              | 159 606          |
| <b>TOTAL ASSETS</b>                     | <b>2 725 490</b> | <b>2 728 199</b> | <b>2 738 788</b>     | <b>2 724 710</b>     | <b>2 709 353</b>     | <b>2 725 180</b> |
| <b>LIABILITIES</b>                      |                  |                  |                      |                      |                      |                  |
| Non-Current Liabilities                 | 91 471           | 88 627           | 116 466              | 91 827               | 90 555               | 100 545          |
| Current Liabilities                     | 44 066           | 43 478           | 35 495               | 46 056               | 31 971               | 37 808           |
| <b>TOTAL LIABILITIES</b>                | <b>135 537</b>   | <b>132 105</b>   | <b>151 961</b>       | <b>137 883</b>       | <b>122 526</b>       | <b>138 353</b>   |
| <b>NET ASSETS</b>                       | <b>2 589 953</b> | <b>2 596 094</b> | <b>2 586 827</b>     | <b>2 586 827</b>     | <b>2 586 827</b>     | <b>2 586 827</b> |
| <b>TOTAL NET ASSETS AND LIABILITIES</b> | <b>2 725 490</b> | <b>2 728 199</b> | <b>2 738 788</b>     | <b>2 724 710</b>     | <b>2 709 353</b>     | <b>2 725 180</b> |

\* As per 2024 Estimates of National Expenditure (ENE) database for 2024/25 to 2026/27 MTEF period.

Figure 2 - Statement of Financial Position

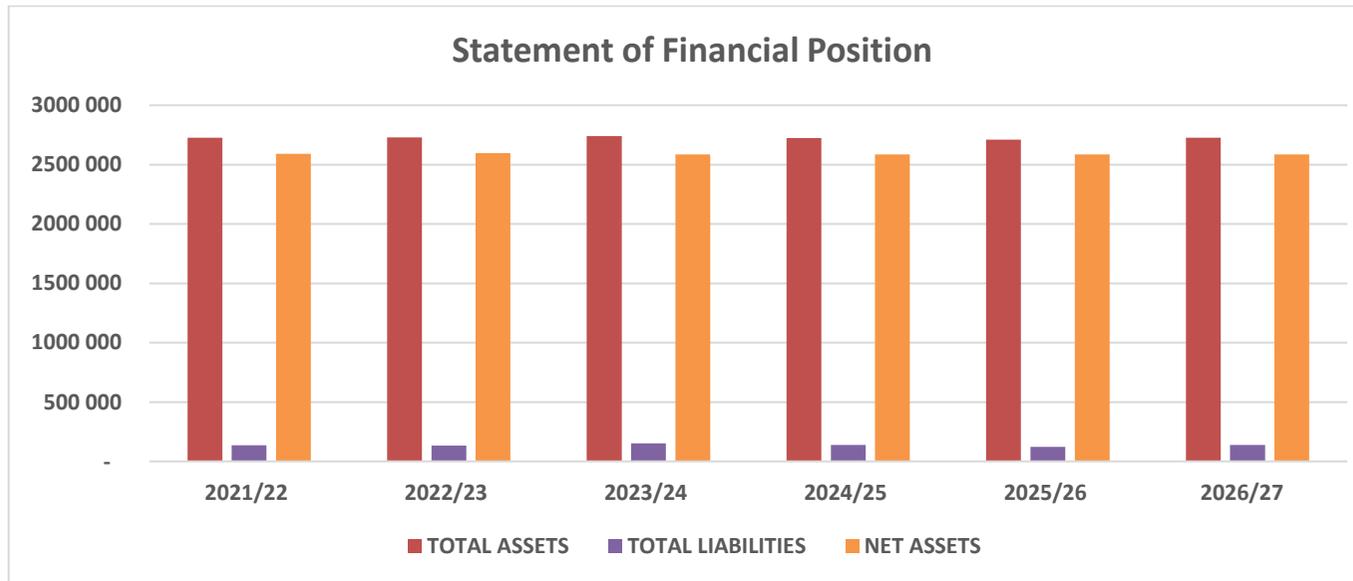


Figure 7 - Statement of Financial Position

## Financial Performance

Iziko's primary revenue source hinges on the subsidy allocation from the DSAC, which has traditionally been a significant portion of our total income. While this allocation represented 56% of our total income in March 2022, it slightly decreased to 55% (including service in-kind income) by the end of March 2023. Recognizing the importance of diversifying our income streams, Iziko is actively pursuing strategies to enhance self-generated income. This includes avenues such as revenue from venue rentals, outsourcing coffee shops, and offering professional museum services.

In the financial year ending on March 31, 2023, our total revenue reached R 181,517,516, and our total expenditure amounted to R 175,388,699. This prudent financial management resulted in a surplus for the same period. We anticipate that gate revenues and other income initiatives will continue to improve as we expand income-generating endeavours over the medium term.

In terms of expenditure management, we maintain robust internal controls to provide reasonable assurance that expenditures are not only necessary and appropriate but are also processed promptly and accurately recorded and reported. This commitment to sound financial practices underscores our dedication to fiscal responsibility and accountability.

| STATEMENT OF FINANCIAL PERFORMANCE                                       | 2021/22         | 2022/23         | 2023/24              | 2024/25              | 2025/26              | 2025/26              |
|--|-----------------|-----------------|----------------------|----------------------|----------------------|----------------------|
|  | Audited Outcome | Audited Outcome | Projected Estimates* | Projected Estimates* | Projected Estimates* | Projected Estimates* |
|  | R               | R               | R                    | R                    | R                    | R                    |
| <b>REVENUE</b>   | 171 950 594     | 181 517 516     | 203 386 000          | 201 106 000          | 207 459 000          | 217 345 000          |
| Revenue from non-exchange transactions                                   | 155 213 276     | 164 620 088     | 185 361 000          | 179 889 000          | 186 125 000          | 195 026 000          |
| Government Grant: Subsidy Department of Sport, Arts & Culture            | 96 638 000      | 99 994 000      | 103 383 000          | 102 291 000          | 106451000            | 111369000            |
| Government Grant: Conditional Grants Department of Sport, Arts & Culture | 7 091 971       | 8 107 613       | 29 408 000           | 13 609 000           | 13264000             | 13927000             |
| Service in Kind Property Leases  | 46 607 529      | 50 458 413      | 49 045 000           | 53 578 000           | 54 023 000           | 56 724 000           |
| Sponsorship  | 4 596 396       | 5 121 273       | 2 277 000            | 6 911 000            | 7987000              | 8386000              |
| Cash and asset donations   | 279 380         | 938 789         | 1 248 000            | 3 500 000            | 4 400 000            | 4 620 000            |
| Revenue from exchange transactions                                       | 16 737 318      | 16 897 428      | 18 025 000           | 21 217 000           | 21 334 000           | 22 319 000           |
| <b>EXPENSES</b>  | 158 895 518     | 175 388 699     | 203 386 000          | 201 106 000          | 207 459 000          | 217 345 000          |
| Employee Related costs   | 65 091 540      | 67 591 114      | 89 958 000           | 94 273 000           | 98704000             | 103244000            |
| Depreciation and amortisation expenses                                   | 6 826 534       | 11 532 710      | 6 799 000            | 6 815 000            | 6954000              | 7002000              |
| Fair value Loss  | 14 203          | 0               |                      | 0                    | 0                    | 0                    |
| Post Retirement Actuarial Finance Costs                                  | 8 243 513       | 7 568 949       | 6 961 452            | 7 865 113            | 7 865 113            | 7 865 113            |
| Post Retirement Actuarial Costs  | -               | 241777          |                      | 0                    | 0                    | 0                    |
| Other operating expenses/General expenses                                | 78 719 728      | 88454149        | 99 667 548           | 92 152 887           | 93 935 887           | 99 233 887           |
| <b>NET SURPLUS /(DEFICIT) FOR THE YEAR</b>                               | 13 055 076      | 6 128 817       | 0                    | 0                    | 0                    | 0                    |

\* As per 2023 Estimates of National Expenditure (ENE) database for 2023/24 to 2025/26 MTEF period.

