



**correctional services**

---

Department:  
Correctional Services  
**REPUBLIC OF SOUTH AFRICA**

# **2015 ESTIMATES OF NATIONAL EXPENDITURE (ENE)**

**Presentation to Select Committee by  
Chief Financial Officer  
13 May 2015**

# OUTLINE OF THE PRESENTATION

## **Purpose of the presentation is to brief the Portfolio Committee on DCS's 2015 Estimates of National Expenditure (ENE)**

- A. Summary of allocations for 2015 ENE
- B. Reprioritisation, realignment initiatives and budget baseline reductions
- C. 2015 ENE allocations per Programme
- D. Comments on 2015 ENE per Programme
- E. 2015 ENE allocations per Economic Classification
- F. Comments on 2015 ENE per Economic Classification
- G. 2015 ENE allocations per Region and per Programme
- H. 2015 ENE allocations per Region and per Economic Classification
- I. Personnel as reported in 2015 ENE
- J. Projected Inmate and Supervision case populations funded in 2015 ENE
- K. 2015 MTEF allocation per Sub-Programme and per Economic Classification

## A. SUMMARY OF ALLOCATIONS FOR 2015 ENE

The Department of Correctional Services will focus its spending over the medium term on:

- a. protecting society by detaining inmates in safe, secure and humane conditions in correctional centres and remand detention facilities;
- b. correcting offending behaviour by providing sentenced offenders with needs-based rehabilitation programmes and interventions; and
- c. building safe communities by reintegrating offenders into the community as law abiding citizens and effectively managing non-custodial sentences and parole and reducing recidivism

Baseline allocation figures over the medium term are R20,618 billion (4.5% increase) in 2015/16, R21,858 billion (6% increase) in 2016/17 and R23,135 billion (5.8% increase) in 2017/18.

## A. SUMMARY OF ALLOCATIONS FOR 2015 ENE

The Table below shows a summary of total departmental allocation over the 2015 MTEF period

	2015/16	2016/17	2017/18
	R' 000	R' 000	R' 000
<b>2015 MTEF ALLOCATION</b>	<b>20 795 271</b>	<b>22 080 894</b>	<b>23 280 523</b>
Departmental baseline before budget cuts	20 795 271	22 080 894	23 380 523
<b>BASELINE REDUCTIONS (REDUCTIONS AND REVISED AS PER DEPARTMENT ENDORSEMENT)</b>			
	<b>-177 687</b>	<b>-222 605</b>	<b>-245 207</b>
Compensation of Employees	-43 467	-37 960	-39 858
Goods and Services	-114 160	-95 314	-105 231
Payments for capital assets	-20 060	-89 331	-100 118
<b>2015 ENE FINAL ALLOCATION</b>	<b>20 617 584</b>	<b>21 858 289</b>	<b>23 135 316</b>
Eamarked amounts			
<b>Devolution of funds from public works of which:</b>	<b>1 869 129</b>	<b>1 968 193</b>	<b>2 066 602</b>
Accomodation charges	969 224	1 020 593	1 071 622
Leases	83 463	87 887	92 281
Municipal Services	816 442	859 714	902 699
Specifically and exclusively appropriated			
<b>Repair and maintenance of correctional and other facilities of which:</b>	<b>172 574</b>	<b>153 669</b>	<b>159 352</b>
Goods and Services	172 574	153 669	159 352
<b>Upgrading, rehabilitation and refurbishment of correctional and other facilities of which:</b>	<b>603 214</b>	<b>635 185</b>	<b>666 944</b>
Payments for Capital assets	603 214	635 185	666 944

# **B. REPRIORITISATION, REALIGNMENT INITIATIVES AND BUDGET BASELINE REDUCTIONS**

## **2015 ENE PROCESSES: SUMMARY OVERVIEW**

During the meetings with National Treasury and sub functional group, reprioritisation done by DCS was supported and the department was urged to look at areas where it can realise efficiency savings. NT suggested areas such as closing of unviable Correctional Centres, consolidating Correctional Centres, implementing remission of sentences annually. The department finally reprioritised funds further to accommodate spending pressures.

