

**OVERSIGHT REPORT OF THE PORTFOLIO COMMITTEE ON EDUCATION;
CULTURE, SPORT AND RECREATION ON THE PRE-TAKING
LEGISLATURE TO THE PEOPLE (PRE-TLP) VISITS TO ACORNHOEK
LIBRARY, NWA GIGIMBA TRADING AND MARUPANYANE ARTS &
CULTURE AT BUSHBUCKRIDGE LOCAL MUNICIPALITY, 28 - 29
JANUARY 2016**

1. INTRODUCTION

The Taking Legislature to the People (TLP) programme will take place at Bushbuckridge Local Municipality from 29 February – 04 March 2016. As part of the preparations for the main TLP event, the Portfolio Committee on Education; Culture, Sport and Recreation (the Committee) undertook pre-TLP oversight visits to Acornhoek from 28-29 January 2016.

The Committee visited three (3) projects of the Department of Culture, Sport and Recreation (the department or DCSR) in Bushbuckridge Local Municipality (the municipality) - Acornhoek Library, N'wagigimba Trading and Marupanyane Arts & Culture.

House resolutions emanating from this Committee report will be referred to the department for necessary interventions and report back to the Legislature before the TLP.

2. PURPOSE OF THE OVERSIGHT VISITS

The purpose of the pre-TLP oversight visits was to verify progress achieved to date on the construction of the new community library in Acornhoek. The DCSR is expected to account for the budget allocated to this project in the 2015/16 financial year, even though it is implemented by the department of Public Works, Roads and Transport (DPWRT).

The visits were also aimed at assessing the functionality of two (2) arts and culture projects in Acornhoek, which receive assistance from the National Department of Arts and Culture, but administered by the DCSR.

3. METHOD OF WORK

The Committee researcher conducted preliminary visits to identify relevant projects for oversight visits. The research findings were incorporated into a research report, which was considered by the TLP Political Steering Committee. Subsequently the programme of the Social Transformation Cluster oversight visits was extracted from the research report and approved for circulation to the Honourable Members of the Portfolio Committee. On

28 January 2016 the Committee was briefed by the researcher on the findings from their preliminary visit to the projects. The Committee subsequently considered and adopted its pre-TLP report on 09 February 2016.

The Office of the MEC and the Office of the HOD of the department were informed about the pre-TLP programme and the department deployed the General Manager (GM) Arts and Culture to support the Committee on the visits. An invitation was also extended to the Bushbuckridge Local Municipality (Executive Mayor, Speaker and councillors).

4. INTERACTION WITH THE DEPARTMENT OF CULTURE, SPORT AND RECREATION AND THE DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT ON THE ACORNHOEK LIBRARY

The DCSR is mandated to promote public libraries and archives services in the Province; and to develop, support and promote cultural excellence through participation of stakeholders. Acornhoek library is one of the libraries that the DCSR has planned to build in the 2015/16 financial year. The library is situated in Ward 17, along the Manyeleti road and will serve the entire Acornhoek community, which includes 10 primary schools and nine (9) high schools. Together with the Acornhoek Library, there will be a total of seven (7) libraries in the area. The DPWRT is the implementing agent to construct the library and has appointed DV8 Kwenta JV (Trading Name: Kwenta Media) as building contractors to construct the library.

The library is a pilot project, being built using the “unconventional method”, which makes use of low cost and environmentally friendly board panels instead of conventional brick and mortar. They are referred to as structural insulated panels (SIP’s) and the technology was said to be compliant with approved industry standards. However, the Committee expressed its doubts about the potential negative long term impact of using this low cost building material, for example, durability and health risks.

4.1. GENERAL OBSERVATIONS

- a. The oversight visit commenced with a briefing session at the Acornhoek Police Station. It was planned as a joint briefing with the Economic Cluster. The Portfolio Committee on Public Works, Roads and Transport (PWRT) provided a technical progress report on the construction works the DCSR briefed the Committee on their

monitoring and evaluation of the project, as well as the resource planning for the library once it is completed.

- b. The General Manager (GM): Arts and Culture provided a brief overview of the Acornhoek Library that was under construction. The Committee requested that the department submit a detailed report on the resource planning for the library by 02 February 2016. The report was submitted and the information was incorporated into the Committee report.
- c. The Committee then drove about 15km to the library to conduct the site inspection. The DPWRT submitted a technical progress report on site.
- d. The DPWRT reported that the project had created jobs for 24 males and 11 females (including adults and youth). No people with disabilities were employed.

