



**Briefing to the Portfolio Committee on Police on the DPCI Budget and
Annual Performance Plan 2021/2021
4 & 5 MAY 2021**

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National Head of the Directorate for Priority Crime Investigation

Scope of the Presentation

- Introduction
- Mandate of the DPCI
- The Act regulating the existence of the DPCI
- Workforce Profile
- Overview of the Performance Indicators measured: 2021/2022
- Emerging Priorities
- Overall analysis of the Directorate's Estimated budget
- Expenditure trends and estimates
- Estimate expenditure per economic classification of payment for the Directorate
- Summary

Introduction

To provide the Portfolio Committee on Police with the information relating to the following:

- Key Performance Indicators as aligned to the Medium Term Strategic Framework (MTSF);
- SAPS Annual Performance Plan: 2020/21; and
- DPCI financial information

Mandate of the DPCI

The **Mandate of the DPCI** is to prevent, combat and investigate national priority offences focussing on:

- Serious Organised Crime;
- Serious Commercial Crime; and
- Serious Corruption.

Section 17A of the Act defines “national priority offence” as:

- Organised crime;
- Crime that requires national prevention or investigation;
- Crime that requires specialized skills in the prevention or investigation thereof, as referred to in section 16(1) of the SAPS Act.

The Act Regulating the existence of DPCI(1)

- To give effect to the provisions of the South African Police Service Act, Act 68 of 1995 relating to Finances and Financial Accountability, it is required that the total monies for the Directorate be allocated to the National Head: DPCI for internal apportioning to the Provincial Heads.
- **Section 17H(1) (a) (b) (d) and Section 17H (5) of the SAPS Act 68 of 1995** provides for the specific and exclusive appropriation of monies for the purpose of the exercise of powers, carrying out of duties and performance of functions of the Directorate which also include the remuneration and the conditions of service.
- **Section 17K** makes provision for a **separate and exclusive programme** that will enable **Parliamentary oversight** of the functioning of the Directorate and the Committees established in terms of this Chapter.
- This will further enable the implementation of **section 17H(4)(d)** that requires a report on the performance of the Directorate as a **distinct programme in the Annual report**



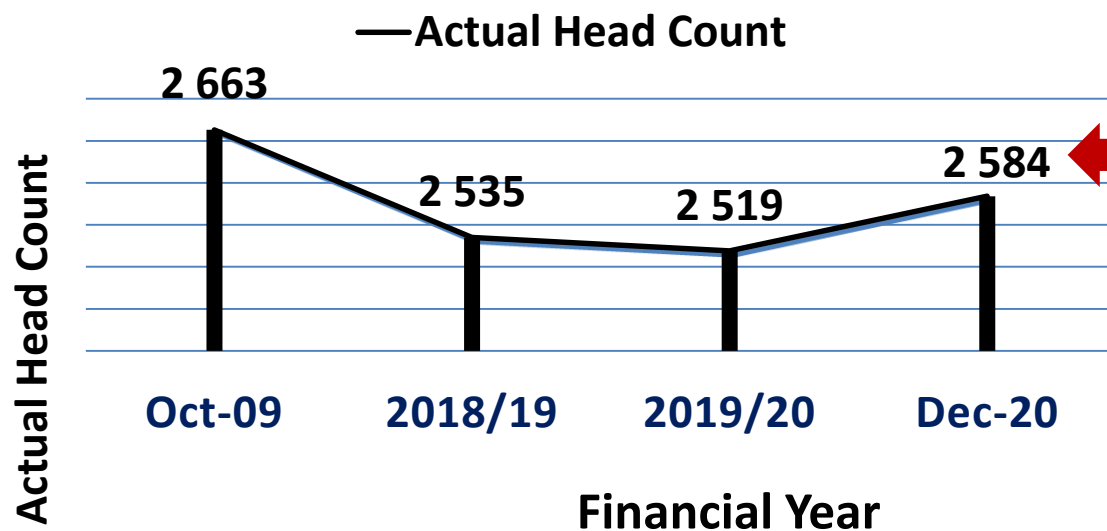
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DIRECTORATE FOR PRIORITY CRIME INVESTIGATION

Workforce Profile as at 31 December 2020

WORKFORCE PROFILE

HEADCOUNT OVERVIEW SINCE INCEPTION OF THE DPCI IN 2009



The current head count of **2 584** is inclusive of **management, administrative personnel, analysts** as well as **Public Service Act personnel**.

