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## **ANNUAL REPORT ANALYSIS: CIVILIAN SECRETARIAT FOR POLICE SERVICE 2020/21**

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## **1. INTRODUCTION**

This paper is in preparation for the engagement of the Portfolio Committee on Police on the 2020/21 Annual Report of the Civilian Secretariat for Police Service (CSPS) scheduled for 03 November 2021 and highlights the service delivery and financial performance of the Department during the 2020/21 financial year.

## **2. SUMMARY**

The Civilian Secretariat for Police Service (CSPS) continued to perform well in the 2020/21 financial year. The Department received an unqualified audit opinion with no material findings on performance or internal control deficiencies, but had a matter of emphasis on the material underspending recorded at year-end (as with the previous financial year).

As at the end of 2020/21, the Department had spent 95.9% of its Final Appropriation, thus underspending with R5. 624 million mainly recorded under compensation of employees. Material underspending on compensation of employees has been the key challenge of the Department since coming into operation in 2012.

The Department achieved 86% of its performance targets in 2020/21, which is the same as the previous financial year. The Department relies heavily on output performance targets as opposed to outcome performance targets.

Based on the Department's mandate, it is ideally placed to assist in the realisation of the National Development Plan's Vision 2030, to create a more professional police service in SA and to foster a



strong community-policing platform through Community Safety Forums (CSFs) and Community Policing Forums (CPFs). An increased focus is placed on a holistic approach to crime fighting, seeing violent crime as a societal problem and not a 'police problem' alone.

### 3. REPORT OF THE AUDITOR GENERAL OF SOUTH AFRICA (AG)

The Department received an unqualified audit opinion with no material findings on performance, but had a matter of emphasis on the material underspending recorded of R5.625 million at year-end. The Department has recorded continuous underspending since its coming into operation in 2012. The AG made no material findings on the reliability and usefulness of reported performance, compliance with legislation or internal control deficiencies.

#### Comments and questions

- 1) The Department should address the continuous underspending on its budget allocation. This has been a recurring finding by the AG. Despite the Department's inclusion of a performance indicator to measure and improve performance (*percentage expenditure in relation to budget allocation*) in this regard, the target has never been met since its inclusion in 2018/19.
- 2) The fact that there were no material findings on the usefulness and reliability of performance information, compliance to legislation or internal control deficiencies should be congratulated. This is an improvement compared to the previous financial year in which the AG found internal control deficiencies in consequence management in that no steps were taken against officials incurring fruitless and wasteful expenditure. The Department continues to have significant historic fruitless and wasteful expenditure.
- 3) The Committee should request a copy of the Management Letter from the Auditor-General, which includes the full set of audit findings, not only the broad findings published in the Annual Report.

### 4. FINANCIAL OVERVIEW 2020/21

#### 4.1. Overall financial performance

At the end of the 2020/21 financial year, the CSPS had spent R137.1 million or 95.9% of its Final Appropriation budget of R137.1 million, thus recording underspending of R5.6 million. The underspending was recorded in all four budget programmes of the Department:

- Programme 1: Administration - R1.695 million
- Programme 3: Legislation and Policy Development - R2.116 million
- Programme 4: Civilian Oversight, Monitoring and Evaluations - R1.809 million.

**Table 1: Appropriation statement 2020/21**

Programme R'000	Adjusted Appropriation	Virement	Final appropriation	Actual Expenditure	Variance	% Spent
1. Administration	60 947	2 685	63 632	61 937	1 695	97.3%
2. Intersectoral Coordination and Strategic Partnerships	23 290	(649)	22 641	22 637	4	100.0%



Programme R'000	Adjusted Appropriation	Virement	Final appropriation	Actual Expenditure	Variance	% Spent
3. Legislation and Policy Development	22 202	(1 447)	20 755	18 639	2 116	89.8%
4. Civilian Oversight, Monitoring and Evaluations	30 729	(589)	30 140	28 331	1 809	90.7%
<b>Total</b>	<b>137 168</b>	<b>-</b>	<b>137 168</b>	<b>131 544</b>	<b>5 624</b>	<b>95.9%</b>

Source: 2020/21 CSPS Annual Report

At economic classification level, the Department recorded underspending on *current payments*, specifically on *compensation of employees* (R5.4 million), which was mainly on *salaries and wages* (R4.6 million) due to the non-implementation of cost of living adjustments for staff in line with the 2018 public sector wage agreement, and vacant funded posts which were vacant for the most part of the financial year and only filled in the last quarter of the financial year.

The underspending on *transfers and subsidies* was mainly on *transfers to departmental agencies and accounts* (R81 000) due to the delayed finalisation of the Memorandum of Understanding (MOU) with the Safety and Security Sector Education and Training Authority (SASSETA). The MOU was only finalised in August 2020, and as such the Department was billed for 7 months instead of 12 months as planned.

