**REPORT OF THE PORTFOLIO COMMITTEE ON SPORT AND RECREATION ON THE ANNUAL PERFORMANCE PLAN AND BUDGET 2013/14 OF THE DEPARTMENT OF SPORT AND RECREATION SOUTH AFRICA, DATED 21 MAY 2013**

The Portfolio Committee on Sport and Recreation, having considered the Annual Performance Plan (APP) and Budget 2013/14 of the Department of Sport and Recreation South Africa (SRSA), reports as follows:

**1. Introduction**

The Portfolio Committee on Sport and Recreation considered the APP and Budget 2013/14 of the Department of Sport and Recreation South Africa on 14 May 2013, in preparation for the Budget Vote 20 scheduled to take place on 23 May 2013. This report provides a brief summary of the presentation made by SRSA, focusing mainly on the 2013/14 Annual Performance Plan and Budget, including an overview of allocations per programme.

The following persons were in attendance:

**Portfolio Committee on Sport and Recreation:**

**Present:**Mr MR Mdakane (Chairperson) (ANC), Mr MM Dikgacwi (Whip) (ANC), Ms TE Lishivha (ANC), Ms LN Mjobo (ANC), Mr SG Mmusi (ANC), Ms GS Sindane (ANC), Ms GK Tseke (ANC), Mr TD Lee (DA), Mr W Rabotapi (DA) and Mr GD MacKenzie (COPE).

**Apologies:**Ms MC Dube (ANC), Mr M Hlengwa (IFP), Mr BH Holomisa (UDM)

**Support Staff:**Mr D Woodington (Stand-in Committee Secretary), Mr T Thebehae (Content Advisor), Mr M Mdekazi (Researcher) and Ms N Mahlanyana (Committee Assistant).

**Department of Sport and Recreation South Africa**

Mr F Mbalula: Minister, Mr G Oosthuizen: Deputy Minister, Mr M Moemi: Director General.

**2. Introduction to the Annual Performance Plan (APP)**

SRSA tabled its APP for the 2013/14 financial year to Parliament in March 2013. The performance indicators captured in the 2013/14 APP are aimed to realise the strategic objectives as outlined in the 2012-2016 Strategic Plan of SRSA as well as in the National Sport and Recreation Plan.

2013/14 will see SRSA setting the agenda for sport in South Africa . The aim of the Department is to maximize access, development and excellence at all levels of participation in sport and recreation, to improve social cohesion, nation building and the quality of life of all South Africans.

The 2013/14 APP is informed by the implementation of the first ever National Sport and Recreation Plan (NSRP), which received Cabinet Approval in May 2012. The APP was also developed to ensure that SRSA aligns its strategic direction to the National Development Plan and government priorities. The purpose of the APP is to operationalise the Strategic Plan.

**3. National Development Plan (NDP)**

Following a thorough scan of the NDP, SRSA ensured that all the sports related issues referred to in the NDP are properly covered in the strategic documents of the Department. The NDP recognises that sport plays an important role in promoting wellness and social cohesion, and treats sport as a cross-cutting issue with education, health and nation building.

It is acknowledged that sport and physical education are an integral part of a childs development. The NDP states that the best place to instil changes in lifestyles and behaviour is at school. The NDP also advocates that schools should have access to adequate facilities and urges all schools to be supported to participate in organized sport at local, district, provincial and national levels.

Sport and recreation play a pivotal role in promoting wellness and social cohesion and that benefits can be derived by both the education and health sectors. The NDP also acknowledges the significant role that sport plays with regards to fostering nation building.

**4. Policy Priorities of SRSA**

There are four pillars that underpin the Sport and Recreation framework. They are Infrastructural Development (facilities), International Relations, Transformation and Good Governance of Sport. In this context the focus ought to be on transformation of sport with specific reference to rugby and cricket, elimination of crime and corrupt tendencies i.e. doping, unwarranted bonuses and non-delivery of sport services. A clear international relation policy is necessary as it would effectively deal with all the international federations especially with specific reference to Boxing.