Approximately **1 832** are operational personnel, **but not all** are investigating officers as mentioned above.

752 are **Public Service Act** personnel.

- Against the fixed establishment of **5 332**, the DPCI functions with a **48% workforce**, an actual headcount of **2 584**, remaining with a deficit of **52% (2 748)**.
- The continuous attrition of personnel impacts on the workload and quality of investigations.
- A further inhibiting factor to the attrition of personnel is the absence of a retention strategy and implementation of **Section 17 G** of the SAPS Act No 68 of 1995, **since 2009**. The implementation of Section 17 G will support the Directorate in retaining its personnel.

WORKFORCE PROFILE

LOSS OF MEMBERS TO OTHER ENTITIES

- We are currently in the process of capacitating the DPCI with human resources and to date this has yielded positive results.
- However this remains far from the desired fixed establishment of **5 332 as has been depicted in the previous slide.**
- In our marginal gains we also face the **risk of attrition** for various reasons.
- Of recent **nine (9) members** from the DPCI have been appointed in the NPA and this being for a more attractive package.
- DPCI tends to **remain lacking in retaining its personnel** and this is also attributed to the **non-implementation of Section 17 G of the SAPS Act,1995. (Act No. 68 of 1995)**, which speaks to the condition of service/salary dispensation for members within the DPCI.
- Should this exodus continue, seasoned detectives will be lost, resulting in investigations being compromised through time and quality.

OVERVIEW OF THE PERFORMANCE INDICATORS MEASURED IN THE APP 2021/2022

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The following seven (7) performance indicators are measured in the APP 2021/2022:

1. Percentage of trial-ready case dockets for serious corruption within the public sector;
2. Percentage of trial-ready case dockets for serious corruption within the private sector;
3. Percentage of trial-ready case dockets for serious corruption within the JCPS Cluster;
4. Percentage of registered serious organised crime project investigations successfully closed;
5. Percentage of identified clandestine laboratories dismantled with arrests;
6. Percentage of trial-ready case dockets for serious commercial crime; and
7. Percentage of serious cyber-related crime support case files successfully investigated within 90 calendar days.

PERFORMANCE INDICATORS MEASURED IN THE APP 2021/2022 (a)

Outcomes and Sub-outcomes	Thorough and responsive investigation of crime: <ul style="list-style-type: none"> ▪ Improved perceptions of serious fraud and corruption in the private and public sectors 					
Outputs	Output Indicators	Audited/Actual Performance			Estimated Performance	Annual Target
		17/18	18/19	19/20	20/21	21/22
Reduced levels of serious corruption in the public and private sectors	Percentage of trial-ready case dockets for serious corruption within the public sector	New performance indicator	New performance indicator	Revised performance indicator	72.34% (68 from a total of 94)	65%
	Percentage of trial-ready case dockets for serious corruption within the private sector	New performance indicator	New performance indicator	Revised performance indicator	78.48% (124 from a total of 158)	65%
	Percentage of trial-ready case dockets for serious corruption within the JCPS Cluster	Revised performance indicator	Revised performance indicator	Revised performance indicator	85.15% (304 from a total of 357)	65%

PERFORMANCE INDICATORS MEASURED IN THE APP 2021/2022 (b)

Outcomes and Sub-outcomes		Thorough and responsive investigation of crime: Reduced levels of serious organised crime				
Outputs	Output Indicators	Audited/Actual Performance			Estimated Performance	Annual Target
		17/18	18/19	19/20	20/21	21/22
Serious organised crime effectively investigated	Percentage of registered serious organised crime project investigations successfully closed	Revised performance indicator	Revised performance indicator	70% (7 from a total of 10)	Not measured in APP	72%
Reduction of drug syndicates (through the implementation of the Narcotics Intervention Strategy and Drug Master Plan)	Percentage of identified clandestine laboratories dismantled with arrests	Revised performance indicator	Revised performance indicator	100% (24 from a total of 24 with 56 arrests)	90% (27 from a total of 30 laboratories dismantled with arrests)	90%