#### Comments and questions

- 1) The largest underspending was recorded in the Legislation and Policy Development Programme, which is arguably the main service delivery programme of the Department. Despite the underspending, the Programme overachieved on its performance targets set for the 2020/21 financial year. The Department should explain the difference between performance and spending, as the two should be closely aligned. For instance, the Intersectoral Coordination and Strategic Partnerships Programme achieved 100% of its targets and spent 100% of its budget allocation at year-end.
- 2) The Department should explain why the MOU with the SASSETA was delayed and only completed in August 2020. This delay led to underspending at year-end.
- 3) The Department should explain the situation with the non-implementation of the cost of living adjustments for staff in line with the 2018 public sector wage agreement.

#### 4.2. Expenditure per Programme

**Programme 1: Administration:** The programme had an Adjusted budget of R60.9 million, which increased to a Final appropriation of R63.6 million during the fourth quarter of which the programme had spent R61.9 million or 97.3 per cent. Thus underspending of R1.6 million was recorded.

**Programme 2: Intersectoral Coordination and Strategic Partnerships:** The programme had an Adjusted appropriation of R23.3 million, which was reduced during the fourth quarter to a Final appropriation of R22.6 million, of which the programme had spent 100 per cent (a slight underspending of R4 000 was recorded, which is too little to affect the percentage expenditure of the Programme).



**Programme 3: Legislation and Policy Development:** The programme had an Adjusted appropriation of R22.2 million, which was decreased to a Final appropriation of R20.7 million during the fourth quarter of the 2020/21, of which the programme had spent 89.8 per cent of its allocation, thus underspending by R2.1 million at year-end. The underspending was mainly within the *Policy Development* subprogramme spending 88.9 per cent of its Final appropriation leaving R1.5 million unspent at year-end.

**Programme 4: Civilian Oversight, Monitoring and Evaluations:** The programme had an Adjusted appropriation of R30.7 million which was reduced slightly during the fourth quarter of the 2020/21 financial year to a Final appropriation of R30.1 million, of which the programme had spent 90.7 per cent, thus leaving R1.8 million unspent at year-end.

**Compensation of employees:** The underspending was largely from underspending on *compensation of employees (COE)*. The table below shows that COE had contributed significantly to underspending in the Department.

**Table 2: Underspending by the CSPS (total and COE)**

Financial year	Underspending on total final appropriation		Underspending on final appropriation on COE	
	Expenditure as a % of total final appropriation	Variance on total final appropriation (R'000)	Expenditure as a % of final appropriation for COE	Variance on COE (R'000)
2014/15	66.6%	17 403	87.8%	8 451
2015/16	89.8%	1 292	98.8%	814
2016/17	89.9%	11 152	83.8%	12 847
2017/18	94.4%	6 328	93.4%	5 819
2018/19	94.4%	7 355	93.9%	5 987
2019/20	96.3%	5 617	97.2%	2 829
2020/21	95.9%	5 624	94.8%	5 403

Source: CSPA Annual Reports 2014/15 to 2020/21

#### Comments and questions

- 1) The continuous underspending on compensation of employees remains a significant concern. Although the vacancy rate of 6.41% for 2020/21 is at an acceptable level and well-below the 10% vacancy rate accepted by Government, even a relatively small vacancy rate makes a significant impact.

#### 4.3. COVID-19 Spending

At the end of the 2020/21 financial year, the Department had spent R426 085.70 on COVID-19 related interventions, of which 24.9% was on sanitizing and disinfectant items. This expenditure was incurred in the *Administration* programme, specifically in the *Corporate Services* subprogramme. The funds were used to purchase PPE items such as: *sanitisers, surgical and cloth masks, disposable gloves and digital thermometers*. The highest expenditure on items related to COVID-19 interventions were:



- Overtime payment to staff assisting with transportation of frontline workers: R127 136.84
- 12-month contract with fumigation company for disinfection: R90 892.26
- Transportation provided to frontline workers: R74 001.56
- Procurement of hand sanitizers, surface disinfectant and fibre cloths for employees: R55 768.04 and R50 569.45, thus a total of R106 337.49 was spent on these items, making it the largest procurement item.

Members should note the quarterly progression in COVID-19 related expenditure:

- Q1: R0
- Q2: R139 000
- Q3: R0
- Q4: R287 000
- Total: R426 085.70

As such, the bulk of COVID-19 related procurement was made during the last quarter of the 2020/21 financial year.

