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DPCI PROGRESS: VACANCIES, HIGH PROFILE CASES AND 2016/17 BUDGET

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1. INTRODUCTION

The mandate of the Directorate for Priority Crime Investigation (DPCI) is to prevent, combat and investigate national priority offences, in particular serious organised crime, serious corruption and serious commercial crime. The objective of the DPCI is to contribute to the successful prosecution of offenders by investigating, gathering and analysing evidence.

The DPCI appeared before the Portfolio Committee of Police on 08 April 2016 to present its 2016/2017 budget allocation. This meeting was the first separate budget hearing of the DPCI since its establishment in 2012. Several issues of importance were raised during the meeting, included the following:

- DPCI becoming a separate budget programme of the SAPS or becoming a separate Budget Vote;
- The effectiveness of a ring-fenced budget for the DPCI within the SAPS Vote;
- Budget breakdown for provincial offices;
- Budget submission to Treasury for additional funds;
- Procurement of operational equipment, including an aircraft;
- Staff establishment and filling of vacancies;
- Operational independence of the DPCI;
- Details on community awareness programmes;
- Building positive public perception of the DPCI; and
- The low performance targets for cybercrime.

This paper addresses the responses received on the above mentioned issues and provides a discussion on the identified gaps.



2. OVERVIEW OF 2016/17 DPCI BUDGET

2.1. Committee budget report for 2016/17

The Committee published its budget report¹ on 19 April 2016 subsequent to the 2016/17 SAPS budget hearings. The Committee requested the following additional information from the DPCI:

- a) The Department should provide the Committee with a plan of how it intends to fill the 700 vacancies for the DPCI.
- b) The DPCI must provide the Committee with a motivation and list of how it determined its required budget and what additional funding they require for the 2017/18 FY.
- c) The Head of the DPCI must provide a written motivation why he supports the DPCI funding as a separate Vote and motivate such to National Treasury.
- d) The Department should provide the Committee with a report on the training of DPCI personnel in cybercrime training.
- e) The Department should provide the Committee with a progress report on the establishment of the National Cybercrime Centre within 6 months.
- f) The Department must provide an interim report to the Committee on what steps it will put in place to locate the new Narcotics and Illegal Firearms Units in terms of budget, structure and operations.

The Committee made the following recommendations based on the DPCI budget and performance plan for the 2016/17 financial year:

- The Committee recommends that the Department should commence discussions with the National Treasury with a view to establish the DPCI programme as a separate Vote to give effect to the Committee's recommendation.
- The Committee recommends that the Department motivates for an additional funding for the 2017/18 FY to enable the Committee to make a decision on supporting the motivation.
- The Committee recommends that the DPCI fills its outstanding 700 vacancies and provide the Committee with a timeline for filling it.

Comments

The Committee has not received any of the above mentioned information requested. The concerns are partly addressed in the presentation of the DPCI scheduled for 23 August 2016. The DPCI has not provided the following information:

- Motivation and list of how it determined its required budget and additional funding requirements for the 2017/18 financial year;
- Written motivation from the National Head of the DPCI for establishing the DPCI as a separate Vote;
- Steps taken to put in place to locate the new Narcotics and Illegal Firearms Units, in terms of budget, structure and operations; and
- Report on the training of DPCI personnel in cybercrime.

The progress report on the establishment of the National Cybercrime Centre is due at the end of September 2016.

¹ ATC No 46-2016, 19 April 2016



2.2. Budget and additional funding

The DPCI currently functions as a subprogramme within Detective Service Programme (Programme 3) of the South African Police Service (SAPS). The total 2016/17 budget allocation of the DPCI amounts to R1.4 billion (R1 431 000 000), which is 8.5 per cent of the Detective Services' budget allocation of R16.789 billion for the 2016/17 financial year. The budget of the DPCI is ring-fenced, ensuring that although the funds fall within the greater SAPS budget, the funds may only be used by the DPCI in the execution of its mandate.

The table below indicates the additional budget allocation for the DPCI during the 2016/17 financial year against the approved budget at the start of the financial year. A total amount of R232.148 million is required additionally, mainly to fund the purchase of a helicopter and associated costs (R191.8 million), and salaries for staff in the Narcotics and Firearms Units (R40.348 million).

Table 1: 2016/17 DPCI Budget and additional allocations

Economic Classification <i>R '000</i>	Budget allocation 2016/17	Additional budget allocation 2016/17
Current Payments	1 413 000	97 148
Compensation of employees	1 106 000	42 148
<i>Salaries Narcotics and Firearms Unit</i>		40 348
<i>Salaries Two Chief helicopter pilots</i>		1 400
<i>Other allowances</i>		736
Goods and services	307 000	55 000
<i>Fuel and oil</i>		46 000
<i>Service and repairs</i>		8
<i>Construction of landing space</i>		1
Transfers and subsidies	87 000	350
<i>Licensing of helicopter</i>		100
<i>Licensing of vehicles</i>		250
Payments for Capital Assets	185 000	135 000
Buildings and other fixed structures		
Machinery and equipment	185 000	135 000
<i>Purchase of operational helicopter</i>		100 000
<i>Resources for new units and pilots: furniture, vehicles, IT, software and licensing</i>		35 000
Biological Assets		
Total additional funding		232 148
TOTAL	1 431 000²	1 663 148

Source: DPCI (2016a and 2016b)

² The total budget allocation when combining the current payments, transfers and subsidies and payments to capital assets amounts to R1. 685 billion.