PERFORMANCE INDICATORS MEASURED IN THE APP 2021/2022 (c)

Outcomes and Sub-outcomes		Thorough and responsive investigation of crime: Reduced levels of serious commercial crime				
Outputs	Output Indicators	Audited/Actual Performance			Estimated Performance	Annual Target
		17/18	18/19	19/20	20/21	21/22
Serious commercial crime effectively investigated	Percentage of trial-ready case dockets for serious commercial crime	70.04% (2 270 from a total of 3 241)	74,37% (2 107 from a total of 2 833)	Revised performance indicator	66.09% (1 717 from a total of 2 598)	65%

PERFORMANCE INDICATORS MEASURED IN THE APP 2021/2022 (d)

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Outcomes and Sub-outcomes		Thorough and responsive investigation of crime: Ensure an effective response to serious cyber-related crime				
Outputs	Output Indicators	Audited/Actual Performance			Estimated Performance	Annual Target
		17/18	18/19	19/20	20/21	21/22
Successfully investigated serious cyber-related crime support case files	Percentage of serious cyber-related crime support case files successfully investigated within 90 calendar days	New performance indicator	Revised performance indicator	Revised performance indicator	65.05% (67 from a total of 103)	65%

EMERGING PRIORITIES FOR 2021/2022

EMERGING PRIORITIES

- Continued investigations of COVID-19 related cases (Solidarity Fund)
- Truth and Reconciliation Cases;
- Clean Audits-focusing on Municipalities;
- Expediting the recruitment process in order to capacitate the DPCI;
- Acquiring of suitable accommodation for the DPCI;
- Procuring of Information Technology/Modernisation of systems; and
- Expanding on Training

REVITALISATION OF THE FUSION CENTRE

- The Fusion Centre was established in **2019** to deal with money laundering and related activities.
- On **15 May 2020**, the Fusion Centre was assigned another responsibility of coordinating the law enforcement agencies' response to allegations of corruption, or related activities, including **maladministration of funds in respect of the SA's government's relief and containment interventions** which are intended to counter the detrimental economic and social impact of the COVID-19 pandemic.
- The Fusion Centre is focussed on detection, investigation, prosecution and recovery of assets, through a **multi-disciplinary approach** and in **collaboration** with other entities.

MANDATE OF THE FUSION CENTRE AS ASSIGNED BY THE ANTI-CORRUPTION TASK TEAM (ACTT)

MANDATE

Platform for law-enforcement collaboration to prevent, detect early, intelligent-led investigations, prosecute and recover assets relating to **CORRUPTION OR RELATED ACTIVITIES IN RESPECT OF COVID-19 RELIEF FUNDS** to counter the detrimental economic and social impact of the pandemic.

WHY?



There are those who are inclined to engage in activities to illegally benefit from Government's relief and containment measures.
Globally there has been a misdirection of government funds and increased corruption relating to covid-19 funds,
Swift and effective response will serve as a strong deterrence.

FOCUS



Real time risk detection, followed by prompt coordinated action by law-enforcement entities to ensure expedited investigation, prosecution and recovery of assets.

HOW?



- This work is guided by the provisions of the Disaster Management Act 57 of 2002.
- The ACTT, including the National Treasury has identified areas of risk (e.g. in the procurement space), in line with international trends, that indicate increased opportunities for fraud and corruption during times of health crises.

STAKEHOLDERS – OPERATIONAL HUB (OH)

- The Operational Hub in the **Fusion Centre** is constituted and staffed by government officials from the following entities:
 - Directorate for Priority Crime investigation (**DPCI**)
 - National Prosecuting Authority (**NPA**)
 - Specialised Commercial Crime Unit (**SCCU**)
 - Asset Forfeiture Unit (**AFU**)
 - Detective Service (**DS**) in the South African Police Service (**SAPS**)
 - Special Investigating Unit (**SIU**)
 - Financial Intelligence Centre (**FIC**)
 - South African Revenue Service (**SARS**)
 - Intelligence Communities
 - State Security Agency (SSA)
 - National Intelligence Coordinating Committee (NICOC)
 - Crime Intelligence (CI) in SAPS



MALADMINISTRATION AND CORRUPTION



COVID-19 corruption related *Incidents and Cases* investigated as well as recoveries of the proceeds by Law Enforcement Agencies at the Fusion Centre.

