



# correctional services

Department:  
Correctional Services  
REPUBLIC OF SOUTH AFRICA

## PORTFOLIO COMMITTEE PRESENTATION:

### SECOND QUARTER FINANCIAL REPORT FOR 2013/14

19 FEBRUARY 2014

**A. SUMMARY OF THE NATIONAL STATE OF EXPENDITURE FOR  
THE YEAR TO DATE: 30 SEPTEMBER 2013**

**Budget allocation**  
**Less: Expenditure**

<b>R'000</b>
18,748,493
8,830,374

**Total amount available**

<b>9,918,119</b>
------------------

**Percentage spent**

<b>47.10%</b>
---------------

## **B. COMMENTS ON THE NATIONAL STATE OF EXPENDITURE FOR THE YEAR TO DATE PER PROGRAMME : 30 SEPTEMBER 2013**

- ☐ The year-to-date expenditure of the Department as at 30 September 2013 was R8,830 billion (47.10%) against the spending plan of R9,135 billion (48.72%) resulting in R304 million (1.62%)(under-spending) of the voted budget against the spending plan
- ☐ Factors that contributed to the under/over-spending per programme are as follows:
- ☐ **Programme: Administration:** The actual spending of R2,376 billion (44.94%) against the adjusted budgeted spending plan of R2,698 billion (51.02%) (under-spending), was mainly on Goods and Services under the Item: Computer services due to outstanding SITA bills. The SITA service level agreement (SLA) for Wide Area Network (WAN) and Local Area Network (LAN) has not yet been signed. On Payments of Capital assets, under machinery and equipment the actual spending amounts to R14,819 million against the spending plan of R189,754 million. The other reason for under spending was due to the delays in the procurement of computer equipment for Electronic Monitoring in the Community Corrections offices.

## **B. COMMENTS ON THE NATIONAL STATE OF EXPENDITURE FOR THE YEAR TO DATE PER PROGRAMME : 30 SEPTEMBER 2013 (CONTINUED)**

**Programme Incarceration:** The actual spending of R4,851 billion (48.68%) against the budgeted spending plan of R4,735 billion (47.52%) (over-spending) was due to incorrect responsibilities and objectives on PERSAL. The Department through Branch Human Resources is in the process of correcting responsibilities and objectives on PERSAL. The projected spending for Compensation of Employees amounts to R3,845 billion with the actual spending amounting to R4,048 billion. On Transfers and Subsidies the actual spending amounts to R32,708 million against the spending plan amounting to R12,404 million. The overspending on Transfers and Subsidies, was due to the payment of leave gratuity as a result of service terminations under the Item: Transfers Social benefits.

**Programme Rehabilitation:** The actual spending of R446 million (41.43%) against the budgeted spending plan of R550 million (51.02%) (under-spending) was mainly due to under spending on Compensation of Employees due to vacancies. The actual spending under Compensation of Employees amounts to R320,655 million against the spending plan amounting to R395,337 million



## **B. COMMENTS ON THE NATIONAL STATE OF EXPENDITURE FOR THE YEAR TO DATE PER PROGRAMME : 30 SEPTEMBER 2013 (CONTINUED)**