Cabinet has approved budget reductions to the department's baseline of R177.7 million in 2015/16, R222.6 million in 2016/17 and R245.2 million in 2017/18, and these will be managed so as not to have a negative impact on the core functions service delivery of the department.

The budget reductions were mostly on goods and services (contractors, computer services, audit costs) and machinery and equipment (IT equipment), and to a lesser extent in compensation of employees.

## **B. REPRIORITISATION, REALIGNMENT INITIATIVES AND BUDGET BASELINE REDUCTIONS**

The following budget cuts were implemented at Head Office only and regions be managed as part of In Year Monitoring and reprioritisation of funds:

	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>
	<b>R' 000</b>	<b>R' 000</b>	<b>R' 000</b>
<b>2015 MTEF ALLOCATION</b>	<b>20 795 271</b>	<b>22 080 894</b>	<b>23 280 523</b>
Departmental baseline before budget cuts	20 795 271	22 080 894	23 380 523
<b>BASELINE REDUCTIONS (REDUCTIONS AND REVISED AS PER DEPARTMENT ENDORSEMENT)</b>	<b>-177 687</b>	<b>-222 605</b>	<b>-245 207</b>
Compensation of Employees	-43 467	-37 960	-39 858
Goods and Services	-114 160	-95 314	-105 231
Payments for capital assets	-20 060	-89 331	-100 118
<b>2015 ENE FINAL ALLOCATION</b>	<b>20 617 584</b>	<b>21 858 289</b>	<b>23 135 316</b>

## C. ENE 2015/16 ALLOCATIONS PER PROGRAMME

	<b>2014/15 Adjusted budget R'000</b>	<b>2015/16 R'000</b>	<b>2016/17 R'000</b>	<b>2017/18 R'000</b>
<b>Programmes</b>	<b>Budget</b>	<b>Medium-term estimates</b>		
Administration	3 623 746	3 697 275	3 937 648	4 182 551
Incarceration	12 299 765	13 080 858	13 841 481	14 437 524
Rehabilitation	1 166 292	1 151 993	1 248 471	1 412 508
Care	1 745 777	1 796 262	1 886 551	2 045 421
Social Reintegration	886 259	891 196	944 138	1 057 312
<b>Total</b>	<b>19 721 839</b>	<b>20 617 584</b>	<b>21 858 289</b>	<b>23 135 316</b>

## D. COMMENTS ON 2015 ENE PER PROGRAMME

### Programme 1: Administration

This programme provides for the strategic leadership, management and support services to the department.

This programme is labour intensive and most of the spending is in compensation of employees and on goods and services items related to personnel.

The programme has a funded establishment of 5 976 posts as at 30 September 2014.

- Over the medium term, the *Administration* programme is expected to spend R11,817 billion (18.01%)
- Funds have been reprioritised towards computer services for the cabling of various correctional facilities.



## **D. COMMENTS ON 2015 ENE PER PROGRAMME**

### **Programme 2: Incarceration**

This programme provides for appropriate services and well maintained physical infrastructure that supports safe and secure conditions of detention consistent with the human dignity of inmates, personnel and the public; and provide for the profiling of inmates and the compilation of needs based correctional sentence plans, administration and interventions.

The programme has a funded establishment of 27 562 posts as at 30 September 2014.

This programme is labour intensive and most of the spending is in Compensation of Employees and on Goods and Services items related to personnel. Over the medium term, the Incarceration programme was allocated an amount of R41,360 billion (63.03%) of the total departmental budget of R65,611 billion. Funds amounting to R6,5 billion mostly for Compensation of Employees have been allocated in 2015/16 financial year to the Security sub-programme.

Funds to the amount of R37.7 million over the medium term were reprioritised to reduce the number of escapes from correctional centres and remand detention facilities by strengthening staff supervision on inmates and to provide sufficient and effective security equipment such as pepper spray, bullet proof jackets, firearms, tonfa's, tactical gear, hand metal detectors and cuffs to staff to enhance the performance of security duties.