- ❖ The number of **incidents** registered totalling to **144** with **116** under investigation and **28** closed.
- ❖ A total of **132 cases** were registered with **91** under investigation, **19** were closed and **22** to court with **39** accused persons

Report date	INCIDENTS = 144		CASES = 132				FIC Freezing of bank accounts - Number instances and Estimated value	AFU Recovery (POCA) - Number and Estimated value	SIU Recovery (Tribunal) Number and Estimated value	SARS Recovery Number and Estimated value
	Under Investigation	Closed	Under investigation	Closed	Court	Accused				
2021-04-15	116	28	91	19	22	39	18 R149,0m	14 R123,4m	12 R289,1m	8 R247,5m

Overall analysis: DPCI Estimated budget (1)

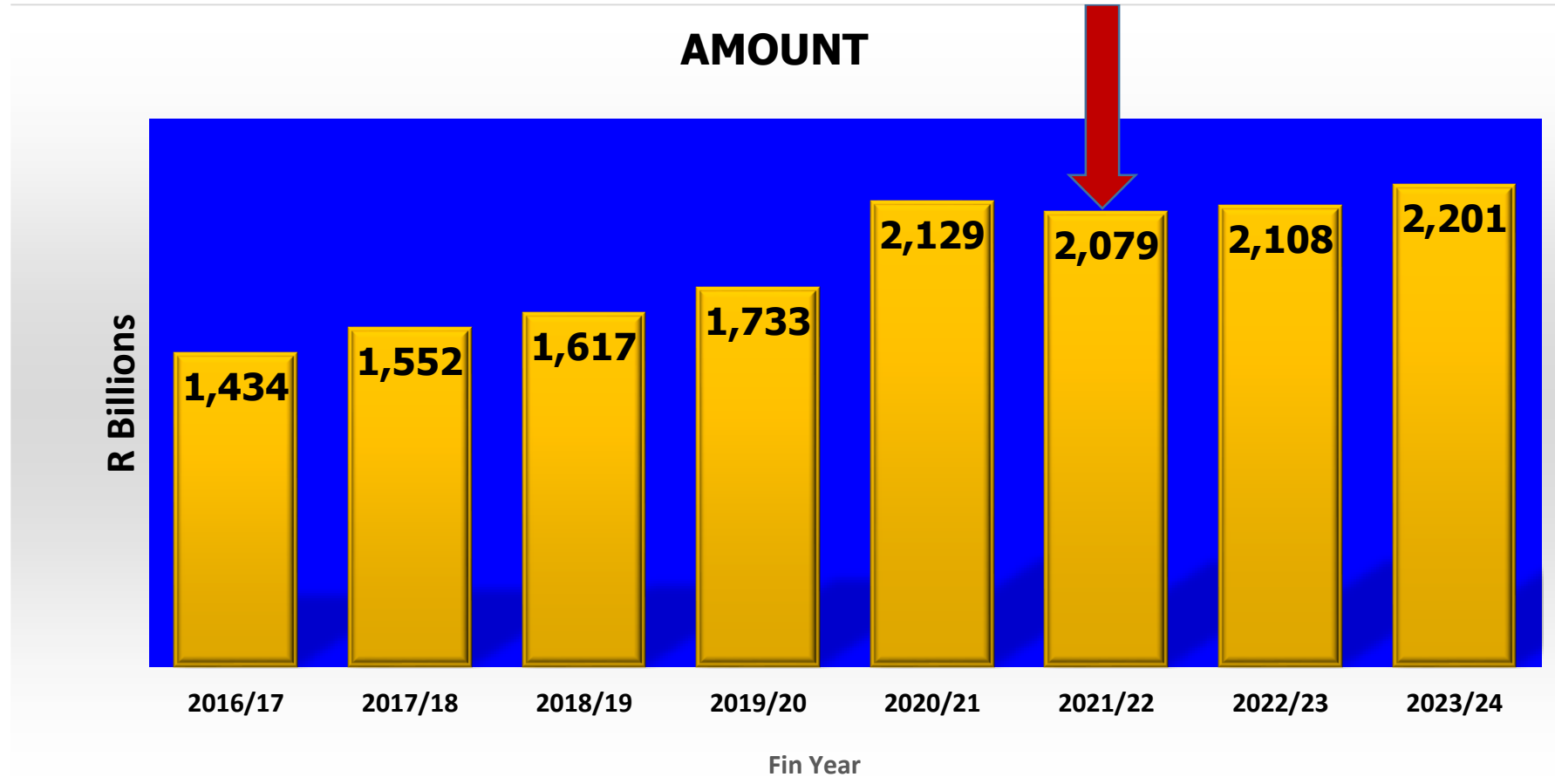
- For the 2021/22 financial year, the DPCI received a total of **R2.079 billion**, a **decrease by 2.3 per cent** from the previous 2020//21 allocation of **R2.129 billion**.
- In determining 2021 MTEF budget proposals, a total of **R327 million in the 2020 MTEF** was prioritised for the DPCI over the medium term to **strengthen its capacity to deal with backlog cases** in line with the Integrated Criminal Justice Strategy.
- The funding has since been **reduced to R306 million**.
- The funding was **not utilised as anticipated due to COVID-19 pandemic** which **affected the entire recruitment process**.