Secondly, infrastructural development should ensure that basic sport and recreation facilities especially in black townships and rural areas, the provision of multipurpose sport and recreation facilities, including the auditing of the already existing sport facilities is rigorously carried out. Equally important for the Committee is an effort to ensure that the Municipal Infrastructural Grant (MIG) and Urban Settlement Development Grant (USDG) are used for their original intention and that they should be ring fenced. The Committee should also ensure that Municipalities develop and build sports facilities. The Committee should also ensure that there is sustainability of the 2010 FIFA World Cup legacy projects. The Portfolio Committee should promote cooperation amongst Provincial legislatures in order to synergise on oversight and accountability tasks. Equally important for the Committee, is the possible collaboration with Regional (SADC) legislatures in the areas of sports and recreation, of course in the interest of exploring Regional/ Continental opportunities, revival and unity. The National Sport and Recreation Plan provides the detail activities so as to give effect to the policy direction of the Sport in the country. The Plan enjoys the support of all South African Sport Federations. Key focus areas over the medium term include:

Coordinated interventions in sport federation administration veered towards transformation

Streamlining recreation and developmental programmes for talent identification, perhaps through schools sport

Developing sport infrastructure in marginalized areas

Sport and Recreation South Africa (SRSA) should continue pursuing initiatives that increase the number of participants in Sport and Recreation, particularly in marginalised areas. The Department should broaden its focus in the area of recreation and strengthen its relationship with the Department of basic Education in the delivery of school sports programme. The Department should always be biased towards rural areas in the development of sport.

The Department should coordinate and monitor the important areas of talent identification and development as well as the delivery of scientific support to national development athletes. It is worth noting that such efforts will be fruitless without clear policies underpinning development for sport to flourish in this country. It is perhaps difficult to gauge the effectiveness of club development and the sustainability of those programmes. Despite the fact that the Sport and Recreation Amendment Act no 18 of 2007, positions SRSA as the custodian of Sport and Recreation in the country, the development and identification of high performance athletes from rural areas is a challenge. Another concern related to high performance sports is the question of responsibility and partnerships at Provincial and local government levels which remains unclear. These strategic areas must be underpinned by a range of enablers which should include a clear regulatory framework, streamlining functions, adequate human and financial resources, reliable sports information and a functional sports academy system delivering appropriate talent production. In the context of robust political oversight and accountability nothing can be impossible.

**5. Key Projects**

SRSA has identified the following key projects for the 2013/14 financial year:

South African Schools National Championships

National Indigenous Games

Sports Awards

Soweto Tennis Open

WADA World Conference on Doping in Sport

Netball Premier League

National Basketball League

**6. Budget analysis**

Expenditure was expected to increase from R820.8 million in 2011/ 2012 to R848.4 million in 2012/2013. The additional allocations are due to improved conditions of service for Boxing South Africa and the South African Institute for Drug Free Sport, increased operational cost for Boxing South Africa, internal audit functions, the debt of Boxing South Africa, spending on consultants and preparation of athletes for the Olympics and Paralympics (ENE 2013). In the past the Department had an establishment of 206 funded posts. The number of filled posts decreased from 180 in 2008/09 to 171 in 2011/12 due to the closing of the 2010 FIFA World Cup unit in 2010/ 11. The Department plans to fill all funded posts in 2012/2013 and had always wanted to maintain its full staff complement over the medium term. Progress should be shared on this intention of full staff complement. The following table illustrates the budget allocation for 2013/14 and budget estimates for 2014/15 and 2015/16, with further details per programme.