Figure 8 - Statement of Financial Performance

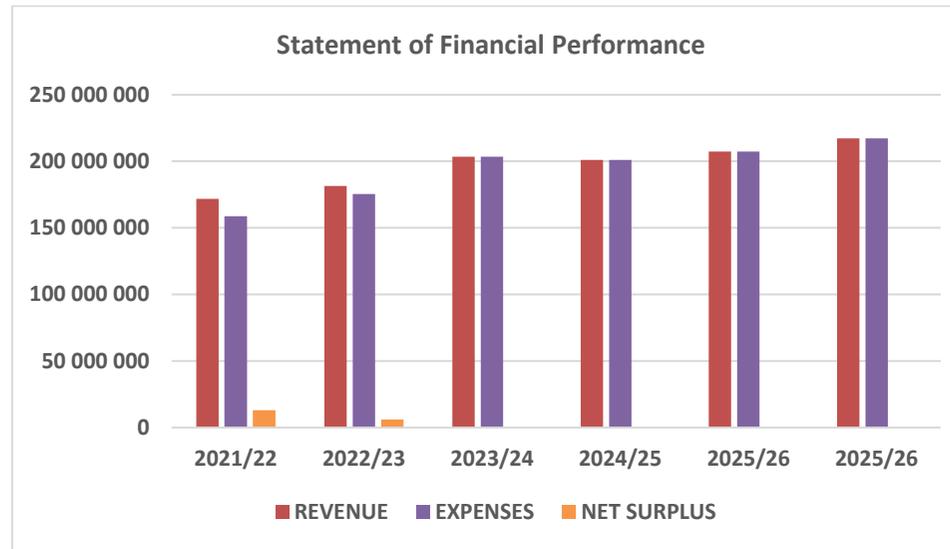


Figure 9 – Statements of Financial performance: 2021/22-2026/27

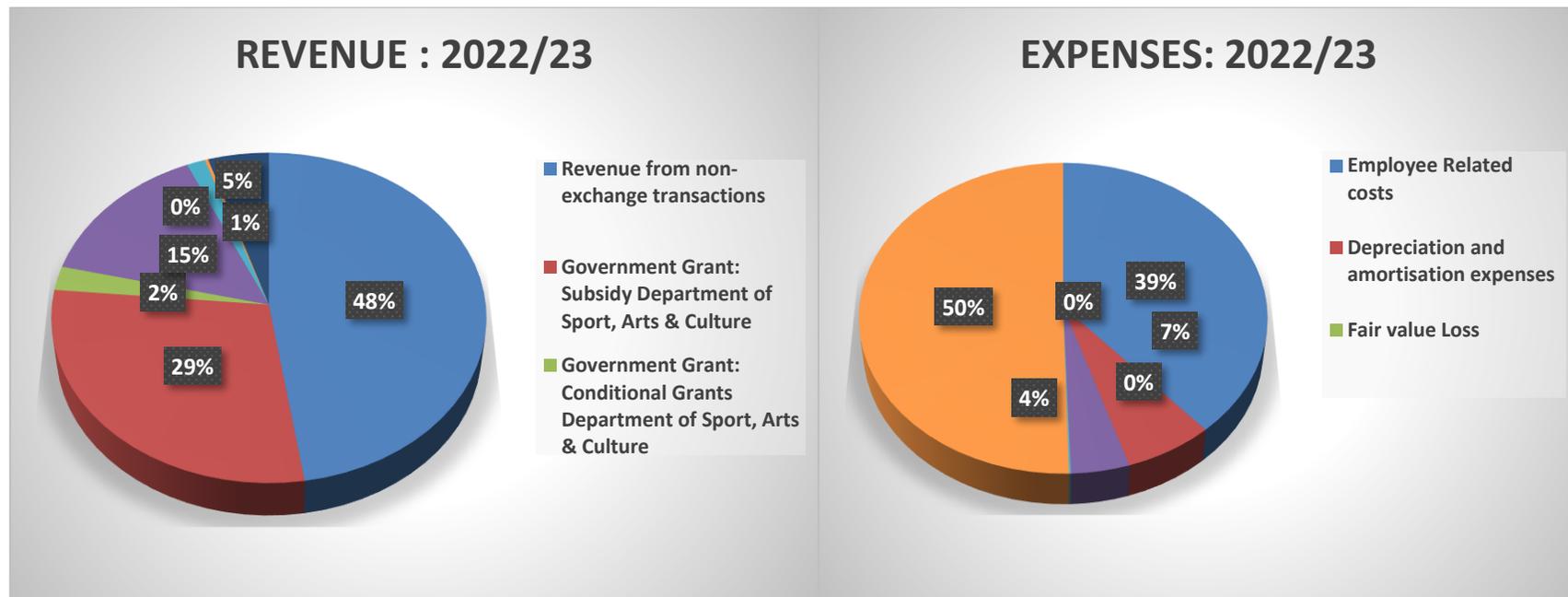


Figure 10 - Bar Charts of Annual Revenue and Expenses

4. Institutional Programme Performance Information

Programme 1: Administration

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

| Outcome                                 | Outputs  | Output Indicators  | No.  | Annual Targets  |   |   |  |  |   |   |
|---|--|--|------|---|---|---|--|--|---|---|
|   |  |  |      | Audited/Actual Performance                                |   |   | Estimated Performance  | MTEF Period  |   |   |
|   |  |  |      | 2020/21   | 2021/22   | 2022/23   | 2023/24  | 2024/25  | 2025/26   | 2026/27   |
| Ensure sound Governance and Compliance. | Financial statements in terms of GRAP Accounting Framework prepared.   | Compliance with legislation and accounting standards by obtaining unqualified audit reports.           | 1.1. | Unqualified audit report without findings                 | Qualified audit report.   | Unqualified audit report without material findings.                                 | Unqualified audit report without material findings.                                | Obtain unqualified audit report by addressing 100 % of prior year findings.        | Unqualified audit report without material findings.                                 | Unqualified audit report without material findings.                                 |
|   | Increase in percentage of own income by 0.5% in terms of long-term coordinated financial sustainability process established. | Long-term financial sustainability plan aimed at increasing percentage of own income annually by 0.5%. | 1.2. | Draft long-term financial sustainability plan formulated. | Own Income as a percentage of total income increased by 7% from the previous year | 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 | Own Income as a percentage of total income increased by 7% from the previous year. | 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   | 1.3. | 6 New policies developed and 6 policies reviewed.         | 2 Policies reviewed and 3 developed.  | 3 policies developed.   | Develop 2 policies and review 3 policies.  | Develop 1 policy and review 3 policies.  | 2 policies developed and 5 policies reviewed.                                       | 2 policies developed and 5 policies reviewed.                                       |

|   |   |  |      |   |   |  |  |   |   |   |
|---|---|--|------|---|---|--|--|---|---|---|
|   | <b>Strategy to achieve 1% increase in the number of 32 funded projects by 31 March 2025 formulated.</b>     | <b>Increase in the number of funded projects in terms of the income/revenue stream strategy.</b>                           | 1.4. | <b>Draft Income generation Strategy formulated.</b> | Funded projects increased by 13,6%.   | Increase in the number of funded projects by 0.25 % in terms of the income/revenue stream strategy.  | Increase in the number of funded projects by 0.25 % in terms of the income/revenue stream strategy.                | Increase in the number of funded projects by 0.25 % in terms of the income/revenue stream strategy. | Increase in the number of funded projects by 0.25 % in terms of the income/revenue stream strategy. | Increase in the number of funded projects by 0.25 % in terms of the income/revenue stream strategy. |
|   | <b>Training opportunities in terms of the Annual Learning and Development Programme offered.</b>            | <b>The number of training opportunities offered.</b>   | 1.5. | 376   | Implemented the 2022-23 Learning and Development Programme that offered 376 training opportunities.                       | Implement the 2022-23 Learning and Development Programme that offers 120 training opportunities.   | Implement the 2023-24 Learning and Development Programme that offers 100 training opportunities.                   | Implement the 2024-25 Learning and Development Programme that offers 100 training opportunities.    | Implement the 2024-25 Learning and Development Programme that offers 100 training opportunities.    | Implement the 2024-25 Learning and Development Programme that offers 100 training opportunities.    |
| <b>Improved infrastructure to enhance the visitor experience.</b> | <b>Implementation of projects as per the Annual Conservation and Maintenance plans over the five years.</b> | <b>The number of repair and renovation projects implemented in terms of the Annual Conservation and Maintenance plans.</b> | 1.6. | The façade of IBK was painted.                      | The exterior of IR&V was painted and maintenance project at IOTH was completed. DPWI implemented further repairs at IOTH. | Appoint Consulting team. Develop the detailed specification and compliance documentation for the roof repairs & upgrading of waterproofing for identified buildings. | Implement roof repairs & upgrading of waterproofing & drainage systems at ISANG, ISANG Annexe, IR&V, IKdW and IBH. | Implement roof repairs at ISAM.   | Implement the 2025-26 maintenance and conservation plan.  | Implement the 2026-27 maintenance and conservation plan.  |

Figure 11 - Programme 1: Administration

## Programme 2: Business Development (Collections)

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

| Outcome  | Outputs  | Output Indicators  | No.  | Annual Targets              |         |         |                       |             |         |         |
|--|--|--|------|-----------------------------|---------|---------|-----------------------|-------------|---------|---------|
|  |  |  |      | Audited/ Actual Performance |         |         | Estimated Performance | MTEF Period |         |         |
|  |  |  |      | 2020/21                     | 2021/22 | 2022/23 | 2023/24               | 2024/25     | 2025/26 | 2026/27 |
| 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. | 2.1. | 11 926                      | 4 512   | 8 000   | 8 000                 | 10 000      | 10 000  | 10 000  |
|  | New records entered on the collections databases/new acquisitions for Natural History. | The number of new records/catalogue numbers entered on Specify database.                       | 2.2. | New                         | 30 923  | 25 000  | 8 000                 | 10 000      | 12 000  | 12 000  |
|  | New acquisitions for Art and Social History Collections.                               | The number of new acquisitions for Art and Social History Collections.                         | 2.3. | 11 992                      | 454     | 180     | 80                    | 70          | 60      | 60      |
|  | Peer-reviewed publications (including articles or chapters) published.                 | The number of peer-reviewed publications (including articles or chapters) published.           | 2.4. | 34                          | 33      | 25      | 25                    | 25          | 25      | 25      |
|  | Other (popular) publications published.  | The number of other (popular) publications published.  | 2.5. | 23                          | 13      | 12      | 12                    | 16          | 15      | 15      |

Figure 12 - Programme 2: Business Development (Collections)

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

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

| Outcome   | Outputs  | Output Indicator   | No.  | Annual Targets              |         |         |                       |             |         |         |
|---|--|--|------|-----------------------------|---------|---------|-----------------------|-------------|---------|---------|
|   |  |  |      | Audited/ Actual Performance |         |         | Estimated Performance | MTEF Period |         |         |
|   |  |  |      | 2020/21                     | 2021/22 | 2022/23 | 2023/24               | 2024/25     | 2025/26 | 2026/27 |
| Knowledge generation through research contribute to an educated, informed, and empowered community. | New exhibitions produced.  | The number of new exhibitions.   | 3.1. | 9                           | 10      | 10      | 10                    | 10          | 10      | 10      |
|   | Special museum education programmes presented.                   | The number of special museum education programmes presented.               | 3.2. | 2                           | 16      | 16      | 16                    | 16          | 16      | 16      |
|   | Public programmes presented.                                     | The number of public programmes presented.                                 | 3.3. | 16                          | 12      | 14      | 12                    | 12          | 12      | 12      |
|   | Outreach programme presented.                                    | The number of outreach programmes presented.                               | 3.4. | 2                           | 37      | 70      | 52                    | 52          | 52      | 52      |
|   | Internships and Work Integrated Learning students (WILS) hosted. | The number of interns and Work Integrated Learning students (WILS) hosted. | 3.5. | 31                          | 9       | 36      | 34                    | 34          | 34      | 34      |
| Creation of awareness and promotion of access to history, heritage, and culture.                    | Visitor numbers to the museum/ sites increased.                  | The number of visitors to the museums/ sites.                              | 3.6. | 52 521                      | 162025  | 440 000 | 400,000               | 440 000     | 484 000 | 532 400 |
|   | Visitor numbers to Iziko   | The number of visitors to Iziko  | 3.7. | 164 629                     | 246757  | 297 300 | 327 030               | 359 733     | 395 706 | 435 000 |

|  |   |   |      |    |    |    |   |   |    |    |
|--|---|---|------|----|----|----|---|---|----|----|
|  | <b>Museums websites increased.</b>            | <b>Museums websites.</b>                                    |      |    |    |    |   |   |    |    |
|  | <b>The marketing campaign was undertaken.</b> | <b>The number of marketing campaigns.</b>                   | 3.8. | 5  | 4  | 5  | 6 | 8 | 10 | 12 |
|  | <b>Commemorative days promoted.</b>           | <b>The number of commemorative days promoted per annum.</b> | 3.9. | 16 | 15 | 15 | 8 | 9 | 9  | 9  |

Figure 13 - Programme 3: Audience Development (Public Engagement)

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

| Output Indicator |  | Annual Target<br>2024/2025   | Q1  | Q2   | Q3  | Q4  |
|------------------|--|--|---|--|---|---|
| <b>No.</b>       | <b>PROGRAMME 1</b>   |  |   |  |   |   |
| 1.1.             | <b>Compliance with legislation and accounting standards by obtaining unqualified audit reports.</b>                        | <b>Obtain unqualified audit report by addressing 100 % of prior year findings.</b>                         | 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.   |
| 1.2.             | <b>Long-term financial sustainability plan aimed at increasing percentage of own income annually by 0.5%.</b>              | <b>Own Income as a percentage of total income increased by 7% from the previous year</b>                   | Increase own income as a percentage of total income by 1% from the previous year.     | Increase own income as a percentage of total income by 2% from the previous year.                    | Increase own income as a percentage of total income by 2% from the previous year.               | Increase own income as a percentage of total income by 2% from the previous year. |
| 1.3.             | <b>The number of policies developed and reviewed.</b>  | <b>Develop 1 policy and review 3 policies.</b>   | Review 1 Policy   | Review 1 Policy  | Review 1 Policy   | Develop 1 Policy  |
| 1.4.             | <b>Increase in the number of funded projects in terms of the income/revenue stream strategy.</b>                           | <b>Increase in the number of funded projects by 0.25 % in terms of the income/revenue stream strategy.</b> | Increase in the 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  |
| 1.5.             | <b>The number of training opportunities offered.</b>   | <b>Implement the 2024-25 Learning and Development Programme that offers 100 training opportunities.</b>    | 30  | 20   | 30  | 20  |
| 1.6.             | <b>The number of repair and renovation projects implemented in terms of the Annual Conservation and Maintenance plans.</b> | <b>Implement roof repairs &amp; upgrading of waterproofing &amp; drainage systems at ISAM</b>              | Roof repairs implemented as per timelines in project plan for period Apr to Jun       | ISAM roof repairs implemented in accordance with the timelines in project plan for period Jul to Sep | ISAM roof repairs implemented in line with the timelines in project plan for period Oct to Dec. | ISAM roof repairs & upgrading of waterproofing & drainage systems completed       |

