



# **national treasury**

Department:  
National Treasury  
REPUBLIC OF SOUTH AFRICA

Education and Related Departments  
From: Spencer Janari  
Tel: 012 315 5436  
Fax: 012 325 1620  
Ref: 9/4/9/4/7

---

## **MEMORANDUM**

**TO: THE STANDING COMMITTEE ON PUBLIC ACCOUNTS**

**VOTE 20: SPORT AND RECREATION SOUTH AFRICA - UNAUTHORISED EXPENDITURE IN 2007/08 AND 2008/09**

### **PURPOSE**

1. To provide the Standing Committee on Public Accounts (SCOPA) with National Treasury's recommendation on the unauthorised expenditure of the department of Sport and Recreation South Africa (SRSA).

### **BACKGROUND**

2. According to the Report of the Auditor-General to Parliament on the department of Sport and Recreation South Africa for the year ended 31 March 2011, the department had incurred unauthorised expenditure of R704 620 in previous years. This expenditure relates to payments made in relation to the Seventh Day Adventist Student Association (SDASA) Conference in 2007. There are two payments in this regard: R674 640 in 2007/08 and R29 980 in 2008/09, both of which were declared unauthorised expenditure by the Director-General at the time, Ms Xoliswa Sibeko. These payments were declared unauthorised because they "were not in accordance with the purpose of the vote and the purpose of the main division of the vote", as reported in the Report of the Auditor-General to Parliament in 2010/11.
3. An official of the department was charged and given a written warning for having incurred this expenditure, but no funds were recovered from the official because the funds were deemed to have been used to support one of the objectives of the department and there was no personal gain for the official from the expenditure.
4. The Mobilization of children and youth in the Southern African region was a stated element of the overall "Mass Mobilization" strategy, which was approved by Ms Sibeko and Minister Stofile (Minister of Sport and Recreation in 2007) (Annexure A).
5. There is also an internal memo from Minister Stofile to Ms Sibeko (Annexure B) and Ms Mkhonto (Annexure C), the official responsible for the Mass Mobilization campaign, in which he requests that the department uses the event "to implement some of our Mass Mobilization programmes".

6. The SDASA event in which "3 000 youth from Botswana, Swaziland, Lesotho and South Africa were exposed to ... and mobilized on 2010 FIFA World Cup" is recorded as an achievement in the 2007/08 Annual Report (page 88).
7. "Unauthorised expenditure" is defined in the PFMA as
  - a. Overspending of a vote or a main division within a vote;
  - b. Expenditure not in accordance with the purpose of a vote; or in the case of a main division of a vote, not in accordance with the purpose of the main division.

## RECOMMENDATION

8. The R704 620 spent by the department on the SDASA event should not have been declared "unauthorised expenditure" since it did not meet any of the elements of the definition for "unauthorised expenditure":
  - a. The event was in line with the department's overall "mass Mobilization" strategy, as illustrated by Minister Stofile's memo and the reference to the event in the Annual Report as one of their achievements.
  - b. The department had sufficient funds for the event, so the expenditure did not involve overspending.
9. In light of the above, the National Treasury recommends that SCOPA declares this expenditure to have been authorised expenditure, thereby reversing the declaration by the former Director-General of Sport and Recreation South Africa that this expenditure was unauthorised.



**Spencer Janari**

**Director: Education and related departments**

Date: 23/02/2012

Recommended / ~~Not recommended~~



**Julia de Bruyn**

**Chief Director: Education and related departments**

Date: 24/02/2012

Recommended / ~~Not recommended~~



**Matthew Simmonds**

**Deputy Director-General: Budget Office**

Date: 28/02/12

Recommended / ~~Not recommended~~



**Andrew Donaldson**  
**Deputy Director-General: Public Finance**

Date: 29/2/12

**MINISTER**

**REQUEST FOR APPROVAL OF PROJECTS FOR 2010 MASS MOBILISATION.**

**PURPOSE**

1. To obtain the approval from the Executive Authority (EA) on the 2010 Mass Mobilization projects.

**DISCUSSION**

2. Mass Mobilisation is about galvanising all sectors of the communities including schools, from the cradle to senior citizens, the abled and the disabled, the poor and the affluent to support the FIFA 2010 World cup games and also support the five participating African Teams from the continent.
3. The focus will be on campaigns that are relevant to the continent, campaigns that support the promotion of the African continent's image like the Greening SA(Environment issues) project amongst others, tourism opportunities for business, skills development in sport and recreation, social dialogues, social cohesion and life long active participation in sport and recreation.
4. SRSA will receive R17 million over the MTEF period from the National treasury. R4 million in the year 2007/8, R6 million in the year 2008/9 and R7 million in the year 2009/10.