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Programme** | **Budget** | | | | **NominalRandchange** | **RealRandchange** | **Nominal % change** | **Real % change** | |
| R million | **2012/13** | **2013/14** | **2014/15** | **2015/16** | **2012/13-2013/14** | | **2012/13-2013/14** | | |
| Administration | 108.1 | 124.4 | 131.3 | 137.1 | 16.3 | 9.7 | 15.08 per cent | 8.98 per cent | |
| Sport Support Services | 189.8 | 214.6 | 228.7 | 239.2 | 24.8 | 13.4 | 13.07 per cent | 7.07 per cent | |
| Mass Participation | 529.1 | 553.5 | 584.7 | 611.9 | 24.4 | - 5.0 | 4.61 per cent | -0.94 per cent | |
| International Liaison | 230.9 | 171.8 | 13.7 | 14.4 | - 59.1 | - 68.2 | -25.60 per cent | -29.54 per cent | |
| Facilities Coordination | 5.3 | 9.3 | 9.6 | 10.1 | 4.0 | 3.5 | 75.47 per cent | 66.17 per cent | |
| 2010 FIFA World Cup | - | - | - | - | - | - | - | - | |
|  |  |  |  |  |  |  |  |  | |
| **TOTAL** | **1 063.2** | **1 073.6** | 968.0 | 1 012.7 | **10.4** | **- 46.5** | **0.98 per cent** | **-4.38 per cent** | |
|  |  |  |  |  |  |  |  |  | |
| |  |  |  |  |  | | --- | --- | --- | --- | --- | |  |  |  |  |  | | Programme | Budget | | | | |  | 2012/13 | 2013/14 | 2014/15 | 2015/16 | |  |  |  |  |  | | Ministry | 22.6 | 19.4 |  | | | Management | 6.9 | 8.7 |  | | | Strategic and Executive Support | 4.6 | 6.3 |  | | | Corporate Services | 39.2 | 44.7 |  | | | Office of the Chief financial Officer | 16.5 | 19.2 |  | | | Internal Audit | 4.2 | 6.4 |  | | | Office Accommodation | 6.0 | 19.6 |  | | |  |  |  |  | | | **CHECK TOTAL** | 100.0 | 124.3 |  | | |  |  |  |  | | |  |  |  |  | | |  |  |  |  | | | | | | | | | | |  |
|  |  |  |  |  |  |  |  |  |  |

**7. SRSA Programmes**

SRSA will implement the APP through the following budget programmes:

**7.1 Program 1: Administration**

This programme is responsible for the overall management and administration of SRSA. It has been divided into the following sub-programmes:

a. Ministry

b. Management

c. Strategic and Executive Support

d. Corporate Services

e. Office of the Chief Financial Officer

f. Internal Audit

g. Office Accommodation

It is very important to note that governance of the department has stabilised and has been very efficient. The leadership of the department has been given a thumbs up by the A-G and this is a sign of effective leadership based on good governance, sound business practice and enhancement of the best interest of the Governments policy on Sport and Recreation

Historically the expenditure under this programme grew from R74.1 million in 2008/09 to R108.8 million in 2011/12 due to the filling of posts in the Office of the Chief Financial Officer and Corporate Services sub-programmes; this illustration is not reflected on both the above tables. Expenditure on compensation of employees also increased from R37.3 million in 2008/09 to R56.1 million in 2011/12. In 2012/13 compensation of employees grew from 53 per cent to 66 per cent in 2013/14. The medium term expenditure is expected to grow to R131.8 million in 2014/15 from the R124.4 million that has been allocated in 2013/14.

Spending on operating leases increased significantly across the seven-year period, particularly between 2010/11 and 2012/13, as a result of additional allocation for the increased lease fees for office accommodation. SRSA has been occupying Regent Placeand the lease expired in October 2011. The renewed lease for 36 months has not been finalised by the Department of Public Works at the end of February 2013. These delays have caused a massive increase in the Departmental Budget on Office Accommodation, from R5.3 million in 2011/12 to R19.59 million in 2013/14, which will increase up to R22.17 million in 2015/16.

The programme receives additional allocations of R 63 million for salary adjustments for improved conditions of service. As a result, spending on compensation of employees is expected to increase marginally from R 60.5 million to R 72.2 million despite the department increasing its personnel posts over the medium term. There were 37 vacancies as at 30 September 2012, which the department has delayed filling until the finalization of redeployment and re-skilling of support staff within the department to improve the current ratio of support to line function staff. Spending on consultants is equivalent to 1.7 per cent of expenditure on compensation of employees in 2012/13. Consultants mainly provide legal services, external auditing investigations and audio visual services (ENE 2013).