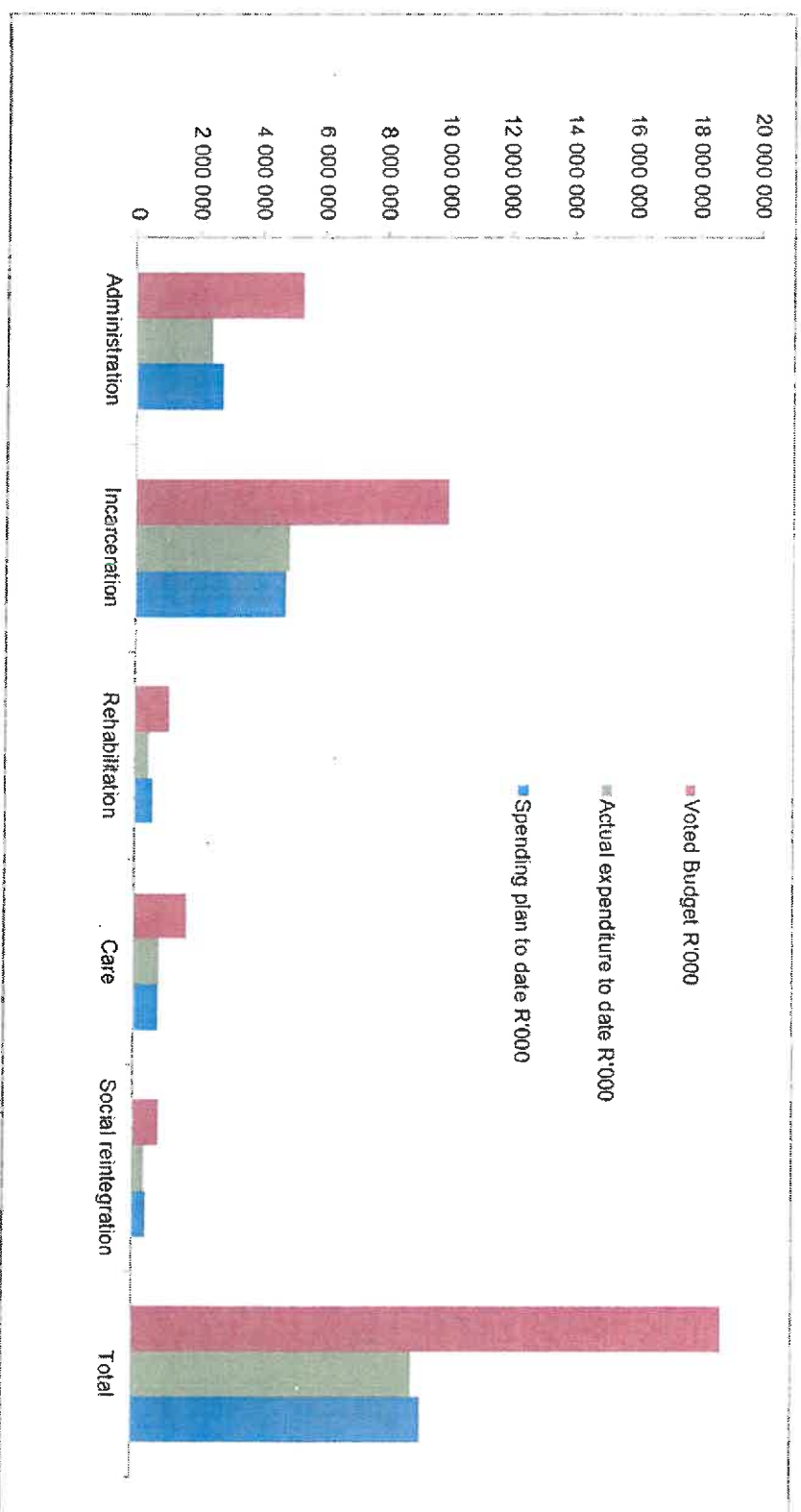
☐ **Programme Care:** The actual spending of R790 million (48.86%) against the budgeted spending plan of R754 million (46.66%) (over-spending) was mainly on Goods and Services on item Agency and support/outourced services due to the fact that part of the budget on Nutritional Services is still residing under programme Administration: stores which will be remedied during virement exercise.

☐ **Programme Social Reintegration:** The actual spending of R367 million (45.70%) against the budget spending plan of R398 million (49.63%) (under-spending) was mainly due to under spending on Compensation of Employees due to vacancies