Figure 14 – Programme Indicators, Annual and Quarterly Targets (Programme 1)

| Output Indicator |  | Annual Target<br>2024/2025 | Q1         | Q2    | Q3    | Q4    |
|------------------|--|----------------------------|------------|-------|-------|-------|
| <b>No.</b>       | <b>PROGRAMME 2</b>   |                            |            |       |       |       |
| 2.1.             | The number of new records entered on collections databases for Art and Social History Collections. | 10 000                     | 2 500      | 2 500 | 2 500 | 2 500 |
| 2.2.             | Number of new records/catalogue numbers entered on Specify database                                | 10 000                     | 2 500      | 2 500 | 2 500 | 2 500 |
| 2.3.             | The number of new acquisitions for Art and Social History Collections.                             | 70                         | Not Target | 30    | 30    | 10    |
| 2.4.             | The number of peer-reviewed publications (including articles or chapters) published.               | 25                         | 6          | 6     | 6     | 7     |
| 2.5.             | The number of other (popular) publications published.  | 16                         | 4          | 4     | 4     | 4     |

Figure 14 – Programme Indicators, Annual and Quarterly Targets (Programme 2)

| Output Indicator |   | Annual Target<br>2024/2025 | Q1     | Q2      | Q3      | Q4      |
|------------------|---|----------------------------|--------|---------|---------|---------|
| <b>No.</b>       | <b>PROGRAMME 3</b>  |                            |        |         |         |         |
| <b>3.1.</b>      | <b>The number of new exhibitions.</b>   | <b>10</b>                  | 2      | 3       | 3       | 2       |
| <b>3.2.</b>      | <b>The number of special museum education programmes presented.</b>               | <b>16</b>                  | 4      | 4       | 4       | 4       |
| <b>3.3.</b>      | <b>The number of public programmes presented.</b>                                 | <b>12</b>                  | 4      | 3       | 3       | 2       |
| <b>3.4.</b>      | <b>The number of outreach programmes presented.</b>                               | <b>52</b>                  | 13     | 13      | 13      | 13      |
| <b>3.5.</b>      | <b>The number of interns and Work Integrated Learning students (WILS) hosted.</b> | <b>36</b>                  | 9      | 9       | 9       | 9       |
| <b>3.6.</b>      | <b>Number of Visitors to the museums/ sites.</b>                                  | <b>440 000</b>             | 92 400 | 123 200 | 118 800 | 105 600 |
| <b>3.7.</b>      | <b>The number of visitors to Iziko Museums websites.</b>                          | <b>359 733</b>             | 89 933 | 89 933  | 89 934  | 89 933  |
| <b>3.8.</b>      | <b>The number of marketing campaigns.</b>   | <b>8</b>                   | 2      | 2       | 2       | 2       |
| <b>3.9.</b>      | <b>The number of commemorative days promoted per annum.</b>                       | <b>9</b>                   | 4      | 2       | 2       | 1       |

Figure 14 – Programme Indicators, Annual and Quarterly Targets (Programme



Figure 15 – Walkabout with the Chinese Minister at the Iziko National Gallery and Iziko South Africa Museum, July 2023.

## 1. Explanation of Planned Performance over the Medium-Term Period

### a. Finance

The focus on Finance extends beyond merely achieving governance and compliance objectives. It also encompasses the vital aspects of financial recovery and bolstering Iziko's resilience, while simultaneously supporting our dedicated staff and the communities we serve.

Our primary priorities for the medium-term period encompass:

1. **Effective Day-to-Day Operations:** We are committed to the proficient management of our main operational processes. Our key objectives are to ensure policy compliance, maintain service consistency, uphold accuracy, and achieve timely process completion.
2. **Robust Risk & Compliance Management:** We recognize the significance of managing risk and ensuring compliance with regulations. This entails implementing proactive measures to safeguard our Organisation and stakeholders.
3. **Project Management Excellence:** Effective project delivery is a cornerstone of our strategy. We are dedicated to ensuring that projects are managed efficiently, adhering to timelines and budgets, resulting in successful outcomes.
4. **Income Generation Strategy:** Our ongoing efforts include the finalization and implementation of a comprehensive income generation strategy. This plan is designed to bolster our financial sustainability by addressing weaknesses in our income streams and charting a course for increased revenue generation.

This holistic approach to our financial strategy underscores our commitment to not only ensure financial stability but also to thrive and continue serving our communities effectively.

### b. Human Resources

In 2024 – 25 the Human Resources directorate will focus on institutionalising the revised Human Resource Policy Manual and Employee Handbook. The drafting of an Integrated Human Resource Management Strategy will commence, in order to align human resource capacity with strategic goals and the envisioned future of the organisation. Learning and development needs will be determined in accordance with the skills and capabilities required by the organisation and the gaps that have been identified by Management. Iziko Museums of South Africa employs a number of world-renowned experts with scarce skills in their respective disciplines and developmental opportunities will be provided to further enhance and retain these skills.

The automation of administrative processes will continue in order to achieve operational efficiency, with the employee self-service facility being fully implemented. As part of stabilising the organisation, efforts will be made to improve employee relations within the organisation. The condensed organisational values will be used as the basis for galvanising staff and establishing a set of principles that guide conduct and decision-making in the workplace. By doing so, Management hopes

to cultivate a high-performance culture that motivates all employee to do their best. As part of nurturing a positive work environment, staff wellness activities will be organised periodically. Demonstrating care for employees contributes to their overall well-being, job-satisfaction and strengthens employee engagement.

### **c. Facilities Management**

The Department of Public Works and Infrastructure (DPWI), the Custodian of the ten listed buildings in terms of the Government Immovable Asset Management Act (GIAMA), 2007 (Act No. 19 of 2007), acts as the functionary to maintain and repair the infrastructure of these state-owned facilities. However, due to diminished state capacity to implement all maintenance and infrastructure projects, DPWI has not funded major repair and maintenance projects at Iziko Museums, so the buildings have become neglected. Iziko Museums therefore continues to source funds from DSAC to implement the repairs and maintenance.

With the assistance of the Executive Authority, architects with heritage expertise were appointed to assess the condition of the ten buildings. The architects first had to develop as-built drawings of each building as there were no building records available and then they could assess the building conditions and develop an Existing Building Condition Report (EBCR) for each building. The EBCR identifies the repairs and maintenance required as well as the estimated cost of the repairs which enables Iziko Museums to request funding to address major repair and maintenance projects. Conservation Management Plans were developed that enable Iziko Museums to manage the conservation of each building, these plans were approved by Heritage Western Cape. Five-year Conservation and Maintenance Plans were also developed to assist Iziko Museums with prioritising the conservation and maintenance of the buildings.

The heritage architect appointed to manage the funded repair and maintenance projects advised that the next priority is to attend to the building roof repairs, waterproofing and drainage systems as a leaking roof place our collections at risk and could impact on the electrical supply or cause rising damp. The roof repairs, upgrading of waterproofing and drainage systems for the buildings are prioritised.

### **d. Research and Exhibitions**

The inception of Iziko Museums of South Africa (Iziko Museums) in 1999 marked the amalgamation of five clusters of established national museums in and around Cape Town, aligning with the Cultural Institutions Act (Act No. 119 of 1998) issued by the Minister of Arts and Culture. Recognised as the foremost flagship heritage institution in South Africa, Iziko Museums is one of three national museum institutions in the Western Cape, encompassing 12 national museums and sites, including The Iziko South African Museum (approaching its 200th anniversary in 2025), the Iziko Slave Lodge, and the Iziko South African National Gallery. Among its facilities are the state-of-the-art immersive Planetarium and Digital Dome, three collection-specific libraries, the Iziko Social History Centre, and the Iziko Mobile Museum.

Housing an invaluable collection of over 10 million objects, fossils, and specimens, our museums span the realms of art, social history, and natural history, allowing visitors to traverse the origins of life on earth to the present day and beyond. However, these collections were predominantly amassed during colonial and apartheid eras, and despite transformation efforts since 1999, a "pre-democracy" worldview bias persists in both the structures and archival presentation. To address this, Iziko Museums has developed a strategic plan for re-imagining and decolonizing its museums and galleries, with a commitment to raising the exposure of intangible heritage and Indigenous knowledge systems. The institution aims to manifest and reflect the heritage and narratives of the majority of South Africans, rectifying historical marginalisation and exclusion through changes to methodologies and curatorial practices, and ensuring transparency in the examination of the origin, collection practices and documentation relating to unethical displays.

Iziko Museums undertakes diverse research and presents ground-breaking exhibitions, with a major project focused on re-imagining its sites and galleries to showcase Africa's rich natural, cultural, and artistic heritage. Through global partnerships and collaborations, the institution advances research on slavery in southern Africa and globally, while exploring our history of liberation and struggle. The biodiversity and palaeontology research projects, supported by the National Research Foundation and international partners, play a pivotal role in decision-making related to climate change, agriculture, food security, biomedicine, and health. Iziko is also a change-leader in the Art sector; pushing the boundaries of what is considered art and breaking down the walls of division created through colonialism.

In the contemporary context of the 21st century, Iziko Museums continually explores innovative perspectives on arts, culture, heritage, and creativity sectors to remain a relevant and accessible museum. As a catalyst for social development and change, Iziko Museums strives to activate museums as agents of redress. With its vision set on becoming an "African Museum of Excellence," Iziko Museums anticipates celebrating the 200th anniversary of the South African Museum in 2025, aiming to transform into a world-class, uniquely African institution that serves as an unparalleled showcase for the art, social, and natural heritage of Africa and beyond.

### **e. Collections and Digitisation**

Given the size and diversity of Iziko Museums' collections, it is necessary to use relevant software and equipment to manage collections effectively. With rapid technological changes, it is also necessary that staff be trained to keep pace with developments and to ensure that documentation and digitisation of collections are in line with international standards. The Coronavirus pandemic and subsequent lockdown demonstrated the importance of developing a strong digital bank for the Iziko Museums collections that can be accessed for purposes of virtual exhibitions, research, and educational purposes. There is the opportunity for partnership with universities and other institutions at a local, national, and international level to support digitisation initiatives and ensuring that high-resolution images are of aspects of the collections. We will need to be proactive in developing such partnerships.