**7.2 Programme 2: Sport Support Services**

This is one of the key programmes of the Department with a focus on increasing participation through providing financial support, strengthening high performance sport, promoting sport at a community level and empowering sport human resources through the training of coaches, administrators and technical officials. Key sub-programmes include:

Programme management

Sport and Recreation Service Providers

Club development

Education

Scientific Support.

The growth in expenditure on transfers to non-profit institutions between 2009/10 and 2012/13 allowed the department to increase the number of sport and recreation bodies it supports from 62 in 2009/10 to 70 in 2012/13. On average, the expenditure at strategic and executive support in 2012/13 grew from 6.9 per cent to 8.7 percent over the medium term in 2013/14. Equally important has been the growth on corporate services from 4.6 per cent to 6.3 per cent in 2013/14. However, to ensure that these funds are used more efficiently, national federations will be graded according to their ability to meet set strategic objectives such as transformation and development of sport, and funding will be modified accordingly.

The budget for the Scientific Support services has increased substantially from R40.05 million in 2012/13 to R58.45 million in 2013/14 as a result of the new programmes to be introduced, like the Academy System, the support for Doctor Khumalo FootballAcademy , Operation Victory Academy Lap and a Postgraduate Development Programme.

Expenditure in the scientific support sub-programme increased significantly in 2012/13 to support high performance institutes to train athletes more intensively. Furthermore, a transfer to the South African Sport Confederation and Olympic Committee was introduced in 2012/13 to support high performance sport. Spending on consultants is equivalent to 20.1 per cent of the total expenditure on compensation of employees in 2012/13. As part of the cabinet approved budget reductions, the department will reduce the transfer to Lovelife by R 2.2 million over medium term, where efficiency savings in the administration function will be affected (ENE 2012).

Financial support to National Federations will be in accordance with the Grant Framework, with two tiers: guaranteed funding and conditional funding. SRSA will also prioritize federations and ensure that prioritized federations are capacitated to optimally deliver their programmes. A number of key support services have been identified. SRSA will assist identified federations to develop sport specific training programmes and a talent identification and development strategy will be developed and implemented in conjunction with a holistic academy system.

SRSA will also explore the establishment of the Thabang Lebese Player Benefit Programme in 2013/14, to assist indigent athletes with their indentified social and insurance needs. One of the key components of the NSRP is a Transformation Charter and Scorecard. The baseline of transformation in South African sport needs to be determined and the Eminent Persons Group that was appointed in 2012 will fast-track this.

**7.3 Programme 3: Mass Participation**

The Mass Participation programme is the largest programme of the Department and promotes sustainable participation of people previously excluded, strengthening of school sport through the training of coaches, developing school sports by monitoring service level agreements with federations and the identification of talent. Key sub-programmes include:

Programme Management

Community Mass Participation

School Sport.

Sport and Recreation Service Providers sub programme transfer funds to sport and recreation organisations (mainly, NFs), and monitor the use of the funds in line with SLAs signed between the NFs and the Department. The sub-programme also administers the transfers made to Boxing South Africa and the South African Institute for Drug-Free Sport, and to non-governmental organisations. The sub-programme monitors governance and sport development and oversees the implementation of transformation programmes in line with the Transformation Charter and Scorecard. The grant that support this programme makes up 89.6 per cent of the programmes total expenditure in 2012/13.

Spending in the school sport sub programme increased significantly in 2012/13 and this trend was set to continue over the medium term, as the department placed greater emphasis on supporting the delivery of sport programmes to learners and empowering educators in code specific coaching, technical officiating, team management and sport administration. The focus has been on 16 priority sporting codes, including soccer, cricket and netball. The greater emphasis placed on school sport also accounts for the increased expenditure on contractors, who provide the support to promote school sport. There has been a stagnant progress when it comes to departmental agencies because between 2012/13 to 2013/14 the average expenditure has been on 0.1 per cent consecutively. In 2012/13 to 2013/14, the expenditure grew from 7 per cent to 8.7 per cent over the medium term.