## C. GRAPHIC OVERVIEW OF THE STATE OF EXPENDITURE FOR THE YEAR TO DATE PER PROGRAMME : 30 SEPTEMBER 2013 (CONTINUED)

Programme	Voted Budget R'000	Actual expenditure to date R'000	Percentage Actual expenditure	Spending plan to date R'000	Percentage Spending plan	Budget available R'000
Administration	5 287 548	2 376 446	44.94%	2 697 943	51.02%	2 911 102
Incarceration	9 964 235	4 850 895	48.68%	4 734 570	47.52%	5 113 340
Rehabilitation	1 077 287	446 315	41.43%	549 660	51.02%	630 972
Care	1 617 008	790 039	48.86%	754 470	46.66%	826 969
Social reintegration	802 415	366 679	45.70%	398 214	49.63%	435 736
<b>Total</b>	<b>18 748 493</b>	<b>8 830 374</b>	<b>47.10%</b>	<b>9 134 857</b>	<b>48.72%</b>	<b>9 918 119</b>

# C. GRAPHIC OVERVIEW OF THE STATE OF EXPENDITURE FOR THE YEAR TO DATE PER PROGRAMME : 30 SEPTEMBER 2013 (CONTINUED)



## **D. COMMENTS ON THE NATIONAL STATE OF EXPENDITURE PER ECONOMIC CLASSIFICATION FOR THE YEAR TO DATE PER ECONOMIC CLASSIFICATION : 30 SEPTEMBER 2013**

■ **Compensation of Employees:** The actual spending of R6,045 billion (48.92%) against the budget spending plan of R6,019 billion (48.71%) which is more or less in line with the spending plan. PERSAL reported the funded permanent establishment of 42 006, of which 39 975 are funded filled posts, plus 1540 posts additional to the funded establishment, resulting in a total PERSAL head count of 41 515, but leaving 2031 vacant funded posts (4.8%). The Department through Branch Human Resources is in the process of correcting responsibilities and objectives on PERSAL.

■ **Goods & Services:** The actual spending of R2,411 billion (46.41%) against the budget spending plan of R2,526 billion (48.60%) (under-spending) was mainly due to under spending on Goods and Services on the items Computer services, Consultants and professional services Travel and subsistence and Property payments and Operating leases



## **D. COMMENTS ON THE NATIONAL STATE OF EXPENDITURE PER ECONOMIC CLASSIFICATION FOR THE YEAR TO DATE PER ECONOMIC CLASSIFICATION : 30 SEPTEMBER 2013 (CONTINUED)**