The preservation and conservation of the collections are 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 Museums continue to provide training for its staff as well as for other museums in the region. As part of the collections management strategy, focus will be placed on verifying the heritage assets register; this will be implemented concurrently with the digitization project as well as the process of relocating some of our collections to conducive spaces for storage. Maintenance of items in our collections will continue based on the availability of resources and suitable equipment.

Iziko Museums was able to give support to the UCT<sup>1</sup> library in the aftermath of the devastating fire, which points to the importance of partnerships and the sharing of conservation expertise and resources across institutions. There is a need for disaster preparedness and disaster response strategy that brings together the combined expertise of the various heritage institutions in the region.

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<sup>1</sup> University of Cape Town

## **f. Education**

The Iziko Museums of South Africa presents interactive programmes to school learners, tertiary students, and members of the public. The primary role of the education department at Iziko Museums is to contribute to quality basic education, enhance social cohesion, and promote nation-building. The education department have a multi-disciplinary approach, where education is done across several divisions: art, social history, natural history, planetarium shows, outreach programmes, and public programmes. The programmes are designed to run concurrently with the school curriculum. Their work is supported by many museum professionals such as curators, researchers, conservators, graphic designers, and historians. The education staff design programmes based on research and exhibitions installed by Iziko Museums' Research and Exhibitions department, including the programmes on its collections in the Collections and Digitisation department. Innovative museum lessons, learner workshops, arts and crafts activities, holiday programmes, and education programmes are presented. Object-based activities, drama, poetry jams, and other creative arts integration sessions occur in collaboration with many external partners. Accredited teacher enrichment sessions take place to expose educators to the offerings that Iziko Museums have. Iziko Museums' education department plays a significant role in the heritage sector as a custodian of South Africa's preserved history. The programmes presented, creates awareness, and provides visitors to Iziko Museums to congregate in its spaces and to connect to their heritage.

The education department is continuously giving exposure to Iziko Museums' collections via outreach programmes by using 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. To give greater exposure to local South Africans of cultural heritage issues, the Iziko Museums celebrate several commemorative days as a nexus of reflection and memory. The public programmes division is responsible for presenting thoughtful programmes on these days. All programmes presented takes place across several museum sites in disciplines of art, history, science, and astronomy. To inspire young people to the value of science in society, we have one of the most advanced planetariums in the world. The work of the education department is supported by many organisations and institutions to ensure the mandate of the Iziko Museums and the Department of Sport, Arts and Culture.

## **g. Advancement**

To gain back and build new audiences, an overarching vision and strategic approach are needed that will seek to develop museum offerings (i.e., our museum spaces, exhibitions, and public programmes through multiple means), to meet the needs and expectations of the public, and to ensure that Iziko Museums remains relevant and continues to grow (as a heritage institution and public resource, as well as financially). It will be important in the medium term to ensure that capacity in terms of human resources is developed and that the vision is shared across Iziko Museums, as this will create a strong basis on which the museums can move forward, focusing on product and audience growth.

## **2. Rationale for a planned performance concerning outputs within budget programmes**

### **a. Finance**

The fundamental success of Iziko's strategy depends on Iziko's alignment with the external environment, a realistic internal view of internal core competencies, and careful implementation and monitoring.

Compliance with legislation ensures that all revenue, expenditure, assets, and liabilities of Iziko are managed efficiently and effectively as envisaged in the Public Finance Management Act (PFMA). The finance directorate will continue to provide regular trainings and information sessions to raise awareness on compliance requirements.

Conformity with accounting standards ensures relevant, reliable financial statements, which are a key aspect of good governance and accountability. Achieving unqualified audits is key since legislative auditing has a well-established identity and both internal and external auditors provide assurance to the public on the financial state of affairs of institutions.

The Income Generation Strategy and Long-Term Financial Sustainability Plan articulates Iziko's strategic intent to increase own income generation and donor funding to enable it to cover its annual operating expenses on a long-term basis and deliver on its mandate.

The co-ordination of activities and processes is essential to greater coherence of service delivery which translates into programme delivery in Iziko's Strategic Plan. Financial challenges and pressures to be met at Iziko include expenditure pressures and inflation, securing sustainable revenues and funding sources and new growth, while keeping entrance fees affordable. The role of finance in establishing and monitoring specific and measurable financial strategic goals must be done in a coordinated, integrated manner for the efficient and effective operation of the organisation.

### **3. Contribution Of Outputs to The Achievements of The Outcomes**

#### **a. Advancement**

In 2024-25 Focus will be placed on strengthening the brand and corporate identity of Iziko Museums of South Africa. A wholistic approach to our marketing and communications strategy will be adopted and we will utilise different mediums to do so. Targeted initiatives such as Reimagined Iziko, ISAM 200 and significant commemorative days will be used to develop interactive campaigns. As part of attracting and retaining a diverse and devoted following, creative avenues will be used to showcase our facilities; diverse collections; exhibition and educational offering across all our museums. With the amalgamation set to be underway, consolidation of the marketing and communications strategy for the three entities may have to be considered. Capacity constraints are acknowledged and with technological advancements diverse capabilities and skills are required to successfully deliver on our advancement objectives.

Regarding fundraising, efforts to secure more donor funds and generate income from alternative sources. One of the areas to be improved upon to generate funds include venue hire. We are reviewing our spaces to determine alternative uses for income generation. The ISAM 200 and Reimagined Iziko Museums implementation plans provide significant proposals for projects to be undertaken. These projects will help to upgrade and reimagine our spaces to improve how people interact with and experience our services. This will not only increase the value to our visitors but also serve as an additional incentive for prospective funders. Iziko Museums has cemented itself well as a pioneer and an innovator within the sector, we will leverage of this reputation to secure meaningful local and international partnerships.

## **b. Supply Chain Management**

Financial information has long been the standard for assessing the strength of internal controls within an organisation. Supply Chain management practices will be strengthened to improve compliance and ensure that the organisation continues to derive value for money for all goods and services procured. The procurement plan will be used to improve demand management within the organisation and ensure that departments receive adequate technical support for complex procurement initiatives.

## **c. Information and Communications Technology**

Similarly, investment in ICT ensures more efficient business operations by improving efficiency and productivity and stimulating innovation. It also boosts organisational competitiveness and more effective service delivery. The information and communication technology revolution has radically affected the way information is shared and distributed and improvements to and investment in ICT infrastructure and ICT skills are required to respond to organisational requirements as well as the needs of audiences.

#### d. Programme Resource Considerations

| Rand thousand  |        | 2021/22        | 2022/23        | 2023/24         | 2024/25        | 2025/26        | 2026/27         |
|--|--------|----------------|----------------|-----------------|----------------|----------------|-----------------|
| <u>Objective/Activity</u>                              | R'000s | Audited        | Audited        | Approved budget | Budget         | Budget         | Planning        |
|  |        | outcome        | outcome        |                 | Estimate*      | Estimate*      | Budget Estimate |
| <b>Administration</b>                                  |        | 120 065        | 130 996        | 144 563         | 170 542        | 144 833        | 151 838         |
| <b>Collections</b>                                     |        | 27 968         | 30 464         | 39 442          | 55 627         | 43 275         | 45 265          |
| <b>Public engagement</b>                               |        | 10 864         | 13 928         | 19 380          | 31 256         | 19 351         | 20 242          |
| <b>Total</b>   |        | <b>158 896</b> | <b>175 388</b> | <b>203 385</b>  | <b>257 425</b> | <b>207 459</b> | <b>217 345</b>  |
| <b><u>Economic classification</u></b>                  |        |                |                |                 |                |                |                 |
| <b>Compensation of employees</b>                       |        | <b>65091</b>   | <b>67591</b>   | <b>89958</b>    | <b>117771</b>  | <b>98704</b>   | <b>103244</b>   |
| <b>Goods and services</b>                              |        | <b>37 358</b>  | <b>50 724</b>  | <b>54 161</b>   | <b>77 568</b>  | <b>46 663</b>  | <b>49 425</b>   |
| Administrative fees                                    |        | 1 584          | 1 868          | 3 712           | 1 958          | 2 050          | 2 144           |
| Advertising  |        | 191            | 144            | 150             | 1313           | 158            | 165             |
| Audit costs: External                                  |        | 1 318          | 2 426          | 2 055           | 3 593          | 2 662          | 2 784           |
| Catering: Internal activities                          |        | 131            | 42             | 44              | 167            | 46             | 48              |
| Communication (G&S)                                    |        | 579            | 527            | 550             | 457            | 578            | 605             |
| Computer services                                      |        | 2 908          | 1 912          | 1 315           | 5964           | 2 098          | 2 194           |
| Consultants: Business and advisory services            |        | 1 075          | 461            | 481             | 3033           | 506            | 529             |
| Legal services (G&S)                                   |        | 240            | 265            | 277             | 966            | 291            | 304             |
| Science and technological services                     |        | 3 799          | 2 322          | 925             | 969            | 1 015          | 1 061           |
| Maintenance and repairs                                |        | 3951           | 5410           | 6171            | 5669           | 5936           | 6209            |
| Consumables: Stationery, printing, and office supplies |        | 850            | 623            | 651             | 1096           | 684            | 715             |
| Operating leases                                       |        | 1 073          | 1 334          | 1 394           | 1212           | 1 464          | 1 534           |
| Travel and subsistence                                 |        | 127            | 542            | 566             | 1136           | 594            | 622             |
| Training and development                               |        | 260            | 779            | 813             | 1200           | 854            | 894             |
| Operating payments                                     |        | 7 149          | 10 271         | 10 649          | 23415          | 9 701          | 10 147          |
| Venues and facilities                                  |        | 12 123         | 21 798         | 24 408          | 25420          | 18 026         | 19 470          |
| <b>Depreciation</b>                                    |        | <b>6 840</b>   | <b>6 826</b>   | <b>6 799</b>    | <b>9424</b>    | <b>6 954</b>   | <b>7 002</b>    |
| <b>Transfers and subsidies</b>                         |        | <b>49 607</b>  | <b>50 247</b>  | <b>52 467</b>   | <b>52 662</b>  | <b>55 138</b>  | <b>57 674</b>   |
| <b>Total Expenditure</b>                               |        | <b>158 896</b> | <b>175 388</b> | <b>203 385</b>  | <b>257425</b>  | <b>207 459</b> | <b>217 345</b>  |

\* As per 2023 Estimates of National Expenditure (ENE) database for 2023/24 to 2025/26 MTEF period. 2024/25 Budget as approved by the Accounting Authority

Figure 3 - Programme Resource Considerations

## 8. Resource contribution towards the achievement of outputs

To accomplish our planned objectives, we carefully allocate and manage our assets and human capital, ensuring they align with our deliverables. Resource allocation across our programs is informed by inputs from our program managers who determine the required resources for project and program success. This process includes consultations with all stakeholders to guarantee comprehensive insights. Final allocations are then coordinated and made after assessing competing needs. We prioritize and balance these needs to determine the most effective course of action, ultimately maximizing the utilisation of our limited resources.