Project Scope

The scope included the construction of the main library facility, a perimeter fence (including a gate house) as well as associated external works and other related services. The project duration was six (6) months, from 07 September 2015 to 07 March 2016.

Main contractor: DV8/ Kwenta JV

DPWRT Project Managers:

- Mr C Malele – Project leader (head office)
- Mr R Makhubedu – Architect (head office)
- Mr S Sadrzadeh – Civil Engineer (head office)
- Mr J Lukhele – Quantity Surveyor (head office)
- Mr Z Ngono – Electrical/Mechanical Engineer (head office)
- Mr A Ndlovu – Project coordinator (district office)

Project cost and budget performance

The following expenditure report was submitted by the DPWRT:

Table 1	Contract amount R'000	Consultants fees R'000	Total project cost R'000
	R10 093	R1 592	R11 685

However, the report from the DCSR indicated a contract amount of R10 093 034.30 (R34 000.30) more. This amount contradicted the amount reported by the DCSR in the 1st quarter report deliberations for the 2015/16 financial year (which was R8.5 million).

In the presentation submitted on site by the DPWRT, it was noted that the contract amount had already been revised upwards (from R10 093 000.00 to R10 453 000.00). This is an increase of R359 966.00.

Table 2	2016/16 budget (revised) R'000	Actual Expenditure to date R'000	Percentage Expenditure to date
	10 453	3 376	32%

According to the DCSR, an invoice to the amount of R1 773 988.00 was received from the DPWRT on 09 December 2015, which was reportedly being processed. According to the DPWRT the invoice was submitted on 24 November 2015. The contractor had indicated, however, that two invoices had been submitted to the DPWRT.

Furthermore, the DCSR report submitted on 04 February 2016 indicated that R2 223 114.08 has been paid to date for the library, which included professional fees. However, the table above from the DPWRT reported that the actual expenditure to date (as at 28 January 2016) was R3 376 000.00.

The Committee raised a concern about the unpaid invoices which the contractor had submitted to the DPWRT and had not been paid by the DCSR. This indicates that despite both departments HOD's sitting on the provincial JOCC (Joint Operations Committee) where HOD's meet to discuss infrastructure projects, there still appears to be miscommunication and a mismatch of crucial project information submitted to the Committee for oversight purposes. It can be deduced that this is one of the leading causes of the slow progress on infrastructure projects, as there is no synergy between what the contractor does and needs on a daily basis and the flow of information between the DCSR and the DPWRT.

The Committee remains firm in the view that the DCSR as client department is responsible to closely monitor the project directly and to timeously release the correct payments for invoices submitted by the contractor to the DPWRT. Moreover, the DCSR is responsible to account to the Legislature for the use of the budgeted funds and by monitoring the contractor closely, will avoid variation orders and not meeting schedules. In

the report submitted on 04 February 2016, the DCSR reported that POM monitoring meetings were held on 09 November 2015 and 05 December 2015, while the provincial JOC meeting was held on 19 January 2016.

Challenges facing the project were the delay in payment of invoices by the DCSR, resulting in lack of building materials. The library is also situated in a high crime area. The Committee noted that security at the library must be very strong once the equipment and other resources are installed.

4.2. OBSERVATIONS ON SITE

The Committee observed the following during the pre-TLP visit on 28 January 2016:

- a) Project specifications were provided to the DPWRT (implementing agent) by the DCSR (client department).
- b) The Committee observed that since 10 December 2015 to 28 January 2016 (almost 7 weeks) little progress had been made towards completion. When the researcher visited the site on 10 December 2015, the project was at 25% completion and the contractor had envisaged overall completion by 29 February 2016. However, during the pre-TLP visit, the project was at 35% completion, yet the contractor assured the Committee that the project would be completed by 07 March 2016.
- c) The contractor was certain that the remaining 65% of the work would be completed by 07 March 2016, even though the project was behind schedule. He said that the sub-structure of the main library building facility was actually completed but the erection of the SIP panels has been delayed due to insufficient funds caused by non-payment of two (2) invoices that he submitted to the DPWRT. He was therefore forced to suspend construction work until payments were received from the DPWRT.
- d) The contractor also explained that the fitting in of the SIP's (panels) could be done in a few days once delivered to the site. Such a project, ~~he said~~ could be constructed in four (4) months under ideal circumstances.
- e) The fencing was reported complete, while construction of the guard house was 60%.
- f) The Committee asked whether the project was expected to overspend, to which the DPWRT said that over expenditure was not expected. The Committee was of the

view that the project will not be completed in the 2015/16 financial year and that it would indeed exceed the budget.