## D. COMMENTS ON 2015 ENE PER PROGRAMME

### Programme 2: Incarceration Infrastructure spending

Infrastructure Allocation MTEF 2015/16-2017/18			
	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
Existing infrastructure assets	775 788	788 854	826 296
Upgrading and additions	603 214	635 185	666 944
Maintenance and repair	172 574	153 669	159 352
<b>Total Infrastructure</b>	<b>775 788</b>	<b>788 854</b>	<b>826 296</b>

The department's spending on infrastructure is expected to increase from R775.7 million in 2015/16 to R826.3 million in 2017/18, for upgrading 16 correctional centres and constructing the Tzaneen Correctional centre, resulting in the creation of 4 787 additional bed-spaces and increasing overall bed capacity from 119 134 in 2013/14 to 123 921 in 2017/18.

Several small infrastructure projects over the medium term will contribute to enhancing safety and security in correctional centres and remand detention facilities. These projects include general upgrades, the security fencing programme, major repair and renovation projects, and the upgrading and maintenance of integrated security systems.

## **D . COMMENTS ON 2015 ENE PER PROGRAMME**

### **Programme 3: Rehabilitation**

This programme provides offenders with needs based programmes and interventions to facilitate their rehabilitation and enable their social reintegration. Correctional programmes are non-therapeutic, needs-based programmes that address offending behaviour.

The programme has a funded establishment of 2 018 posts as at 30 September 2014.

The bulk of spending in this programme goes towards Compensation of Employees and related Goods and Services items mainly to fund staffing of the Offender Development and Psychological, Social and Spiritual Services sub-programmes.

Over the medium term, the spending focus will be on providing offenders with life skills that empowers them to make better decisions upon release. The correctional programmes prepare offenders for more specialized interventions by social workers and psychologists.

## D. COMMENTS ON 2015 ENE PER PROGRAMME

### Programme 4: Care

This programme provides for needs based care services aimed at maintaining the personal wellbeing of all inmates in the department's custody.

The programme has a funded establishment of 1 749 posts as at 30 September 2014.

The bulk of spending in the programme goes towards Goods and Services specifically agency and support services for catering services, and food and food supplies, and its two largest sub-programmes are *Nutritional Services* and *Health Services*.

Over the medium term, the spending focus will be on providing health care services to inmates in order to improve treatment for HIV and AIDS, tuberculosis and sexually transmitted infections, as well as to promote personal hygiene services.

## **D. COMMENTS ON 2015 ENE PER PROGRAMME**

### **Programme 5: Social Reintegration**

This programme provides for services focused on offenders' preparation for release, the effective supervision of offenders placed under the system of community corrections and the facilitation of their social reintegration into communities.

The programme has a funded establishment of 2 028 posts as at 30 September 2014.

The bulk of this programme's spending goes towards Compensation of Employees and related Goods and Services items, due to the labour intensive nature of its largest sub-programme, Supervision.

Over the medium term spending goes towards facilitating the social reintegration of offenders into communities through the effective management of non-custodial sentences and parolees through Electronic Monitoring and physical visits.

## E. ENE 2015 ALLOCATIONS PER ECONOMIC CLASSIFICATION

<b>Economic Classification</b>	<b>2014/15 Adjusted budget R'000</b>	<b>2015/16 R'000</b>	<b>2016/17 R'000</b>	<b>2017/18 R'000</b>
Compensation of Employees	13 315 604	14 034 094	14 964 473	15 901 534
Goods and Services	5 268 257	5 480 175	5 717 180	6 016 850
Transfers and Subsidies	82 620	120 473	131 437	146 193
Payment of Capital Assets	1 055 358	982 842	1 045 199	1 070 739
<b>Total</b>	<b>19 721 839</b>	<b>20 617 584</b>	<b>21 858 289</b>	<b>23 135 316</b>

## **F. COMMENTS ON 2015 ENE PER ECONOMIC CLASSIFICATION**

- **Compensation of Employees:**

The bulk of spending goes towards the Administration and Incarceration programmes for expenditure on compensation of employees and related goods and services items, mainly due to the labour intensive nature of these programmes.