The Ministerial Advisory Committee on Recreation (MACR) will assist SRSA to actualise the essence of recreation. Over the medium term, SRSA will develop a single governance framework for recreation to strengthen the delivery of recreation programmes.

Key programmes to facilitate Mass Participation has been identified and presented to the Committee.

Rural development will be addressed and the department will support a rural sport improvement programme under the guidance of the National House of Traditional Leaders. Sport for Social Change and Development will also be repackaged and used as a vehicle to catalyze change in key areas.

**7.4 Programme 4: International Liaison**

This programme manages international exchange programmes, supports travel arrangements for sports people, and encourages the staging of major sports events in South Africa and the promotion of sports tourism. This programme will manage 5 international exchange programmes during 2012/13, will host 12 sporting events and promote South Africa through 2 major international sports events. Key sub programmes include:

International Liaison

Major events

The spending focus over medium term will be on building and strengthening international bilateral relationships to support sport and recreation development in South Africa by supporting major events such as the 2012 African Nations Championship. Spending increased significantly between 2009/10 and 2012/13, mainly due to the once-off allocation for the hosting of the 2013 Africa Cup of Nations soccer tournament in 2012/13 and the value added tax refunds on 2010 FIFA World Cup tickets in 2011/12. These allocations also account for the increased transfers in these years. There is an estimated optimism on strategic and executive support during 2014/15 from 6.3 per cent in 2013/14 to 6.6 over medium term on this programme.

South Africa is playing a leading role in a project of global importance. South Africa will continue to support the full integration of the Supreme Council for Sport in Africa into African Union structures. Selected national and international sporting events, exhibitions or conferences will continue to be used to showcase South Africa as a sports Tourism destination. Institutional and intra-governmental support will be provided to approved sporting events to ensure that they are successfully hosted.

**7.5 Programme 5: Facilities Coordination**

The programme objective is:

To established as a sports geographical information system which will detail the location of all existing Sport and Recreation Facilities.

Conducting a comprehensive audit of all existing Sport and Recreation Facilities.

To fanalise the National Facilities Plan.

In addition to these responsibilities, the Department will continue to

Lobby municipalities to build sports facilities.

Facilitate the provision of multipurpose sports facilities, built upon the legacy of the 2010 FIFA World Cup.

Provide technical assistance for sport infrastructure and the training of facility managers so as to ensure the proper maintenance of sports facilities.

The two sub programmes include:

Planning & advocacy and

Technical support.

Spending has been focused on the development and maintenance of a sports facilities database grounded in a geographical information system that will inform a national facilities plan. The database will be updated on an ongoing basis as more information becomes available, until its completion in 2013/14. This facilities database is budgeted for under contractors, which accounts for the significant increase in expenditure of this item over the medium term. This programme receives additional allocations of R 257 000 over the medium term for improved conditions of service (ENE 2013). There is general improvement of expenditure on machinery and equipment from 1.7 per cent in 2012/13 to 2.2 per cent in 2013/14 and possible stagnant estimated progress in 2014/15 on this aspect.

The NSRP provides for the Department to develop a national facilities plan and to establish a Geographical Information System (GIS) to assist with a database of facilities and the development plan. This will be preceded by a comprehensive audit of all existing facilities where facilities will be graded and classified.

In order to effectively plan for, and manage sport and recreation facilities, a common, standardized classification and categorization system is necessary. This grading and classification framework will be used to inform the updating of the current facility norms and standards which will be gazetted to ensure compliance.