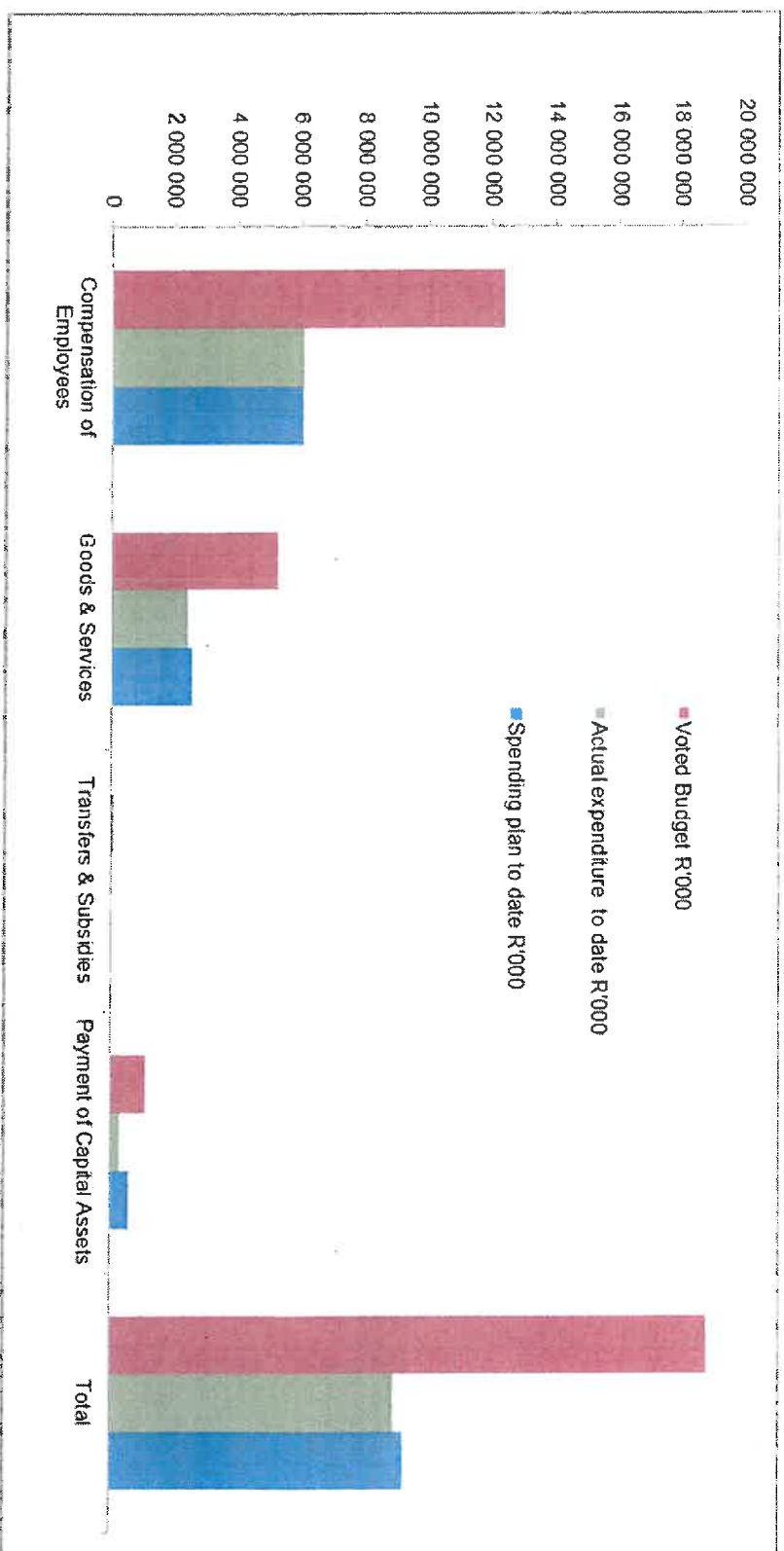
☐ **Transfers and Subsidies:** The actual spending of R56 million (71.39%) against the budget spending plan of R16 million (20.66%) (over-spending) was mainly due to higher spending as a result of leave gratuity payments made for service terminations

☐ **Payments for Capital Assets:** The actual spending of R318 million (28.48%) against the budget spending plan of R574 million (51.37%) (under-spending) was mainly on the items Machinery and equipment for IT equipment, Electronic monitoring equipment, Virtual Private Network, as a result of delays in the processes and finalization of SLA's with SIT.A.

## E. SUMMARY OF THE STATE OF EXPENDITURE PER ECONOMIC CLASSIFICATION FOR THE YEAR TO DATE: 30 SEPTEMBER 2013 (CONTINUED)

GFS Classification	Voted Budget R'000	Actual expenditure to date R'000	Percentage Actual expenditure	Spending plan to date R'000	Percentage Spending plan	Budget available R'000
Compensation of Employees	12 357 147	6 045 128	48.92%	6 019 456	48.71%	6 312 019
Goods & Services	5 196 441	2 411 441	46.41%	2 525 532	48.60%	2 785 000
Transfers & Subsidies	77 974	55 665	71.39%	16 113	20.66%	22 309
Payment of Capital Assets	1 116 931	318 140	28.48%	573 756	51.37%	798 791
<b>Total</b>	<b>18 748 493</b>	<b>8 830 374</b>	<b>47.10%</b>	<b>9 134 857</b>	<b>48.72%</b>	<b>9 918 119</b>

# E. GRAPHIC OVERVIEW OF THE STATE OF EXPENDITURE PER ECONOMIC CLASSIFICATION FOR THE YEAR TO DATE: 30 SEPTEMBER 2013 (CONTINUED)



■ **THANK YOU**

■ **STRIVING FOR A SOUTH AFRICA IN WHICH PEOPLE ARE AND FEEL SAFE**