- g) The Committee asked the workers whether they had been paid, to which they responded that they were satisfied in that regard.
- h) The contractor assured the the Committee that the SIP's used for the library have a lifespan of up to 50 years before major renovations are needed. Furthermore, it was said that the material posed no health risks for the community.



The sub-structure of the library, awaiting installation of the SIP's

Resource planning for the library

The DCSR reported that the procurement of library furniture and books for the library had already commenced. They expect to hand over the library by March 2016, but could not provide a specific date in the month.

The DCSR has a Memorandum of Understanding (MOU) with municipalities that clarifies its role in terms of library services. The MOU stipulates that the department will be responsible for the provision of support services; staff trainings; promotional material; books; ICT; security and other infrastructure, where applicable. The contractor acknowledged the good working relationship with the Local Councillor and the Community Liaison Officer. It was noted that the DCSR will provided the following resources/services to the library for it to be functional and serve the community:

Appointment of staff

Vacant positions at the library have been advertised already. The department has planned to conclude the advertisement process by the end of February 2016 and to fill all vacant posts in new libraries by 01 April 2016. Two (2) librarians, one (1) general worker and one (1) cyber cadet will be appointed at the Acornhoek Library to serve the people around the library. Librarians appointed at Acornhoek will participate in different training programmes aimed at increasing their capacity to effectively service the community.

Provision of ICT

The department has planned to provide ICT infrastructure such as printers, computers, office equipment, free WI-FI, internet service and installation of anti-theft system in the completed library. The DCSR reported that a total of 31 computers will be installed at a cost of R420 000.00

Establishment of Friends of the Library

The "Friends of the Library" structure will be established to enable community members and structures to participate in ensuring the library serves the interest of the community and also that in the case of community protests, the library would not be burnt down.

Marketing initiatives

The department has also planned that the library staff, once appointed will initiate marketing campaigns around Acornhoek to encourage people to visit the library. This will in turn, decrease the illiteracy rate. Other campaigns such as World Book Day and Library Week will also form part of the marketing strategy.

Provision of books

The department will provide books for the library as soon as it is handed over by the DPWRT. On an annual basis an amount of R65 000.00 is allocated to libraries to purchase reading material.

4.3. FINDINGS

The Committee made the following findings for the **Acornhoek** Library:

- a. The DCSR delayed to pay an invoice to the value of R1 773 988.00, as reported by the DPWRT but the contractor indicated that there were (2) unpaid invoices. The unpaid invoices has led to a cash flow problem for the contractor, hence the project was behind schedule, at 35% on 28 January 2016.

- b. The planned completion date for the Acomhoek Library is 07 March 2016; the contractor assured the Committee that the timeframe would be met.
- c. There is still no synergy between the reporting by the DPWRT and that of the DCSR on infrastructure projects; the delay in communication between the departments causes invoices submitted by the contractor to the DPWRT be paid late and this in turn causes slow progress on the project.
- d. The DCSR expects to hand over the completed library in March 2016 but did not provide a specific date in the month.
- e. The DCSR has begun with procurement of library material and ICT infrastructure such as printers, computers, office equipment, free WI-FI, internet service and installation of anti-theft system.
- f. Vacant positions at the library have been advertised already. The department has planned to conclude the advertisement process by the end of February 2016 and to fill all vacant posts in new libraries by 01 April 2016. Two (2) librarians, one (1) general worker and one (1) cyber cadet will be appointed at the Acomhoek Library to serve the people around the area. Librarians appointed at Acomhoek will participate in different training programmes aimed at increasing their capacity to effectively service the community.

4.4. RECOMMENDATIONS

The Committee made the following recommendations to be implemented by the DCSR and a progress report must be submitted by 23 February 2016:

- a. The DCSR must immediately pay all invoices so the contractor can have adequate cash flow to complete the construction of the Acomhoek Library within the stipulated timeframe. The progress report must clearly indicate the reasons for the delay in paying the invoices submitted by the contractor.
- b. The HOD of the DCSR must interact with the HOD of the DPWRT and provide a written commitment to the Committee as to when the library will be completed; and whether the planned completion date of 07 March 2016 will be achieved or not.