- **Goods and Services:**

The bulk of spending goes towards agency and support services for catering services, and food and food supplies for offenders, office accommodation, municipal services, PPP payments and contractual payments for repairs and maintenance on correctional facilities.

- **Payments for Capital assets:**

The bulk of the spending goes towards infrastructure spending, security, computer, transport, workshop and agricultural equipment.

# G. ENE 2015

## ALLOCATIONS PER REGION AND PER PROGRAMME

	Adminis- tration	Incarce- ration	Rehabilita- tion	Care	Social reinte- gration	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Head Office	1 456 906	3 895 230	88 936	37 159	113 671	<b>5 591 902</b>
<i>Of which the following sub-programmes are centralised in Head Office</i>						
<b>Sub-Total Centralised Funds</b>	60 155	3 561 724	0	0	44 226	3 666 105
Staff and office accomodation	39 237	969 224	0	0	44 226	1 052 687
<b>Sub-total PPP Prisons</b>	0	1 021 188	0	0	0	1 021 188
PPP Index - Current	0	825 923	0	0	0	825 923
PPP Index - Capital fee	0	195 265	0	0	0	195 265
Municipal Services	20 918	795 524	0	0	0	816 442
Capital works	0	775 788	0	0	0	775 788
<b>Sub-Total Non- Centrelised Funds</b>	2 240 369	9 185 628	1 063 057	1 759 103	777 525	<b>15 025 682</b>
Gauteng	345 276	2 058 337	240 700	486 894	135 878	<b>3 267 085</b>
Western Cape	462 694	1 682 854	261 599	330 514	171 112	<b>2 908 773</b>
Eastern Cape	356 204	1 309 338	131 416	232 419	84 921	<b>2 114 298</b>
KwaZulu/Natal	288 732	1 638 106	147 739	307 359	119 039	<b>2 500 974</b>
LMN	413 560	1 233 318	140 485	188 722	160 187	<b>2 136 271</b>
Free State/NC	373 904	1 263 676	141 119	213 195	106 388	<b>2 098 281</b>
<b>Total</b>	<b>3 697 275</b>	<b>13 080 858</b>	<b>1 151 993</b>	<b>1 796 262</b>	<b>891 196</b>	<b>20 617 584</b>



## H. ENE 2015 ALLOCATION PER REGION AND PER ECONOMIC CLASSIFICATION

Region	Compensation of Employees	Goods and Services	Transfers	Payment for Capital Assets	Total
	R'000	R'000	R'000	R'000	R'000
Head Office	1 149 056	3 488 270	87 376	867 200	5 591 902
<i>Of which the following GFS items are centralised in Head Office</i>					
<b>Sub-Total Centralised Funds</b>	<b>0</b>	<b>3 062 891</b>	<b>0</b>	<b>603 214</b>	<b>3 666 105</b>
<i>Office &amp; staff accomodation</i>	0	1 052 687	0	0	1 052 687
<b>Sub-total PPP Prisons</b>	0	1 021 188	0	0	1 021 188
<i>Capital works</i>	0	172 574	0	603 214	775 788
<i>Municipal Services</i>	0	816 442	0	0	816 442
<b>Sub-Total Non-Centralised Funds</b>	<b>12 885 038</b>	<b>1 992 567</b>	<b>33 097</b>	<b>114 980</b>	<b>15 025 682</b>
Gauteng	2 668 052	561 441	6 378	31 214	3 267 085
Western Cape	2 507 538	367 728	9 322	24 185	2 908 773
Eastern Cape	1 826 246	255 542	2 461	30 049	2 114 298
KwaZulu/Natal	2 157 638	324 519	5 657	13 160	2 500 974
LMN	1 895 982	231 629	3 594	5 067	2 136 271
Free State/NC	1 829 582	251 709	5 685	11 305	2 098 281
<b>Total</b>	<b>14 034 094</b>	<b>5 480 837</b>	<b>120 473</b>	<b>982 180</b>	<b>20 617 584</b>