#### **Comments and questions**

- 1) The Department should explain the expenditure on transport services to frontline workers.
- 2) The Department should provide the name of the fumigation company to which the contract was awarded.
- 3) The Department should explain why there were no COVID-19 procurement during the first quarter of 2020 (April to June 2020) in light of the fact that lockdown started in March 2020.

#### **4.4. Unauthorised expenditure**

The Department did not incur any unauthorised expenditure during 2020/21, but has a large amount of historical unauthorised expenditure awaiting authorisation (R5.6 million) due to overspending of appropriated funds in 2015/16. The Department restated the amount in the current financial year. According to the Department, a letter was sent to National Treasury in March 2019 to request that the process be taken forward for authorisation of the amount by Parliament. The process is ongoing.

#### **4.5. Irregular expenditure**

The Department has not incurred additional irregular expenditure in 2020/21, but the historic irregular expenditure from previous year amounting to R39.305 million is still awaiting condonation. The bulk of the irregular expenditure originated in 2014/15 up to 2016/17 on two contracts namely *Wings/Naledi Travel Management* and *Routledge Modise* for legal fees. A request for condonation was submitted to National Treasury in March 2019 and feedback is awaited.

#### **4.6. Fruitless and wasteful expenditure**

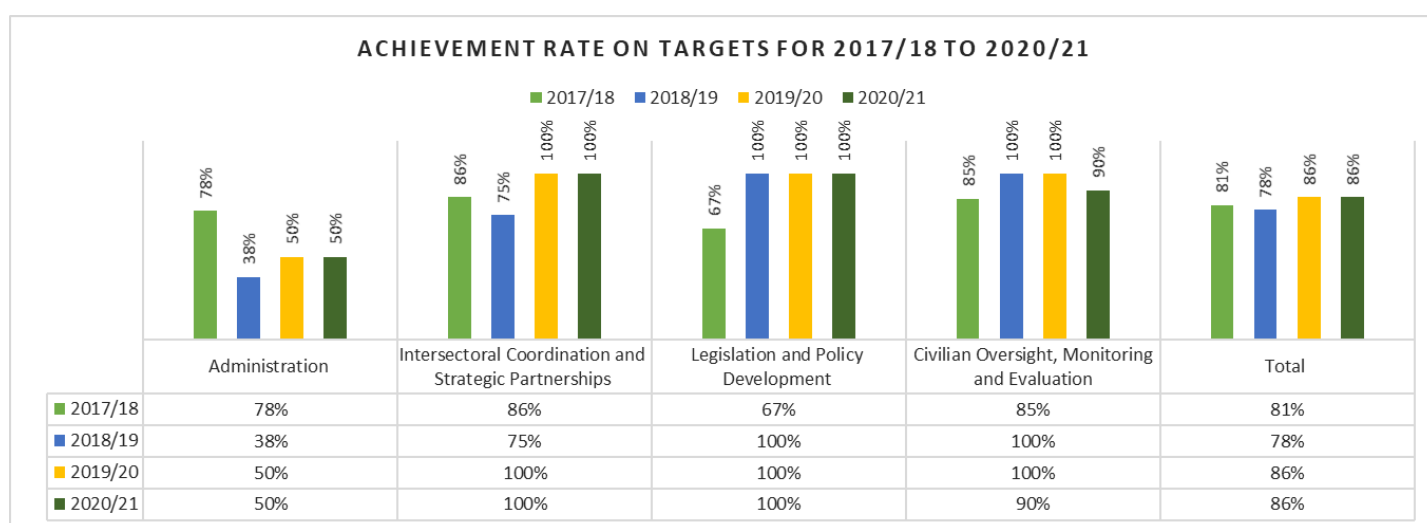
The Department incurred R17 000 in fruitless and wasteful expenditure in the 2020/21 financial year. During the period under review, historic fruitless and wasteful expenditure amounting to R193 000 was



written off. As such, the Department's closing balance was R32 000 which is a significant reduction from the R209 000 of the previous financial year.

## 5. PERFORMANCE OVERVIEW 2020/21

The overall performance of the Department remained at 86% achievement on predetermined targets compared to the previous financial year. Half of the budget programmes achieved 100% of their performance targets, with only the Civilian Oversight, Monitoring and Evaluation Programme performance declining compared to the previous financial year (one less target achieved).