- c. The HOD of the DCSR must also interact with the HOD of the DPWRT and submit a report with the correct project cost, correct professional fees expenditure to date, correct expenditure on the project to date, total current unpaid invoices and an intervention plan to improve the poor communication with the DPWRT and the mismatched reporting to the Legislature.
- d. Provide the date for the handover of the library and ensure that the Committee is timeously invited to the ceremony.
- e. Indicate progress on the procurement of all resource items for the library as at 23 February 2016.
- f. Indicate progress on the recruitment process as at 23 February 2016 and the plan (with timeframes) for training of staff once they are appointed.

5. ARTS AND CULTURE PROJECTS

The aim of the Committee's oversight visits to the N'wagigimba Trading and the Marupanyane Arts and Culture project was to assess the role played by the DCSR in the development, promotion and preservation of arts and culture institutions in the municipality. The DCSR has not financially supported these projects but they have benefitted through the services of the Bushbuckridge Arts and Culture Forum (BACF) through attending meetings and workshops to share information. The DCSR invited the National Arts Council (NAC) to a funding workshop where these projects benefitted.

According to the APP 2015/16, one of the DCSR strategic objectives is to support citizen based cultural programmes delivering services directly to the public. The department has achieved this objective through supporting the development of arts and cultural fora in the 18 local municipalities. These fora are funded to be able to assist arts and culture projects within their municipality, financially and with capacity building. The DCSR encourages these fora to apply for external funding such as the Mzansi Golden Economy, National Lottery Commission and NAC funding.

The DCSR established the Bushbuckridge Municipality Arts and Culture Forum to promote and develop arts and culture; and to co-ordinate market platform for artists and crafters to sell their products and thereby create job opportunities.

5.1. N'WAGIGIMBA TRADING

N'wagigimba Trading was established in 2010 by three (3) unemployed women who wanted to enter the business world in an effort to create sustainable jobs that would eradicate unemployment and poverty. They saw an opportunity in arts and crafts sector and registered a close corporation (CK No 2010/002890/23) and VAT No: 9818318157. The business is located at Stand 30226, Matsikitsane village in Acomhoek.

However, there wasn't a strong enough market for their product and this led them to venture into other sectors such as construction and maintenance. Currently, they rent a small room at Jamie Spares, where they store their arts and crafts products. They have two (2) market stalls at Acomhoek and along the road to the Kruger National Park. They do not have a workshop from which to operate; they also do not have access to the Kruger Bridge Arts and Craft Shop at Kruger National Park.

The women are involved in the following activities: sewing of traditional attire; traditional beadwork, catering, general construction, civil works, roofing (including Thatch roofing), cleaning services, plumbing, electrical services, painting and paving. There are three (3) shareholders in the business (Ms. Khataza Ngobeni, Ms. Sinah Hlatshwayo and Ms. Ivy Ngobeni).

Support received from the DCSR

The DCSR did not support N'wagigimba financially. However, R20 000.00 grant funding was received from the National Arts Council of South Africa (NAC) in 2012 for the project of traditional attire and designs, with the recommendation from the NAC to employ local people on the projects. According to the institution they have employed one (1) tailor and two (2) sales persons.

As at 10 December 2015, it was noted that only one of the sales persons was at work, while the other person had left for greener pastures. The money received from the NAC was spent on materials, sewing machine and rent.

Marketing: As part of its role to coordinate arts and craft exhibitions in the Province; the DCSR invited N'wagigimba for trainings and then successfully assisted them in 2013 to apply for funds to the NAC. The DCSR regularly invited them to participate in various exhibitions. Since its registration, the company has received only one contract (catering) to the value of R15 000.00 from the Department of Agriculture, Rural Development and

Land Administration. The company attended the Arts and Culture Funding workshop in 2011 and the Ehlanzeni Craft Exhibition at Mkhulu in 2014.



Beadwork and handmade shoes displayed at one of the stalls in Acornhoek



Traditional clothes made of materials imported from Giyani and Louis Trichardt

Challenges faced by N'wagigimba Trading:

- Employees are leaving the projects due to inadequate income received;
- Lack of workshop premises, office and storage space;
- They have not yet displayed their products at the DCSR's Crocodile Bridge Art and Craft shop at the Kruger National Park;
- High cost of materials needed for the products;
- Lack of skills to market the company and attract funding;
- Lack of new technologies and equipment (computer) to assist with designs.

5.2. MARUPANYANE ARTS AND CRAFT PROJECT

Marupanyane Arts and Craft Project was established in 2005 and registered as a Close Corporation (CC). Mrs Chiloane is the founder and director of the company; she wanted to enter the business world in an effort to create sustainable jobs to eradicate unemployment and poverty. The company has employed one (1) administrative member and five (5) workers. It is situated in Matsikitsane Village in Acornhoek.