**8. Financial Information**

The below Medium Term Expenditure Framework (MTEF) allocation reflects the budgetary requirements that SRSA will need in the medium term and beyond for the realization of its five year strategic goals. It must be noted that the current allocation does not include all the funding requirements as per the 2012 NSRP. SRSA spending is biased towards athlete development and school sport. This is evident by the allocation of +- R58 million for scientific support in the 2013/14 financial year and +- R186 million in the MTEF period. Similarly school sport receives R42 million in the 2013/14 budget and R132 million in the three year period ending 2015/16.

Expenditure decreased significantly in 2010/11 and 2011/12 after the completion of the 2010 FIFA World Cup stadium in 2010/11 and the hosting of the tournament in June 2010. The 31 % increase in spending in 2012/13 was due to the once-off additional allocation for the 2013 Africa Cup of Nations.

The department receives additional allocations over the MTEF period of R160.9 million in 2013/14, R 3 million in 2014/15, and R 4.7 million in 2015/16.

The department has reprioritized R11.4 million over the medium term in efficiency savings in the Administration programme. A portion of this has been shifted internally within the programme to the internal audit function and the balance transferred to the Sport Support Services programme to increase support to sport federations and public entities. Cabinet approved baseline reduction of R 8 million over the medium term are also made, the details of which are discussed in the relevant programmes.

Table: Overview of the 2013/14 budget and MTEF estimates

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Programme**  **R thousand** | **Audited outcome** | | | **Adjusted Appropriation** | | **Revised Estimate** | **Average Growth rate (%)** | **Expenditure/total: Average (%)** | **Medium-term expenditure**  **estimate** | | | **Average growth rate (%)** | **Expenditure/ total: Average (%)** | |
|  | **2009/10** | **2010/11** | **2011/12** | **2012/13** | | | **200910-2012-13** | | **2013/14** | **2014/15** | **2015/16** | **2012/13-2015-16** | | |
|  |  |  |  |  |  | |  |  |  |  |  |  | |  |
| Administration | 80 075 | 90 795 | 101 815 | 108 050 | 98 611 | | 7.2% | 6.2% | 124 378 | 131 317 | 137 095 | 11.6% | | 12.0% |
| Sport Support Services | 122 685 | 109 176 | 189 796 | 189 796 | 189 796 | | 15.7% | 10.0% | 214 587 | 228 708 | 239 233 | 8.0 % | | 21.3% |
| Mass Participation | 452 368 | 470 758 | 524 612 | 529 129 | 524 612 | | 5.1% | 32.2% | 553 461 | 584 650 | 611 926 | 5.3% | | 55.5% |
| International Liaison and Events | 7 557 | 14 504 | 230 854 | 230 854 | 230 854 | | 212.6% | 5.0% | 171 760 | 13 731 | 14 371 | -60.4% | | 10.5% |
| Facilities Coordination | 5 862 | 7 200 | 3 463 | 5270 | 3 463 | | -16.1% | 0.3% | 9 299 | 9 589 | 10 107 | 42.9% | | 0.8% |
| 2010 FIFA World Cup | 2 197 883 | 559 593 | - | - | - | | -100.0% | 46.1% | - | - | - | - | | - |
|  |  |  |  |  |  | |  |  |  |  |  |  | |  |
| **Total** | 2 866 430 | 1 252 026 | 810 622 | **1 063 099** | **1 047 336** | | **-28.5%** | **100.0%** | **1 073 485** | **967 995** | **1 012 732** | **-1.1%** | | **100.0%** |
| **Change to 2012 Budget estimate** |  |  |  | **214 675** | **198 912** | |  |  | **159 604** | **384** | **611** |  | |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

Source: Sport and Recreation South Africa Annual Performance Plan for the 2013/14 Financial Year

**9. Committee Observations resulting from engagements with DSRSA**

Consideration should be given to the possibility that the 15% of the MIG and the Urban Settlement development Grant (USDG) paid to municipalities, for the building of Sport and Recreation facilities be paid directly to the department so that the department can monitor and account for the usage thereof.

The Committee has acknowledged that a lot of work has been done in order to secure the 15% of MIG for the building of Sport and Recreation facilities and that it was the responsibility of local government to look after these facilities.