**Education and Outreach Impact:** Our education department plays a pivotal role in supporting the Department of Basic Education and the Department of Higher Education in fostering quality education programmes and access to tertiary students. The department is actively busy promoting social cohesion, and advancing nation-building through workshops, holiday programmes, museum lessons, and public programmes. Educational materials are designed which are issued to members of the public and to school learners during educational activities. However, budget cuts can have adverse effects on the delivery of effective and quality programmes. Furthermore, reduced funding can limit community access to Iziko Museum's sites, leading to a decline in programme offerings, which are vital to ensuring our mandate to build a social cohesive society.

**Collections Care Considerations:** The care of our collections may be compromised if our budget does not adequately cover essential consumables and services required for conservation, as well as maintaining optimal conditions in storage areas.

**Anniversary Plans Hinged on Core Functions:** Our plans for observing 200 years of the Iziko South Africa Museum, a catalyst of the Reimagined Iziko initiative relies on the directorates under the Core Functions and Support Services Executive Directorate.

**Navigating Financial Sustainability Challenges:** We acknowledge the challenge of financial sustainability in the face of continuing and unexpected budget cuts. To address this, we are committed to diversifying our income sources and increasing our self-generated income. Iziko aims to enhance its offerings and embark on innovative initiatives to attract more visitors to our spaces. This proactive approach is essential for countering adverse economic factors that have significantly impacted our income generation and retaining specialized and skilled staff.

Through strategic resource management and a commitment to adapt to changing financial landscapes, Iziko remains dedicated to fulfilling its mission and serving its communities effectively.



Visit by the Royal Couple from the Kingdom of the Netherlands at the Iziko Slave Lodge, October 2023

## 9. Updated Key Risks

| Outcome   | Key Risk   | Risk Mitigation  |
|---|--|--|
| <b>Sound Governance and Compliance</b><br><b>Providing relevant training to key staff</b><br><b>Filling priority vacant positions</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 your income.   |
|   | Adverse economic environment.  | Achieve financial sustainability.  |
|   | Shortage of people with relevant or required skills.   | Providing relevant training to key staff<br>Filling priority vacant positions.   |
|   | Decrease in employee satisfaction levels negatively impacting service delivery.  | Providing key programmes to support staff wellbeing and improve organisational culture.<br>Filling priority vacant positions.  |
|   | Managing the rapid change in the technological environment.  | 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 is in place.   |
|   | Potential loss of income due to the lag effect of Covid-19 and its impact on decreased visitor numbers.  | Invest in technology and increase online offerings.  |
| <b>Improved infrastructure to enhance the visitor experience.</b>   | The risk is that Heritage Western Cape (HWC) can request additional documentation over and above their compliance requirements thereby delaying issuing permits for repair and maintenance of heritage buildings and the additional cost implications. | Iziko Museums Director: Customer and Support Services with the Heritage Architect are invited to the HWC committee meeting for all repair and maintenance permit applications. The risks related to permit application delays and the impact thereof will be highlighted to the HWC Committee. |
| <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. Engage with DSAC.  |
|   | Decrease in service levels and inability to complete projects due to loss of income,   | Review and evaluate remote work policies and capabilities including remote IT connections.   |

| Outcome  | Key Risk   | Risk Mitigation  |
|--|--|--|
|  | closure of museums sites and working from home due to protests and health pandemics.   | Test the resilience and cyber risks of the enhanced IT infrastructure.<br>Secure newly implemented or scaled remote working practices and ensure the continuity of critical functions.   |
| <b>Knowledge generation through research contribute to an 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 impacts 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 protest action or health pandemics. | Review and evaluate remote work policies and capabilities including remote IT connections.<br>Test the resilience and cyber risks of the enhanced IT infrastructure.<br>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 to Wi-Fi in museum spaces if funding becomes available.  |
|  | The continuing risk of the negative impact post COVID-19 lockdowns on gate takings/income, and, on venue hire income and processes.  | Implementing new marketing and communication initiatives to increase visitors to Iziko Museums.  |
|  | The continuing risk of declining visitor numbers due to the negative impact post COVID-19.   | More virtual activities to retain the visibility of the Iziko Museums in the public domain. More innovation to draw smaller groups of visitors to more events/exhibitions/programmes.  |

Figure 4 - Updated Key Strategic Risks

## 10. Public Entities

Iziko Museums of South Africa has not entered into any partnerships with public entities to date however, we do periodically receive funds for specific projects and programme implementation from various state entities.

## 11. Infrastructure Projects

| No. | Project name                                   | Programme    | Project description  | Outputs  | Project start date | Project completion date | Total Estimate Cost | Current year Expenditure                          |
|-----|--|--------------|--|--|--------------------|-------------------------|---------------------|---|
| 1.  | Major repair and renovation of Old Town House. | Programme 1  | Phase 2 further repair and maintenance of the interior and exterior of the Iziko Museums Old Town House. including the design of a fire suppression system   | Repair and maintenance of the building.  | April 2023         | 31 March 2025           | R 4 395 212.        | Expenditure as of 30 September 2023.<br>R 331 595 |
| 2   | Maintenance and Conservation of the sites      | Programme 1  | Repairs and maintenance to Iziko buildings and implementing the roof repairs & upgrading of waterproofing & drainage systems at the Iziko Museums buildings. | Specification and Bill of Quantities for roof repairs & waterproofing of identified buildings. | March 2021         | 31 March 2025           | R 21 256 817        | Expenditure as of 30 September 2023.<br>1 441 775 |
| 3   | ISAM Fire Escape Stair                         | Programme 1. | Installation of an Internal Stair between 5th and 6th floor ISAM that can accommodate an electronic Evacuation Chair (EVAC).                                 | Internal staircase constructed between 5 <sup>th</sup> and 6 <sup>th</sup> floor ISAM.         | June 2021          | 31 March 2025           | R 4 520 000         | Expenditure as of 30 September 2023<br>R 83 755.  |
| 4   | Planetarium Digital Upgrade                    |              |  |  |                    |                         |                     | Expenditure as of 30 September 2023 R<br>332 081  |

Figure 5 - Infrastructure Projects

## 12. Public-Private Partnerships

Iziko Museums of South Africa has not entered into any Public-Private Partnerships (PPPs) thus far. Management is considering the use of PPPs to unlock additional Revenue in future.

## Part D: Technical Indicator Descriptions (TID)

| Indicator Title  | Definition   | Source of data   | Method of Calculation/ Assessment                      | Assumptions   | Disaggregation of Beneficiaries | Spatial Transformation | Reporting Cycle | Desired Performance                      | Indicator Responsibility |
|--|--|--|--|---|---------------------------------|------------------------|-----------------|--|--------------------------|
| Compliance with legislation and accounting standards by obtaining unqualified audit reports.           | The audit opinion of the Auditor-General of South Africa indicates an unqualified audit opinion as they relate to the Annual Financial Statements. | An audit report of the Auditor-General of South Africa.    | Audit report   | Iziko Museums continues to operate as a going concern.  |                                 |                        | Annual          | Sound Governance and Compliance.         | Chief Financial Officer  |
| Long-term financial sustainability plan aimed at increasing percentage of own income annually by 0.5%. | Increase in own income based on long-term financial goals, strategies, and action plans outlined in the financial sustainability plan              | Statement of Financial Performance and accounting records. | Increase in own income as a % of prior year own income | Current resources remain in Iziko Museum's control.<br><br>The legislative framework enables planned initiatives. |                                 |                        | Annual          | Increase in own income annually by 0.5%. | Chief Financial Officer  |
| The number of policies developed   | Formulation of new and review of existing policies improve museum functions.   | Approved and reviewed policies in policy register          | Approved new and reviewed policies in existence.       | The legislative framework enables planned initiatives.  |                                 |                        | Annual          | Sound Governance and Compliance          | EXCO                     |

| Indicator Title   | Definition  | Source of data  | Method of Calculation/ Assessment   | Assumptions  | Disaggregation of Beneficiaries | Spatial Transformation | Reporting Cycle   | Desired Performance  | Indicator Responsibility                         |
|---|---|---|---|--|---------------------------------|------------------------|---|--|--|
| Increase in the number of funded projects in terms of the income/revenue stream strategy.                     | Increase in the number of funded projects based on income/revenue stream strategy   | Statement of Financial Performance and accounting records.  | Increase in number of funded projects as a % of total prior year funded projects. | Adequate financial and human capacity  | Yes                             | No                     | Annual  | Increase in number of funded projects annually by 0.25%.   | Director: Advancement<br>Chief Financial Officer |
| The number of training opportunities offered  | The 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 register invoices and certificates of attendance issued for external virtual training. | Count   | Employees will remain in Iziko Museums' employment for the full reporting period.    | Yes                             | No                     | Annual, progress monitored when reporting quarterly.  | All training included in the annual Learning and Development Programme completed in the reporting period.          | Director: Human Resources                        |
| The number of repair and renovation projects implemented in terms of the Annual Repair and Maintenance plans. | Annual repair and maintenance projects are planned in terms of annual maintenance plan based on priorities listed in the five-year Conservation and   | Annual Repair and Maintenance Plan.   | Count   | DSAC will annually allocate funding in the MTEF for repair and maintenance projects. | No                              | Yes                    | Annual, progress is monitored when reporting quarterly milestones identified in the project plan. | All priority projects listed in the Annual Repair and Maintenance Plan were completed during the reporting period. | Director Customer and Support Services           |

| Indicator Title  | Definition  | Source of data   | Method of Calculation/ Assessment   | Assumptions  | Disaggregation of Beneficiaries | Spatial Transformation | Reporting Cycle                   | Desired Performance   | Indicator Responsibility   |
|--|---|--|---|--|---------------------------------|------------------------|-----------------------------------|---|--|
|  | Maintenance plan as well as available funding.  |  |   |  |                                 |                        |                                   |   |  |
| The number of new records entered on collections databases for Art and Social History Collections. | The 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. The 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 Museums. | (Number of records at end of the financial year) - (Number of records at beginning of the financial year) | Iziko Museums continues to have the IT hardware and software resources to enable the ongoing digitisation of the collections.  |                                 |                        | Output; Total; Count; Annual; Old | The aim is to digitise all accessioned items in the Iziko Museums collections.  | Director: Collections and Digitisation   |
| The number of new records/catalogue numbers entered on Specify database.                           | The number of collection specimen records entered on collections databases for Natural History collections. Each record constitutes the information about a   | Information is derived from the Natural History collections database at Iziko Museums.         | (Number of records at end of the financial year) - (Number of records at beginning of the financial year) | Iziko Museums 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 |                                 |                        | Output; Total; Count; Annual; Old | The aim is to digitise all catalogued or accessioned items in the Iziko Museums collections and to build natural science collections that adequately represent South Africa's | Director: Collections and Digitisation<br><br>Director: Research and Exhibitions |

| Indicator Title  | Definition   | Source of data  | Method of Calculation/ Assessment | Assumptions   | Disaggregation of Beneficiaries | Spatial Transformation | Reporting Cycle            | Desired Performance   | Indicator Responsibility   |
|--|--|---|-----------------------------------|---|---------------------------------|------------------------|----------------------------|---|--|
|  | catalogued (numbered) item (or series of items) in an Iziko Museums collection<br>The number of digital images with linked metadata added to the collections database. |   |                                   | embark on field trips, and specimens will be donated.   |                                 |                        |                            | biodiversity through time.  |  |
| The 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 the thematic content of museums. | Collection motivation forms/ acquisitions approved at Core Functions  | Count                             | Iziko Museums 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<br><br>Director: Collections and Digitisation |
| The number of peer-reviewed publications (including articles or chapters) published. | The number of papers, books, and/or book chapters by Iziko Museums staff and associates appearing in journals, or in scientific book form, where the publication       | The record of scientific publications generated is collated on a spreadsheet<br>The date of publication (either online or in print) is then used to determine the | Count                             | Iziko Museums will have sufficient resources to sustain its research outputs and ensure that the quality of our publications merits 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 | Director: Research and Exhibitions   |