Marupanyane Arts and Crafts is involved in the following activities: traditional bead work; traditional attire, catering, cleaning services, general construction, wetlands control and de-bushing. In terms of community involvement, the institution is involved in helping women get involved in the business arena. They also provide catering service during funerals, weddings and other functions, which employed (9) local people. Since the inception of the company, they have not received any contract from the government or private sector.

Challenges faced by the Marupanyane Arts and Culture include no workshop premises (they operate from their homes); lack of market access; high cost of materials.

Support received from the DCSR

The DCSR did not support Marupanyane Arts and Culture financially; however, they received an amount of R20 000.00 from the National Arts Council of South Africa (NAC) in 2006, with the recommendation from the NAC that it forms part of the Bushbuckridge Art and Culture Forum and that the DCSR invite them during organized exhibitions.



Bead work used to make necklace, bracelets, clothes and other attire.

As part of its role to coordinate arts and craft exhibitions in the Province; the DCSR invited them to participate in exhibitions coordinated on a regular basis. On several occasions the DCSR took them with their products to the Crocodile Bridge Art and Craft shop in the Kruger National Park. The company attended the Arts and Culture Funding workshop in 2011 and the Ehlanzeni Craft Exhibition at Mkhulu in 2014.

5.3. FINDINGS

The Committee made the following findings on both the N'wagigimba Trading and the Marupanyane Arts and Culture project:

- a. N'wagigimba Trading does not have access yet to the DCSR's Crocodile Bridge Arts and Culture shop at the Kruger National Park.
- b. Both projects do not have workshop premises from where to operate their businesses.
- c. The projects are on the database of the Bushbuckridge Art and Culture Forum (BACF) which was established by the DCSR to assist such institutions.
- d. The projects have been supported thus far; however, the support has been insufficient to take them to the next level of their business operations. Both businesses need more financial support and capacity building to be sustainable. They also need more access to exhibitions to strengthen their market and more exposure to their respective industries.
- e. The DCSR and the BACF must bring more funding and developmental agencies on board so that more support is provided to all institutions and artists on the database.

5.4. RECOMMENDATIONS

The Committee recommended that the DCSR implement the following recommendations and submit a **progress report by 23 February 2016**:

- a. N'wagigimba Trading must within the next two weeks be assisted to access the Crocodile Bridge Arts and Crafts shop at the Kruger National Park, as well as attend two other exhibitions before 29 February 2016. The progress report due 23 February 2016 must indicate what ground work was done up to that point.
- b. Interact with the Bushbuckridge Arts and Culture Forum (BACF) regarding finding workshop premises for N'wagigimba Trading and Marupanyane Arts and Culture. The BACF must investigate at least two potential sites for workshop premises for them before 29 February 2016. The progress report due 23 February 2016 must indicate the ground work done up to that point.

- c. The DCSR must interact with the Bushbuckridge Arts and Culture Forum (BACF) before 18 February 2016 and submit the complete database to the Committee, as well as a progress report on the support provided to the sector to date.
- d. The DCSR must engage the BACF, the National Arts Council (NAC) and the Small Enterprise Development Agency (SEDA) and submit a detailed, costed plan on how support will be increased to these two institutions in the 2016/17 financial year. The plan must bring other stakeholders on board to help turn these two institutions around by assisting them to access more funding, more market exposure and more capacity building. They should be a model for other Institutions.
- e. The DCSR must facilitate that the BACF, NAC, SEDA and other stakeholders attend the TLP oversight visits and public hearing on 01-02 March 2016. The DCSR must also facilitate that SEDA provides a report on all the support they have provided to N'waglimba Trading to date, and what future plans they have for the business.

6. CONCLUSION

The Chairperson would like to thank the Honourable Members of the Committee for their constructive input during the pre-TLP oversight visits in Bushbuckridge Local Municipality.

The Committee appreciates the support of the Department of Culture, Sport and Recreation and the Bushbuckridge Local Municipality during the pre-TLP programme.

The Committee requests the House to adopt this report with its findings and recommendations. The department is expected to investigate all the observations and findings of the Committee in this report and implement the House Resolutions herein. A progress report must be submitted to the Legislature before 23 February 2016.

HON. SK MASHILO (MPL)
CHAIRPERSON: PORTFOLIO COMMITTEE ON
EDUCATION; CULTURE, SPORT AND RECREATION

11/02/2016

DATE