# I. PERSONNEL INFORMATION AS REPORTED IN 2015 ENE

- The department has a funded establishment of 42 006, which is expected to remain stable at this level over the medium term. The 2 673 vacancies at the end of September 2014 can be attributed to natural attrition and the length of the recruitment processes.
- The department currently carries 1 526 posts additional to the establishment, which are funded from vacancy savings arising from the time lag between natural attrition and new appointments. These posts mostly include contractual appointments for certified learners from the training colleges for future absorption in permanent posts as they become vacant, and contractual appointments for clerks to assist with the shortage of asset management staff.
- The learners are trained in the Corrections Services Learnership NQF Level 4. The learnership is an integrated Corrections qualification that prepares the learners for employment as entry level Correctional Officers.
- Over the medium term, the growth in expenditure on compensation of employees will be for improved conditions of service and the filling of funded vacant posts.

## **J. PROJECTED INMATE AND SUPERVISION CASE POPULATIONS FUNDED IN THE 2015 ENE**

<b>PROJECTED OVER THE MTEF</b>	<b>PAROLEES</b>	<b>PROBATIONERS &amp; ATPs</b>	<b>AVERAGE TOTAL PAROLE AND SUPERVISION</b>	<b>SENTENCED OFFENDERS</b>	<b>REMAND DETAINEES (RD's) AND OTHER UNSENTENCED INMATES IN RDF's/MIXED RDF's</b>	<b>AVERAGE TOTAL INMATES</b>
<b>2014/15</b>	53 654	19 142	<b>72 796</b>	107 583	47 525	<b>155 108</b>
<b>2015/16</b>	58 429	20 284	<b>78 713</b>	108 562	47 057	<b>155 619</b>
<b>2016/17</b>	63 629	21 497	<b>85 126</b>	109 542	46 590	<b>156 132</b>
<b>2017/18</b>	69 292	22 785	<b>92 077</b>	110 522	46 122	<b>156 644</b>

# K. ENE 2015 ALLOCATION PER SUB-PROGRAMMMES UNDER PROGRAMME 1: ADMINISTRATION

Programme: Administration	Adjusted Budget	Medium-term estimates			
	2014/15	2015/16	2016/17	2017/18	
Sub-programme	R'000	R'000	R'000	R'000	
Ministry	30 940	32 630	34 622	36 546	
Management	1 025 689	999 390	1 053 095	1 114 197	
Corporate Services	1 476 335	1 518 496	1 642 248	1 748 599	
Finance	939 914	996 890	1 047 344	1 112 572	
Internal Audit	95 115	89 714	96 811	103 933	
Office Accommodation	55 753	60 155	63 528	66 704	
Residential Accommodation	0	0	0	0	
<b>Total</b>	<b>3 623 746</b>	<b>3 697 275</b>	<b>3 937 648</b>	<b>4 182 551</b>	
<b>Economic Classification</b>					
Compensation of employees	2 613 154	2 729 305	2 729 305	2 729 305	
Goods and services	822 411	853 667	860 299	904 531	
Transfers and subsidies	17 099	16 945	17 704	19 781	
Payments for capital assets	171 082	97 358	126 101	111 752	
<b>Total</b>	-	-	-	-	
	<b>3 623 746</b>	<b>3 697 275</b>	<b>3 937 648</b>	<b>4 182 551</b>	