| Indicator Title                                      | Definition   | Source of data  | Method of Calculation/ Assessment | Assumptions  | Disaggregation of Beneficiaries   | Spatial Transformation | Reporting Cycle                     | Desired Performance  | Indicator Responsibility           |
|--|--|---|-----------------------------------|--|---|------------------------|-------------------------------------|--|------------------------------------|
|  | is selected based on a peer-review process i.e., where it is reviewed and published to contribute to further knowledge generation by subject specialists.  | date of publication at which point it is counted for reporting purposes.  |                                   |  |   |                        |                                     | other funding agencies.  |                                    |
| The 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, access to a broader general public. | A record of popular publications generated is collated on a spreadsheet. 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 Museums researchers will produce publications that are relevant and suitable for popular publication, and that Iziko Museums 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 |
| The number of new exhibitions.                       | The number of new exhibitions presented to   | Exhibition schedule and proposals.  | Count.                            | Iziko Museums will have adequate capacity and  | Iziko Museums will produce specific exhibitions that  |                        | Output; Cumulative; Quarterly; Old. | Enrich the visitor experience through  | Director: Research and Exhibitions |

| Indicator Title  | Definition   | Source of data  | Method of Calculation/ Assessment | Assumptions   | Disaggregation of Beneficiaries   | Spatial Transformation | Reporting Cycle                     | Desired Performance   | Indicator Responsibility |
|--|--|---|-----------------------------------|---|---|------------------------|-------------------------------------|---|--------------------------|
|  | the public at Iziko Museums sites/museums /galleries. This includes temporary, online, and permanent exhibitions.  |   |                                   | resources to produce high quality temporary, online, and permanent exhibitions.   | are intended to be relevant to youth and women and that cater to people with disabilities.            |                        |                                     | innovative exhibitions that inspire and inform. Proactively revise, reimagine, and decolonise existing, outdated exhibits that reflect the bias of the pre-democracy mindset. |                          |
| The number of special museum education programmes presented. | Four special education programmes are 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 the 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 Museum’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 gain and learn information more interactively.   | Director: Education      |
| The number of public programmes presented                    | These programmes could be aligned but are not limited to both the institutional and national   | Events programmes and a combination of three of the following: internal emails; external emails;  | Count.                            | Assuming that there will be sustained interest in the quality of our programming and that the entity will be  | Special emphasis is placed on women and youth on public programmes such as Youth Day and Women’s Day. |                        | Output; Cumulative; Quarterly; Old. | The indicator helps monitor and standardise the public programme's offerings to the public. Its alignment with  | Director: Education      |

| Indicator Title  | Definition  | Source of data  | Method of Calculation/ Assessment | Assumptions   | Disaggregation of Beneficiaries  | Spatial Transformation | Reporting Cycle                     | Desired Performance   | Indicator Responsibility                                  |
|--|---|---|-----------------------------------|---|--|------------------------|-------------------------------------|---|---|
|  | vision of celebrating and commemorating historic events relating to our national holidays while raising awareness regarding our history and heritage. | Facebook; Twitter; e-news; posters; exhibitions; attendance registers; website. |                                   | adequately resourced to implement the project.  | Young people and women also actively participate and give input on all public programmes hosted by the museum. |                        |                                     | the national vision and commemorative days helps broaden the scope and vision and adds to social cohesion.  |   |
| The number of outreach programmes presented.                               | Outreach is mainly organised under the Iziko Museums' outreach programme (Mobile Museum) and aimed at taking the museum to the people/communities.    | Internships and Work Integrated Learning Students.                              | Count.                            | Assuming that the mobile bus will be fully functional, and that Iziko Museums 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                                       |
| The number of interns and Work Integrated Learning students (WILS) hosted. | Internships and Work Integrated Learning Students.  | List of names of interns, attendance registers, 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<br>Director: Research and Exhibitions |

| Indicator Title                                   | Definition   | Source of data  | Method of Calculation/ Assessment                          | Assumptions   | Disaggregation of Beneficiaries | Spatial Transformation | Reporting Cycle                                  | Desired Performance  | Indicator Responsibility |
|---|--|---|--|---|---------------------------------|------------------------|--|--|--------------------------|
| Number of visitors to the museums/ sites.         | The number of visitors from all communities accessing Iziko Museums resources. The term visitor does not refer to individuals but counts “feet through the door.” Repeat visits are therefore included in the calculation of the 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 spreadsheet. | Point of Sale (PoS) data, venue hire, and visitor numbers. | Socio-economic conditions will enable visitors to access Iziko Museums spaces and that Iziko Museums will continue to source transport for communities. |                                 |                        | Output; Cumulative for the year; Quarterly;Old.  | An increase in the number of diverse audiences visiting and participating in Iziko Museums programmes, visiting the Iziko Museums website, and following Iziko Museums on social media indicates the public interest in Iziko Museums offering as well as the quality and relevance of exhibitions and programmes. | Director: Advancement    |
| The number of visitors to Iziko Museums websites. | The number of visitors to the Iziko Museums website was recorded using the Google Analytics tool. Repeat visits are included in the calculation of the number of website visitors. Visits by specific individuals or   | 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 Museums programmes, visiting the Iziko Museums website, and following Iziko Museums on social media.   | Director Advancement     |

| Indicator Title                                      | Definition   | Source of data   | Method of Calculation/ Assessment | Assumptions  | Disaggregation of Beneficiaries | Spatial Transformation | Reporting Cycle    | Desired Performance   | Indicator Responsibility |
|--|--|--|-----------------------------------|--|---------------------------------|------------------------|--------------------|---|--------------------------|
|  | IP are referred to as unique visits.   |  |                                   |  |                                 |                        |                    |   |                          |
| The 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 | Diversify audiences visiting and participating in Iziko Museums programmes and visiting the Iziko Museums spaces. | Director: Advancement    |
| The number of commemorative days promoted per annum. |  | The 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. | Count                             | Pandemic and Socioeconomic conditions and subsequent behaviours will facilitate visitors to access Iziko Museums. Socio-economic conditions will enable visitors to access Iziko Museums spaces and that Iziko Museums will continue to source transport for communities who are not able to travel to its spaces and that access will continue to be given to communities |                                 |                        | Quarterly          | Increase in the number of diverse audiences visiting and Iziko Museums physically and virtually.                  | Director: Advancement    |

| Indicator Title | Definition | Source of data   | Method of Calculation/ Assessment | Assumptions                            | Disaggregation of Beneficiaries | Spatial Transformation | Reporting Cycle | Desired Performance | Indicator Responsibility |
|-----------------|------------|--|-----------------------------------|--|---------------------------------|------------------------|-----------------|---------------------|--------------------------|
|                 |            | e days (i.e., Human Rights Day, Freedom Day, International Museum Day, Africa Day, |                                   | who are not able to pay entrance fees. |                                 |                        |                 |                     |                          |

Figure 6 - Technical Indicator Descriptions (TID)



Winter Holiday Programme: Exploration of Cape Town's Indigenous Music, July 2023.

## Part E: Annexures

### Annexure A: Acronyms and Abbreviations

|           |  |               |  |
|-----------|--|---------------|--|
| AAM       | American Alliance of Museums   | ISL           | Iziko Museums Slave Lodge  |
| AAB       | Approved Annual Budget   | Iziko Museums | 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                                       |
| DPWI      | Department Of Public Works and Infrastructure  | UCT           | University of Cape Town  |
| DST       | Department of Science and Technology   | UNESCO        | United Nations Educational, Scientific and Cultural Organisation |
| EBCR      | Existing Building Condition Report   | UWC           | University of the Western Cape                                   |
| ENE       | Estimates of National Expenditure  | WILS          | Work Integrated Learning Students                                |
| GIAMA     | Government Immovable Asset Management Act  | Zeitz         | Zeitz MOCAA - Museum of Contemporary Art Africa                  |
| GRAP      | Generally Recognised Accounting Practice   | 4IR           | Fourth Industrial Revolution                                     |
| HR        | Human Resources  | i.t.o.        | in terms of  |
| ICT       | Information and Communication Technology   | N/A           | Not applicable   |
| ISANG     | Iziko Museums South African National Gallery   | IOTH          | Iziko Museums Old Town House housing the Michaelis Collection    |
| ISAM      | Iziko Museums South African Museum   |               |  |

## Annexure B: Materiality and Significance Framework for the 2023/2023 Financial Year

|   |   |
|---|---|
| <p><b>1. Definitions and standards</b></p> <ul style="list-style-type: none"> <li>• Audited financial statements: 2021/2022 (AFS)</li> <li>• Approved annual budget: 2022/2023 (AAB)</li> <li>• Approved Strategic Plan: 2020-2025 (ASP)</li> <li>• Event: An activity that has the elements of income and expenditure</li> </ul> | <ul style="list-style-type: none"> <li>• Trading venture: An activity that has the elements of buying and selling of products and/ or services.</li> <li>• Total income: Total income, excluding the income from events and trading ventures.</li> <li>• Total expenditure: Total expenditure, excluding event and trading venture expenditure</li> </ul> |
| <p><b>2. Applicable sections of the PFMA</b></p> <ul style="list-style-type: none"> <li>• Section 50(1)</li> <li>• Section 54(2)</li> <li>• Section 55 (2) Section 66(1)</li> </ul>   | <p><b>3. Treasury regulation</b></p> <ul style="list-style-type: none"> <li>• 28.1.5</li> </ul>   |