5. A highly skilled Project Manager with sound background in Sport and Arts will be employed on a three year contract, starting from 1 November 2007. The incumbent's level is projected at Director level with two assistants subject to job evaluation.
6. However, in the current financial year we will have to use external expertise to kick-start the project whilst awaiting the appointment and settling in of the new director.
7. Projects planned for 2007/8 are the following:
  - 7.1 Consultations and workshops with various stakeholders as part of the feasibility study
  - 7.2 Development of promotional material
  - 7.3 Integration of planning and implementation across provinces and other key stakeholders
  - 7.4 Public Education ✓
  - 7.5 Publication of brochures and other educational material including audio visual material(together with Arts and Culture)
  - 7.6 SADC children and youth mobilisation Indaba ✓
  - 7.7 Hub festivals and community festivals ?  
Inter community sports festivals-14 December Africa Sports Day
  - 7.8 (Mass display at the opening ceremony of the Zone IV games next year  
Heroes Walk for Peace, HIV/AIDS and development in support of 2010 World cup with flags for peace and HIV/AIDS awareness. The project can be managed with an outsourced partner

*Not part of policy*

*2008/9 Fin yr*

*How?  
The 2010 W/Cup + Africa should not be confused with an anti HIV and AIDS Campaign. This is BAD, politically!*

**FINANCIAL IMPLICATIONS**

8. The total budget for the financial year 2007/8 will be R3million, and the amount will divided amongst the projects.

*If item 7 is too rough and aspirational, more concrete programs that are S.A. focused*

**OFFICIALS CONCERNED**

Director: Community Sport and Recreation

Chief Director: Mass Participation

**RECOMMENDATION**

- 9. It is recommended that:
  - 9.1 The Executive Authority approves the 2010 Mass Mobilization projects
  - 9.2 Approves the appointment of the Project Manager
  - 9.3 Approves the proposed structure (See Annexure A)

**COMMENTS BY THE DIRECTOR-GENERAL**

The unit is under spending its budget and work started on many of the projects identified which were scheduled since April. This may assist Recommended/Not Recommended. The structure submitted is not approved yet and will be discussed with Mr. Buyele. *[Signature]*

*[Signature]*  
**MS XOLISWA SIBEKO**

**DIRECTOR GENERAL**

DATE: 19/09/07

**DECISION** *① Only 9.1 is approved. Serious discussions are needed on 9.2 and 9.3.*

*② There is no need to ghettoise this Project. The proposed projects and structure to deliver on the 2010 Mass Mobilisation Programme*  
*③ The budget is for the project, not personnel or consultants.*

*[Signature]*  
**REV. DR. MA STOFILE**

**MINISTER**

DATE: 25/9/07



**MINISTRY: SPORT AND RECREATION  
REPUBLIC OF SOUTH AFRICA**

Private Bag X869, Pretoria, 0001, Tel: (012) 304 5015, Fax: (012) 323 8426  
Private Bag X9149, Cape Town, 8000, Tel: (021) 465 5506/7/8/9, Fax: (021) 465 4402

**TO** : Ms X Sibeko  
Director General

**FROM** : Rev. Dr. MA Stofile

**SUBJECT** : SDASA Youth Conference: 21 December 2007

1. You will remember that I have accepted an invitation to address a gathering of these young people.
2. You will also remember that their programme entails a lot of sports activities.
3. This is a good opportunity for SRSA to implement some of our Mass Mobilization programmes. This is especially so since participants will be coming from neighbouring states as well.
4. Please make sure that all the support staff and material is ready on time. Some of the organizers could act as volunteers, in support of your core staff. Don't let us miss this opportunity.