## K. 2015 MTEF ALLOCATION PER SUB-PROGRAMME AND PER ECONOMIC CLASSIFICATION: INCARCERATION

Programme: Incarceration	Adjusted Budget	Medium-term estimates		
		2014/15	2015/16	2016/17
Sub-programme	R'000	R'000	R'000	R'000
Security Operations	6 230 783	6 558 540	6 957 394	7 397 367
Facilities	3 677 664	3 827 113	3 992 861	4 161 856
Remand Detention	741 141	821 861	901 143	906 684
Offender Management	1 650 177	1 873 344	1 990 083	1 971 617
<b>Total</b>	<b>12 299 765</b>	<b>13 080 858</b>	<b>13 841 481</b>	<b>14 437 524</b>
<b>Economic</b>				
Compensation of employees	8 465 592	9 068 514	9 655 386	10 054 436
Goods and services	2 938 500	3 078 217	3 211 795	3 353 127
Transfers and subsidies	64 839	102 742	113 125	125 773
Payments for capital assets	830 834	831 385	861 175	904 188
<b>Total</b>	<b>12 299 765</b>	<b>13 080 858</b>	<b>13 841 481</b>	<b>14 437 524</b>

## K. 2015 MTEF ALLOCATION PER SUB-PROGRAMME AND PER ECONOMIC CLASSIFICATION: REHABILITATION

Programme: Rehabilitation	Adjusted Budget	Medium-term estimates		
		2014/15	2015/16	2016/17
<b>Sub-programme</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
Correctional Programmes	57 758	46 997	55 191	69 139
Offender Development	739 270	751 051	827 552	890 417
Psychological, Social and Spiritual Services	369 264	353 945	365 728	452 952
<b>Total</b>	<b>1 166 292</b>	<b>1 151 993</b>	<b>1 248 471</b>	<b>1 412 508</b>
<b>Economic Classification</b>				
Compensation of employees	829 294	801 600	850 028	1 005 090
Goods and services	45 251	46 183	48 443	45 333
Transfers and subsidies	53	56	59	62
Payments for capital assets	45 251	46 183	48 443	45 333
<b>Total</b>	<b>1 166 292</b>	<b>1 151 993</b>	<b>1 248 471</b>	<b>1 412 508</b>

## K. 2015 MTEF ALLOCATION PER SUB-PROGRAMME AND PER ECONOMIC CLASSIFICATION: CARE

Programme: Care	Adjusted Budget	Medium-term estimates			
		2014/15	2015/16	2016/17	2017/18
Sub-programme	R'000	R'000	R'000	R'000	
Nutritional Services	923 981	946 512	1 003 305	1 076 294	
Health Services	691 711	734 472	759 360	825 229	
Hygienic Services	130 085	115 278	123 886	143 898	
<b>Total</b>	<b>1 745 777</b>	<b>1 796 262</b>	<b>1 886 551</b>	<b>2 045 421</b>	
Economic Classification					
Compensation of employees	657 692	687 591	731 657	794 698	
Goods and services	1 080 728	1 102 926	1 148 081	1 244 405	
Transfers and subsidies	535	561	373	392	
Payments for capital assets	6 822	5 184	6 440	5 926	
<b>Total</b>	<b>1 745 777</b>	<b>1 796 262</b>	<b>1 886 551</b>	<b>2 045 421</b>	

## K. 2015 MTEF ALLOCATION PER SUB-PROGRAMME AND PER ECONOMIC CLASSIFICATION: SOCIAL REINTEGRATION

Programme: Social Reintegration	Adjusted Budget	Medium-term estimates		
		2014/15	2015/16	2016/17
<b>Sub-programme</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
Parole Administration	111 143	95 491	107 094	133 957
Supervision	693 317	708 690	745 618	825 563
Community Reintegration	39 759	42 789	44 757	48 790
Office Accommodation: Community Corrections	42 040	44 226	46 669	49 002
<b>Total</b>	<b>886 259</b>	<b>891 196</b>	<b>944 138</b>	<b>1 057 312</b>
<b>Economic Classification</b>				
Compensation of employees	749 872	747 084	793 858	900 823
Goods and services	134 955	141 873	147 762	153 497
Transfers and subsidies	94	169	176	185
Payments for capital assets	1 369	2 070	2 342	2 807
<b>Total</b>	<b>886 290</b>	<b>891 196</b>	<b>944 138</b>	<b>1 057 312</b>



- ***THANK YOU***
- ***STRIVING FOR A SOUTH AFRICA IN WHICH  
PEOPLE ARE AND FEEL SAFE***