**Materiality and Significance Framework for the 2024/25 Financial Year**

| 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>e) Total actual expenditure is more than budgeted income by more than 0,2% of budgeted expenditure.</p> <p>f) 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 an entity per the ASP</p> <p>b. Any activity that is outside the parameters of each public entity's enabling legislation</p> |
| <p>4.2 Section 54: Information to be submitted by the Accounting Authority</p>  | <p>Value (Quantitative)</p>  | <p>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: |  | Any unplanned event per the ASP that may affect the core purpose or mandate of the entity. |
| b.) | participation in a significant partnership, trust, unincorporated joint venture, or similar arrangement   | N/A  |  |
| c.) | acquisition or disposal of a significant shareholding in a company  | N/A  | Any unplanned event per the ASP that may affect the core purpose or mandate of the entity. |
| d.) | acquisition or disposal of a significant asset  | Any transaction of which the amount exceeds 1% of the total value of assets per AFS. | Any unplanned event per the ASP that may affect the core purpose or mandate of the entity. |
| e.) | commencement or cessation of a significant business activity  | Any transaction of which the amount exceeds 1% of the total value of assets per AFS  | Any unplanned event per the ASP that may affect the core purpose or mandate of the entity  |

| <b>4.3 Section 55: Annual Report and Annual Financial Statements</b>  | <b>Value (Quantitative)</b>   | <b>Nature of Event (Qualitative)</b>  |
|---|---|---|
| (3) the annual report and financial statements must:<br><br>b) include particulars of:<br><br>any material losses through criminal conduct and,<br><br>any irregular expenditure and fruitless and wasteful expenditure that occurred during the year.<br><br>any losses recovered or written off | a) Any loss of which the amount exceeds 1% of the total value of assets per AFS.<br><br>b) Any loss of a National Estate as defined in section3 of the National Heritage Resources Act, 1999 (Act No. 25 of 1999)<br><br>All<br><br>All | Any unplanned loss per the ASP that may affect the core purpose or mandate of the entity.<br><br>All<br><br>All |
| <b>4.4 Section 66: Restrictions on Borrowing, Guarantees and Other Commitments</b>  | <b>Value (Quantitative)</b>   | <b>Nature of Event (Qualitative)</b>  |
| Iziko Museums may not enter into any financial commitment beyond its approved budgets and its accumulated reserves  | N/A   | N/A   |

| <b>MATERIALITY FRAMEWORK 2024/2025</b> |                   |                   |                |                |                      |          |
|--|-------------------|-------------------|----------------|----------------|----------------------|----------|
| <b>Basis</b>                           | <b>Acceptable</b> | <b>2023 Value</b> | <b>Minimum</b> | <b>Maximum</b> | <b>Iziko Museums</b> | <b>%</b> |
|  | <b>% Range</b>    |                   | <b>Value</b>   | <b>Value</b>   | <b>Materiality</b>   |          |
| Total assets as per 2023 AFS           | 1% - 2%           | 2 728 198 503     | 27 281 985     | 545 563 970    | 27 281 985           | 1%       |
| Revenue as per 2023 AFS                | 0,5% - 1%         | 181 517 516       | 907 587        | 1 815 175      | 907 587              | 0,5%     |
| Net surplus as per 2023 AFS *          | 2% - 5%           | 6 128 817         | 122 576        | 306 440        | 306 440              | 5%       |
| Budget: Expenditure 2023/2024          | 0,1% - 0,5%       | 203 386 000       | 203 386        | 1 016 930      | 406 772              | 0,2%     |

### 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) in perpetuating a successful business that ensures the achievement of the vision of the Museum.

The Council is ultimately accountable and responsible to Government 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>2</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's 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.

#### 5. COUNCIL LEADERSHIP

The Chairperson of the Council should not be the CEO or any other executive Council member. 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 may constitute the Executive Committee of Council.

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<sup>2</sup> Cultural Institutions Act No. 119/1998

## **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 Museums.

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 and updated annually. Members of the council are obliged to sign an annual declaration of interest.
- 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 recuse the Chief Executive Officer to leave part of the Council meeting discussions. This is especially so during deliberations relating to executive performance or remuneration or a matter pertaining to a conflict of interest. Likewise a council member or management may also be recused from a meeting who might have a conflict of interest in relation to items on the agenda.
- 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 Audit, Finance, Human Resources, and other Committees**

The Council should appoint an audit and risk committee, core functions and support services committee, Human Resources committee, Finance and Advancement committee, and should set out their purpose. Each committee should have at least three members and non-executive members. The Council may also establish other committees and should determine the functioning of those committees, and delegate powers to such committees.

### **9.2 Committee members**

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

## **10. EVALUATION**

### **10.1 General**

The collective assessment of the Council 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 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 requires 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.

### **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 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 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 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.

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 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 Minister of the Department of Sport, Arts and Culture.
- 22.2. Council members will be paid a preparation fee for meetings as periodically approved by the Minister.
- 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 is reviewed on an annual basis by National Treasury

## 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)

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 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 annually.

### **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 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 these 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 be kept in the registered office/ domicile 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 polices in independence that the Council Members may adopt from time to time.

Council Members' dealings with the Institution will always be at arms 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 availably 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**

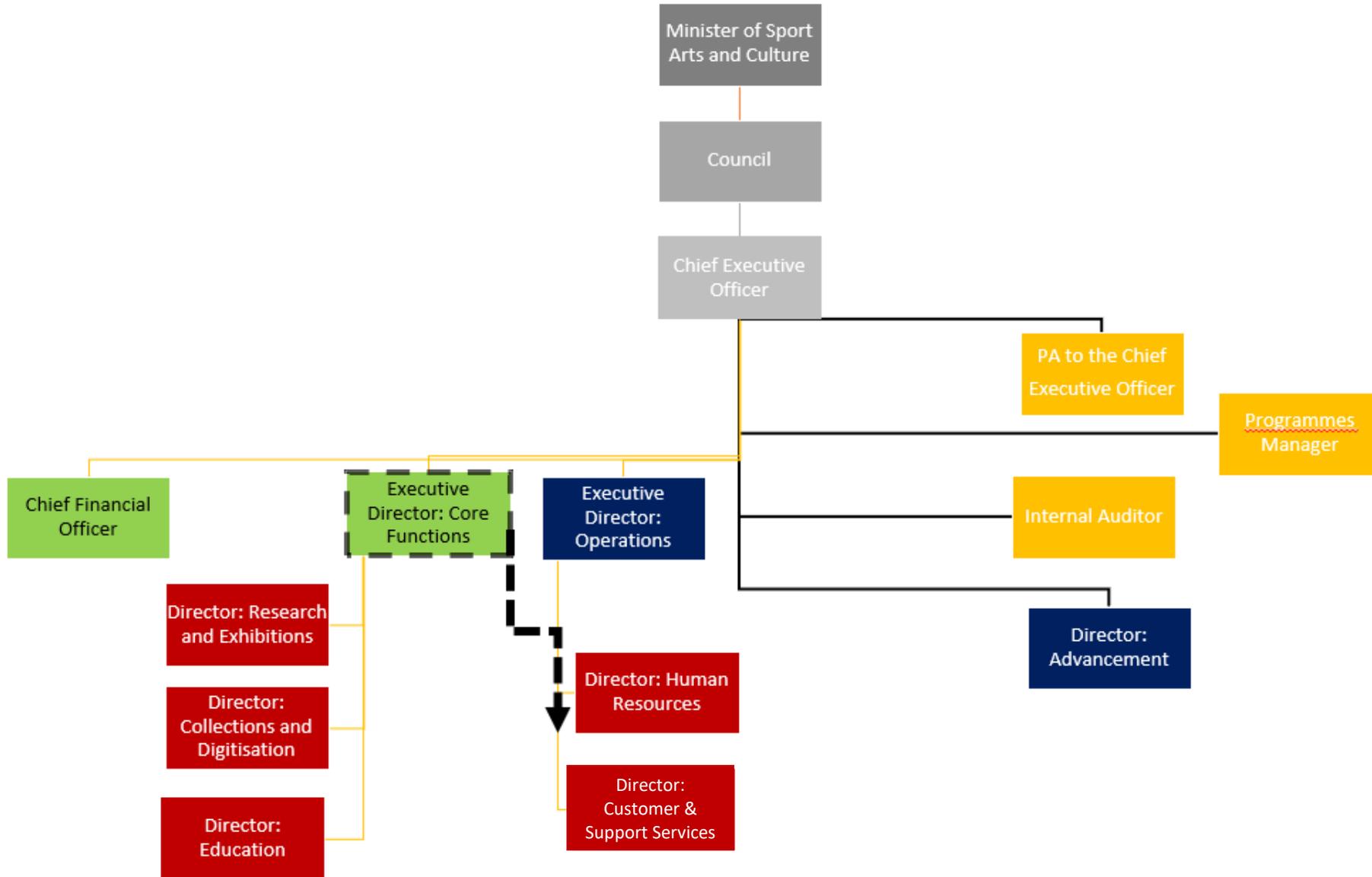
Individual Council Members and committee members must comply with all applicable laws and regulations that relate to their activities for and on behalf of the Institution. They will not commit or condone any violation of the law or unethical business dealing and shall not engage in or give the appearance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



*\*Note: Executive Director: Core Functions is also Acting Executive Director: Support Services until further notice.*

### INTRODUCTION

The Public Finance Management Act, 1999 (PFMA), Act 1 of 1999 as amended by Act 29 of 1999 was introduced to regulate financial management in national government and provincial governments and to secure transparency, accountability, and sound management of the revenue, expenditure, assets and liabilities of institutions. To this end and to give effect to its vision, Iziko Museums of South Africa (Iziko) seeks to be compliant, corruption and fraud free and committed to ensuring good governance in all its operations. The Fraud Prevention Plan was prepared to effectively manage the fraud risk to which Iziko is or can be exposed to. While fraud is an operational risk, Iziko does not condone fraud and commits itself to actively combat fraud, including all other acts of dishonesty on a zero tolerance basis.

### SCOPE

The prevention and detection of fraud risk is the responsibility of senior management, and the plan is applicable to Iziko employees, as well as other stakeholders, including service providers and visitors to the museum, who may be able to assist in eradicating fraud risk within Iziko Museums of South Africa.

### OBJECTIVE

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.

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.

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.

### FRAUD DEFINITIONS

In South Africa fraud is commonly defined as the unlawful and intentional making of a misrepresentation which causes actual prejudice, or which is potentially prejudicial to another.

Fraud and corruption remain a threat to public trust and confidence, it is therefore essential to recognise fraud prevention as an integral part of strategic management. It is important that the Accounting Officer / Authority set the right tone for the prevention and management of fraud in the Institution.

All staff may be aware of the need to prevent loss and to safeguard stakeholders interests.

The following definitions explain actions constituting fraud and corruption:

|                                      |   |
|--------------------------------------|---|
| <b>General offence of corruption</b> | Any person who, directly or indirectly- accepts or agrees or offers to accept any gratification from any other person. whether for the benefit of himself or herself or for the benefit of another person; or gives or agrees or offers to give to any other person any gratification, whether for the benefit of that other person or for the benefit of another person is guilty of the offence of corruption.  |
| <b>“Gratification”, includes-</b>    | money, whether in cash or otherwise;<br>any donation, gift, loan, fee, reward, valuable security, property or interest in property of any description, whether movable or immovable, or any other similar advantage; the avoidance of a loss, liability, penalty, forfeiture. punishment or other disadvantage;   |
|                                      | any office, status, honour, employment, contract of employment or services, any agreement to give employment or render services in any capacity and residential or holiday accommodation; any payment, release, discharge or liquidation of any loan, obligation or other liability. whether in whole or in part; any forbearance to demand any money or money’s worth or valuable thing; any other service or favour or advantage of any description. Including protection from any penalty or disability incurred or apprehended or from any action or proceedings of a disciplinary, civil or criminal nature. whether or not already instituted, and includes the exercise or the forbearance from the exercise of any right or any official power or duty; any right or privilege;<br>any real or pretended aid, vote, consent. influence or abstention from voting; or any valuable consideration or benefit of any kind, including any discount, commission, rebate, bonus, deduction or percentage. |
| <b>Favouritism:</b>                  | This involves the preferential provision of services or resources according to personal affiliations of an official.  |
| <b>Nepotism:</b>                     | This involves an official ensuring that family members are appointed to public service positions or that family members receive contracts from State resources. (Similar to conflict of interest and favouritism)   |
| <b>Extortion:</b>                    | This involves coercing a person or entity to provide a benefit to an official, another person or an entity in exchange for acting (or failing to act) in a particular manner.   |
| <b>Abuse of power:</b>               | This involves an official using his/her vested authority to improperly benefit another official, person or entity (or using the vested authority to improperly discriminate against another official, person or entity).  |
|                                      | This involves an official acting or failing to act on a matter where he/she has an interest, or another person or entity that stands in a relationship with the official, has an interest.  |

|   |   |
|---|---|
| <b>Conflict of interest:</b>                              |   |
| <b>Insider trading / Abuse of privileged information:</b> | This involves the use of privileged information and knowledge that an official possesses as a result of his/her office, to provide an unfair advantage to another person or entity to obtain a benefit, or to accrue a benefit himself/herself. |

## COMPONENTS OF THE PLAN

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

## 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. This component of the Plan is divided into two categories:

- (a) Education and training and
- (b) Communication.