Overall analysis: DPCI Estimated budget (1)

The following recruitment process will be finalised during the 2021/22 financial year.

- 104 Contract workers were appointed with effect from **2021-04-01** to deal with backlog cases such as Truth and Reconciliation Commission and Steinhoff cases.
- 274 posts from level 5 to 12 already advertised, interviews are currently being conducted.
- 197 posts from salary level 5 to 12 still to be advertised.
- 7 Senior Manager posts to be advertised.

Expenditure Trends and Estimates Year on Year



Expenditure Trends and Estimates Year on Year

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SCOA Items R thousand	2020/2021 Adjusted R'000	2021/2022 Estimate R'000	% Increase	2022/2023 Estimate R'000	% Increase	2023/2024 Estimate R'000	% Increase
<u>Current payments</u>	2 069 604	2 016 350	-2,6%	2 042 562	1.3%	2 133 145	4.4%
- Compensation of employees	1 801 334	1 743 862	-3,2%	1 762 701	1.1%	1 851 482	5.0%
- Goods and services	268 270	272 488	1.6%	279 861	2.7%	281 663	0.6%
<u>Transfers and subsidies</u>	14 109	14 331	1,6%	14 854	3.6%	14 949	0.6%
-Provinces & Municipalities	1 168	1 183	1,3%	1 215	2.7%	1 219	0.3%
- Households	12 941	13 148	1.6%	13 639	3.7%	13 730	0.7%
<u>Payments for capital assets</u>	45 937	48 463	5.5%	50 886	5%	53 129	4.4%
- Machinery and equipment	45 937	48 463	5.5%	50 886	5%	53 129	4.4%
TOTAL	2 129 650	2 079 144	-2.4%	2 108 302	1.4%	2 201 223	4.4%

Summary

- Compensation of employees is and will remain the largest cost driver, constituting 83,9% and amounts to R1,7 billion of the total budget for 2021/22, which is paid by National Head Office (SAPS) and 16,1% allocation for DPCI Provincial and Components amounts to R329 million for operational use.
- Therefore, DPCI National is responsible for the payment of an overtime amount estimated to R13 million allocation, which forms part of Compensation of employees.
- The importance of cost containment measures has been emphasised, to reduce spending levels.
- During the 2021/22 financial year, DPCI will focus on the capacitation of some of the units.
- Other major cost drivers are fuel, communications services and subsistence and travelling expenses.



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DIRECTORATE FOR PRIORITY CRIME INVESTIGATION



Thank You