There is a significant misstatement of funds in the 2016/17 DPCI budget. Also, the budget allocations as per economic classification of the DPCI budget and that stated in the Appropriations Act, 2016³ differs from each other. The table below shows a comparative breakdown of the budget figures stated in the Appropriations Act, 2016 and the DPCI 2016/17 budget as presented to the Committee.

Table 2: Comparative analysis of the 2016/17 DPCI Budget as stated in different sources

Economic Classification R '000	Appropriations Act, 2016	Budget allocation 2016/17	Additional budget allocation 2016/17	Budget 2016/17 ⁴
Current Payments	1 396 219	1 413 000	97 148	1 510 148
Compensation of employees	1 109 154	1 106 000	42 148	1 148 148
Goods and services	287 065	307 000	55 000	362 000
Transfers and subsidies	-	87 000	350	87 350
Payments for Capital Assets	26 317	185 000	135 000	320 000
Other	8 541	-	-	-
TOTAL	1 431 077	1 431 000⁵	232 148	1 917 498

Source: Treasury (2016) DPCI (2016a and 2016b)

The budget breakdown of the DPCI for the 2016/17 financial year remains inadequate and should be fleshed out in order to provide a comprehensive breakdown, including the inclusion of the additional amounts, for the 2016/17 financial year. It is unclear what the legislative impact of this adjustment will be, as the budget of the DPCI is ring-fenced in the Appropriations Act, 2016. The adjusted budget of the SAPS (released in October 2016) should clearly indicate these adjustments.

2.2.1. Purchase of a helicopter

The National Head of the DPCI indicated that the Directorate's operational independence is compromised because the Directorate has to apply to the National Commissioner to use the SAPS jet and/or helicopter to travel between provinces and to speedily access crime scenes. The National Head stated that he requires a helicopter in this regard. The total cost of the helicopter, including the purchase and associated services, seems to be in the region of R191.800 million, of which the purchase price of the helicopter is stated as R100 million.

Comments and concerns

- 1) The DPCI should provide comprehensive details on the purchase of a helicopter, including the make and model, the bid process and the supplier. The amount of R100 million stated as the purchase price of the helicopter seems excessive.
- 2) The DPCI should explain the allocation of R8 thousand for the service and maintenance of the helicopter, as this amount seems too low. Also, the DPCI should explain the R1

³ Act No 6 of 2016

⁴ Budget allocation at start of 2016/17 financial year together with the additional funding.

⁵ The total budget allocation when combining the current payments, transfers and subsidies and payments to capital assets amounts to R1. 685 billion.



thousand allocation for the construction of a landing space for the helicopter – what did this construction entail and where is it located?

- 3) The DPCI should provide a detailed breakdown of the resources procured for new units and pilots, including furniture, vehicles, IT, software and licensing for the amount of R35 million.

3. OUTSTANDING CONCERNS

3.1. Filling of vacant posts

Section 17DB of the SAPS Act, 1995 (Act 68 of 1995) provides for the staff establishment of the Directorate. It states that the National Head of the Directorate is responsible for the determination of the fixed establishment of the Directorate and the number and grading of posts, in consultation with the Minister and the Minister for the Public Service and Administration. The Act further states that the National Head of the Directorate is responsible for the appointment of staff, provided that where a member of the Service is appointed to the Directorate, the National Head of the Directorate shall do so after consultation with the National Commissioner.

The DPCI is currently in the process of filling the 700 vacancies within the Directorate. The Directorate is working with the Organisational Development (OD) Division of SAPS to identify and prioritise the vacant posts that must be advertised. To date, a total of 155 posts have been filled, leaving a further 545 posts outstanding. According to the DPCI, the filling of 95 posts out of the 545 vacant posts were concluded and announced on 10 August 2016. A total of 380 posts will be advertised and filled during the current financial year.

Comments and concerns

- 1) The DPCI should provide a breakdown of its staff structure with accompanying grading of posts and in which unit/sub-subprogramme of the Directorate these posts fall.
- 2) The Committee should request clarity from the Directorate whether the fixed establishment of the Directorate was determined in consultation with the Minister of Public Service and Administration as required through section 17DB of the SAPS Act, 1995.
- 3) The Directorate should provide the Committee with a copy of its strategy to fill the remaining 380 posts, which are not yet advertised, but will be filled during the 2016/17 financial year.
- 4) The Directorate should provide details on the reasons for the withdrawal of 10 posts that were advertised.

3.2. Establishment of new units

On 18 February 2016, President Jacob Zuma announced the establishment of two specialised units within the DPCI structure to deal with narcotics and illegal firearms. Officially, these units would be called the 1) South African Narcotics Enforcement Bureau and 2) the National Bureau for Illegal Firearms Control and Priority Violent Crime focusing on the proliferation of illegal firearms, including the irresponsible use of firearms as well as focussing on serious violent crime.