## EDUCATION AND TRAINING

Awareness will be created through education and training 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;
- (c) Sending staff members on appropriate training courses;
- (d) Publishing relevant articles in the Iziko E-news publication; and
- (e) 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.

## **COMMUNICATION**

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.

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

- (a) Developing poster campaigns 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 of Ethics and Business Conduct and the Policy to all divisions and libraries as well as placing it on the Intranet;
- (c) Circulating appropriate sections of the Code of Ethics and Business Conduct to other stakeholders
- (d) Sending regular fraud awareness emails to all staff at Iziko.

## **CODE OF ETHICS AND BUSINESS CONDUCT**

Iziko has developed a Code of Ethics and Business Conduct (the Code). 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.

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;
- (b) Private business interests must be declared to Management; and
- (c) Declarations of interest are made at all Supply Chain Management and bid committee meetings.

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

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

## THE FRAUD PREVENTION POLICY

- Iziko's Fraud Prevention Policy (the Policy) details its policy stance on fraud, and the process to be followed to report, investigate and resolve incidents of fraud which impact on Iziko.
- The Policy will be circulated to all employees together with the Code. An awareness programme with regard to the Policy and the Code will be sustained on an ongoing basis.
- 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.
- Fraud investigations may not be abused for personal or any other gain other than that described in the Policy.
- Iziko has developed a fraud hotline, which provides a further mechanism to all employees and other stakeholders of Iziko to anonymously report fraud affecting Iziko.
- Iziko will consider the establishment of a structured Forensic Investigations capacity with a clear mandate to investigate allegations of fraud impacting on Iziko.

## IZIKO POLICIES, PROCEDURES AND OTHER RELEVANT LEGISLATIVE PRESCRIPTS

Iziko has a number of policies, procedures, rules, regulations, and other prescripts designed to ensure compliance with 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.

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) Lack of thorough pre-employment screening of potential candidates for positions in Iziko; and
- (d) Lack of relevant policies and procedures in compliance with legislation;

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

- (a) Ensure that all policies and procedures are distributed to new employees and to have workshops every three years to communicate the contents of the policies more effectively and to educate employees regarding the implementation and monitoring of these policies.
- (b) 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;
- (a) Implement 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 Department is unable to procure decisive results from its probity investigations in screening potential candidates.
- (b) 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.
- (c) Conduct regular reviews of 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.

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 competence to job requirements is extremely important. 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. It is also recognised that staffing low-level jobs with overqualified personnel may lead to lack of job satisfaction and low morale. 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.

## 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. A system to facilitate the consistent application of disciplinary measures is in place. Where the need is identified for training of management in the application of disciplinary measures, this will be addressed.

## INTERNAL CONTROLS

Iziko has developed and implemented a system of internal controls in 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 during induction of employees and every three years for existing employees in internal control measures and processes.

### Basic Internal Controls

The policies, procedures, and other prescripts of Iziko prescribe various controls, which, if effectively implemented, would minimise the risk of fraud within Iziko. Iziko shall implement detective, corrective and preventative controls.

Preventative controls are designed to keep errors or irregularities from occurring in the first place and include authorisation and physical controls, as well as separation of duties.

#### a. Authorisation

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

#### b. Segregation of duties

Separation of those responsibilities or duties which, if combined, would enable one individual to record as well as process a transaction until completion, provides an opportunity to manipulate the transaction irregularly and commit fraud. In the context of fraud prevention, segregation of duties involves separating the authorisation or the custodial function from the checking function and reduces the risk of intentional manipulation or error and enhances the element of checking. 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.

#### c. Physical controls

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.

#### d. Detective controls

Detective controls are designed to detect errors or irregularities that may have occurred and will be achieved as follows:

#### e. Arithmetic and accounting

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.

#### **f. Physical**

These controls also relate to the security of records. They therefore underpin mostly arithmetic and accounting controls and are similar to preventative controls as these controls are also designed to limit access.

#### **g. Supervision**

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

#### **h. Management Information**

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

**Corrective controls are designed to correct errors or irregularities that have been detected.**

Iziko's performance management system must also be appraised by considering 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.

A matrix of internal control weaknesses identified during audits must 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, where compliance deficiency is identified, disciplinary action may be taken.

### **INTERNAL AUDIT**

The internal audit function is an independent, objective assurance and consulting activity designed to add value and improve the organisation's operations. The internal audit activity Iziko must assist Iziko with the accomplishment of its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

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 are vital to the success of this Plan. The role of Internal Audit as an important component of the Plan.

### **ONGOING RISK ASSESSMENT**

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:

- (a) Tendering and procurement;
- (b) Payroll;
- (c) Debtors;
- (d) Cheque payments;

- (e) Contracts management, particularly the management of deliverables on contracts; (f) Cash collection;
- (g) Selection criteria for the appointment of consultants;
- (h) Appointment of service providers;
- (i) Appointment of temporary and casual workers;
- (j) Tariff determination;
- (k) Inventory and asset management, including heritage assets (collections);
- (l) Control of expenditure, e.g., telephone accounts and project budgets; and
- (m) Project approval

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.

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.

#### **THE FRAUD PREVENTION COMMITTEE**

Iziko has not yet formalised 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 Directors
- (d) A member of the Audit and Risk committee may be invited, where required.

The objectives of the Fraud Prevention Committee will be the following:

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

## 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.

- (a) Iziko maintains records of allegations and incidents of fraud which are reported to the internal auditor or as delegated by the CEO. Allegations will be assessed and investigated internally to determine if disciplinary processes must be followed by the Human Resources department.
- (b) Every employee of Iziko has an obligation to report any irregularity that s/he becomes aware of and failure to report any such irregularity could result in appropriate actions being taken.
- (c) 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.
- (d) 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.
- (e) Iziko encourages employees to utilise the Whistle Blowers Hotline implemented by the Department of Arts and Culture as an additional channel through which reports of fraud can be made in total anonymity.
- (f) A fraud helpline( fraudhelpline@iziko.org.za) has been established at Iziko and any complaints, and or allegations of abuse within the Supply Chain Management system or anywhere else may be reported which will:
  - 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;
  - raise the level of awareness that Iziko is serious about fraud;
  - detect incidents of fraud by encouraging whistle-blowers to report incidents coming to their knowledge;
  - 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
  - further assist the Council in identifying areas of fraud risk in order that existing preventive and detection controls can be appropriately improved or developed.
- (a) Iziko's Council will ensure that the responsibility of responding to and investigating information secured through the Fraud Hotline is addressed by Internal Audit and reported to the Audit and Risk Committee.
- (b) Council will also ensure that a system is developed where a record of all other allegations brought to its attention independently of the Fraud Hotline is kept. This will be crucial in effectively addressing the risk of whistleblowers being victimised, by management and fellow employees, in contravention of the Protected Disclosures Act.
- (c) False allegations made with malicious intent by employees will be dealt with firmly.

## PHYSICAL AND INFORMATION SECURITY

- (a) Recognising that effective physical security is one of the front-line defences against fraud, Iziko has taken steps to improve physical security by means of access cards and controlled access to certain areas at all its sites and operational areas.
- (b) Security risks associated with unauthorised asset movement are currently managed through the Iziko Asset Management policy
- (c) When employees exit the employment of Iziko, Iziko will ensure that assets, including access cards, equipment or other material belonging to Iziko in their possession are returned to Iziko and access to Iziko's ICT systems and network are terminated.
- (d) Management will ensure that 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 when employees exit the employment of Iziko, has been signed by the employee.
- (e) In addition, 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

- (a) Information security risks are managed through the Iziko Information Technology and Communications (ICT) Security and Access Policy, Guidelines and Procedures which will include mechanisms to:
  - enhance Iziko's cyber defences, and limit cyber-attacks to the network
  - ensure the preservation of confidentiality, integrity, and availability of systems and information used by Iziko
  - establish safeguards to protect the information resources from theft, abuse, misuse and any form of damage
  - prohibits engaging in fraudulent activities, or knowingly disseminating defamatory materials.
- (b) Physical access restrictions are in place to ensure that only authorised individuals have the ability to access or use information resources of Iziko.

## REGULAR MONITORING AND REVIEW

The Fraud Prevention Committee is responsible for the ongoing monitoring and review of the Plan, including:

- (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
- (e)

## PERSONAL INFORMATION AND DATA STORAGE

All information gathered by Iziko shall follow the approved processes and procedures in terms of the Protection of Personal Information Act No.4 of 2013.

## CROSS-REFERENCE TO POLICIES AND PROCEDURES

- Fraud Policy
- Code of Ethics
- Iziko Finance Manual

### Annexure 1

#### SCHEDULE OF 'RED FLAGS'1.

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 may be a target for a fraudster:
  - (a) Lack of competent personnel
  - (b) No enforcement of clear lines of authority and responsibility
  - (c) No enforcement of proper procedures for authorisation of transactions
  - (d) Lack of adequate documents and records
  - (e) Infrequent reviews 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 is placed in key employees.
  - (r) Unrealistic productivity requirements
  - (s) Pay levels not commensurate with responsibilities.
  - (m) Inadequate staff quality and quantity
  - (n) Failure to discipline violators of organisational policy.
  - (o) Inadequate communication about disciplinary codes and codes of conduct
  - (p) Absence of conflict-of-interest questionnaires or regular updating thereof
  - (q) 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 2

### 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.

The cover of the Annual Performance Plan 2024/25 is of the artwork *Messages from the Moat (1997)*

The work records the sales of 1318 enslaved persons shipped to Cape Town between 1658 and 1700 by the Dutch East India Company.

Each bottle is hand engraved with the details of one sale: the name given to the enslaved person, the seller, the buyer, the date and the price.

The work reflects upon the brutal practice of forcing people in other parts of Africa and the East Indies to work for the Dutch East India Company during the foundational years of permanent white settlement in South Africa.

An installation by Sue Williamson (b. 1941), one of South Africa's leading artists in the Atrium of the Iziko South African National Gallery, as part of the exhibition: *Breaking Down the Walls: 150 years of collecting at Iziko*, October 2022.

Purchased with funding from the Board of Executors.

This installation was made possible through a donation from the David Graaff Foundation and facilitated by The Friends of the Iziko South African National Gallery.



[www.iziko.org.za](http://www.iziko.org.za)



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