Regards,

REV. DR. MA STOFILE  
MINISTER

DATE: 12/12/07

Cc. Mr T Biyela - Chief Director: Mass Participation  
Ms TK Mkhonto - Director: Community Sport and Recreation  
Ms L Sizani - Chief Director: Corporate Services  
Mr M Makwela - Director: Communications and Marketing  
Mr S Mengezefeli - Chief of Staff  
Ms L Mkhize - MLO

## Section 6: Programme 3: Mass Participation

### UNAUTHORIZED EXPENDITURE (SDASA)

#### Challenges experienced with the collaborative agreement with the Department of Education

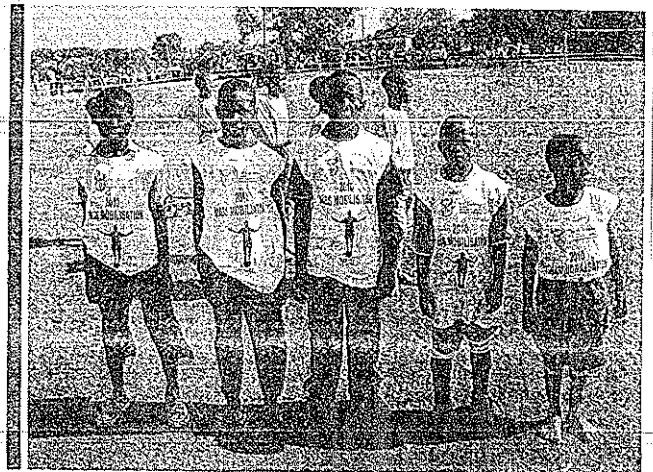
The collaborative agreement, which allows for the promotion of sport within schools, was managed by the National Coordinating Committee (NACOC) comprising of representatives from SRSA, the Department of Education and School Sports Code Committees. NACOC was co-chaired by the two Departments. It was responsible for policy and for the establishment of the broad school sports calendar. Unfortunately NACOC increasingly ran into a number of challenges including:

- Inability to meet regularly
- Non-completion of the school sports policy
- Differences with the School Sports Code Committees
- Lack of clarity on roles and responsibilities
- Lack of a common understanding of the terms for the core curriculum recovery programme following the public servants' industrial action.

The two Departments have met to put into place measures designed to resolve these issues. These efforts will hopefully result in a new dispensation in school sport in the next financial year.

#### SUB-PROGRAMME: MASS MOBILIZATION FOR 2010

Output: Vibrant and sustainable hubs and cohesive communities.



#### Service Delivery Indicators and Achievements

Measure/Indicator	Target	Actual
Create brand awareness via highly entertaining experiential events.	At least 1 provincial event on 2010 FIFA World Cup™ awareness held.	All provinces held 2010 mass mobilization activities in the communities.
South African Development Community (SADC) 2010 FIFA World Cup™ exchange	Summit held with SADC countries by September 2007	3 000 Youth from Botswana, Lesotho, Swaziland and South Africa were exposed to SRSA's programmes and mobilized on 2010 FIFA World Cup™.

#### Additional Achievements

- All of the football districts in KwaZulu-Natal were mobilized for the Preliminary Draw.





**MINISTRY: SPORT AND RECREATION  
REPUBLIC OF SOUTH AFRICA**

Private Bag X869, Pretoria, 0001, Tel: (012) 304 5015, Fax: (012) 323 8426  
Private Bag X9149, Cape Town, 8000, Tel: (021) 465 5506/7/8/9, Fax: (021) 465 4402

**TO** : Ms TK Mkhonto  
Director: Community Sport and Recreation

**FROM** : Rev. Dr. MA Stofile

**SUBJECT** : SDASA Youth Conference: 21 December 2007

1. You will remember that I have accepted an invitation to address a gathering of these young people.
2. You will also remember that their programme entails a lot of sports activities.
3. This is a good opportunity for SRSA to implement some of our Mass Mobilization programmes. This is especially so since participants will be coming from neighbouring states as well.
4. Please make sure that all the support staff and material is ready on time. Some of the organizers could act as volunteers, in support of your core staff. Don't let us miss this opportunity.

Regards,

REV. DR. MA STOFILE  
MINISTER

DATE: 12/12/07

Cc. Ms X Sibeko – Director General  
Mr T Biyela - Chief Director: Mass Participation  
Ms L Sizani – Chief Director: Corporate Services  
Mr M Makwela – Director: Communications and Marketing  
Mr S Menzezeleli – Chief of Staff  
Ms L Mkhize – MLO