The Annual Performance plan of the department is good, but the implementation of the APP seems to be a difficulty.

Oversight on ground level needs to be improved, as facilities in certain areas seem to be having a shortage of facilities whilst others are not well maintained by the local government.

Facilities in certain communities are not well looked after.

There is little support given to Professional and Amateur Boxers on the ground level due to insufficient funding and lack of support staff in key functions.

There is a need to have an all inclusive history of sportsmen from previous generations that should be housed in a Museum or Hall of Fame.

School Sport should be prioritised. The Department of Basic Education, currently has no money allocated towards sport.

An Audit is required on the commercialization of sport stadiums and the current state of sport stadiums.

Funding from the National Lottery towards sport needs to be reconsidered.

A better outreach needs to be made to rural communities .

During the review of the draft annual performance for 2012/13 it was noted that information disclosed in the 2012/13 annual performance plan and the draft annual performance plan are not consistently disclosed.

During the review of the draft annual performance plan for the financial year end of 2013/14, it was noted that the target for percentage invoices paid within 30 days are not specific, measurable and time-bound.

Also, with the review of the draft annual performance plan for 2013/14, it was noted that the sub-programme for programme management: Sport Support Services and programme management: Mass Participation does not have objectives that can lead to the disclosed indicators not being relevant as it might not be linked to the achievement of a goal.

The allocation increase from R1.06 billion in 2012/13 to R1.07 billion in 2013/14 signals a negative real percentage growth of 4.4 percent; which means taking inflation into account, the Departments budget is not growing. As to how this would impact on the Departments performance, will be determined by momentous oversight.

Programme 3 (Mass Participation) remains the Departments priority programme as shown by the budget allocation of R529.1 million in 2012/13 and R 553.5 million in 2013/14. However, when taking inflation into account, the allocation of Programme 3 shows a negative growth of 29.5 percent between 2012/13 and 2013/14.

**10. Recommendations**

The Committee recommends that the Department should:

10.1 Continue to engage with National Treasury with regard to the shifting of the 15% MIG fund to the Department of Sport and Recreation in order to allow the department to ensure that the money is utilised by the local government to build Sport and Recreation facilities.

10.2 Work closely with the Lotto Board with regard to revising the funding model in order to make it easily accessible to Sport bodies.

10.3 Consider the financial support provided to BSA in order to help it address some of its key operational challenges.

10.4 Move with speed to fill the vacant funded posts in the current financial year.

10.5 Continue to improve its financial systems by putting the required policies in place in order to meet the requirements as provided by the Auditor General when it comes to the financial performance of the Department.

10.6 Monitor and evaluate regularly the impact of the Mass Participation Programmes within the communities in which it is implemented.

10.7 Complete the audit sports facilities database grounded in a geographical information system which will inform a national facilities plan.

10.8 Provide sufficient information related to the National Sport and Recreation Act, 1998 (Act No. 110 of 1998), which is intended to empower the Minister to intervene in resolving some of the disputes within the sport fraternity, through the envisaged establishment of the Arbitration Foundation.

That the Minister should further:

10.9 Engage the Minister in the Department of Basic Education with regard to the implementation of the School Sport programme whose Memorandum of Understanding was signed December 2011.

10.10 Introduce the Ministerial Outreach programme to all rural areas in order to provide sport and recreation opportunities to people in rural communities.

**11 Conclusion**

SRSA Annual Performance Plan 2013/14 presented to the Committee was a key platform for implementing the vision and mandate of the Department. SRSA will continue to strive towards the actualization of its vision of an active and winning nation. The year ahead will see SRSA setting the agenda for sport in South Africa. The aim of the Department is to maximize access, development and excellence at all levels of participation in sport and recreation to improve social cohesion, nation building and the quality of life of all South Africans.

The Portfolio Committee on Sport and Recreation, having considered Budget

Vote 20: Sport and Recreation South Africa recommends that the House supports. Budget Vote 20: Sport and Recreation.

Report to be considered