### 5.1. Programme 1: Administration

The Administration Programme achieved 50% of planned targets and had spent 97.3% of its budget allocation. The targets that were not achieved were missed by a small margin. The Programme failed to achieve the following performance targets:

Percentage implementation of the Human Capital Strategy <ul style="list-style-type: none"> <li>• Target: 100%</li> <li>• Achievement: 99%</li> <li>• Deviation: -1%</li> </ul>	Percentage implementation of the Information and Communication Technology (ICT) Strategy <ul style="list-style-type: none"> <li>• Target: 100%</li> <li>• Achievement: 98%</li> <li>• Deviation: -2%</li> </ul>	Percentage expenditure in relation to budget allocation <ul style="list-style-type: none"> <li>• Target: 98%</li> <li>• Achievement: 96%</li> <li>• Deviation: -2%</li> </ul>
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According to the Department, in terms of the implementation of the Human Capital Strategy, the Department successfully managed to develop 10 operational strategies and 14 policies, which were all approved. The 1% variance constitutes only 1 activity in the strategy implementation plan, which is the return of 80/90% of the job satisfaction survey questionnaire by employees. The activity was not fully achieved due to the unpredictable nature of surveys, particularly in terms of the slow response rate from employees. The 2% variance on the ICT Strategy constitutes activities which could not be completed because of COVID-19.



### Comments and questions

- 1) The Department should indicate what was the outcome of the job satisfaction survey questionnaire by employees? The Department indicated that the return/response rate was low. What can be attributed to the slow response rate and what informed the specific survey? Was the survey questionnaire developed and administered in-house or was it outsourced?
- 2) What specific factors related to COVID-19 prevented the full implementation of the ICT Strategy?

## 5.2. Programme 2: Intersectoral Coordination and Strategic Partnerships

The Intersectoral Coordination and Strategic Partnerships Programme achieved 100% of its annual performance targets and had spent 100% of its allocated budget. The Programme held one more workshop with provincial secretariats and municipalities on the establishment of Community Safety Forums (CSFs) than planned (10 from a planned 9 workshops). Similarly, the Programme held two additional provincial building workshops on crime prevention policies than planned (11 from a planned 9 workshops). The Programme also held two additional Anti-Crime Campaigns in 2020/21 than planned (5 from a planned 3 campaigns). The additional campaigns were focussed on Gender-Based Violence (GBV) and youth gangsterism.

As part of the revised APP process, the target for the *number of Izimbizo/public participation programs held with communities to promote community safety per year* was reduced from eight to four in the 2020/21 financial year. Despite this, the Programme managed to hold eight Izimbizo/public participation programmes during the financial year. The programmes focussed on rural safety, GBV and violence as a result of racial tension in hotspot areas (amongst others).

### Comments and questions

- 1) The Department should explain how they used technological platforms to ensure that public participation programmes continued throughout 2020/21? What number of the eight programmes were held virtually and what was the participation/attendance at these virtual programmes? Does the Department think that virtual public participation programmes have the same impact as physical programmes? If so, will the Department continue virtual platforms post-COVID-19 restrictions?
- 2) The Department should explain the manner in which Community Safety Forum (CSF) workshops were held with provincial secretariats and municipalities to establish CSFs? What portion of the 10 workshops were held virtually?

## 5.3. Programme 3: Policy Development and Research

The Policy Development and Research Programme's performance remained at 100% compared to the previous financial year. Despite this performance, the Programme had only spent 89.8% of its allocated budget.

The Department completed the following **policing policies**:

- 1) e- Policing Policy Framework





- 2) Draft Integrated Crime and Violence Prevention Strategy

The Department completed the following **research projects**:

- 1) Examining the effectiveness of SAPS Discipline Management on Policing
- 2) Examining the effectiveness of the SAPS Basic Training Programme on service delivery
- 3) Roadmap for facilitating the implementation of the 2016 White Paper on Safety and Security

The Department made significant progress on nine policing-related **legislations**, including:

- 1) Second Hand Goods Amendment Bill 2020
- 2) The Protection of Constitutional Democracy against Terrorist and Related Activities Amendment Bill, 2020
- 3) The South African Police Service Amendment Bill 2020
- 4) The Firearms Control Amendment Bill, 2020
- 5) Controlled Animals and Animals Products Bill, 2020
- 6) The Independent Police Investigative Directorate Amendment Bill, 2020
- 7) Regulation of Gatherings Amendment Bill, 2020
- 8) The Amendment to the Firearms Control Act (60/2000) Regulations 2020
- 9) Amendments to the South African Police Service Act, 1995 (The DNA Regulations)

**The Department reported the following progress made on legislation as at the end of March 2021**

**South African Police Service Amendment Bill, 2020:** The SAPS Amendment Bill (SAPSA) was submitted to the Office of the Chief State Law Advisers on 12 March 2021. Following previous correspondence to the National Treasury, it was resolved that a meeting should take place between National Treasury and SAPS Finance Division, in order to discuss and arrive at a solution on the financial implications and challenges posed by the Bill. The meeting took place on 15 March 2021 and guidance was sought from National Treasury on taking the Bill forward within the context of the Intergovernmental Fiscal Relations Act, 1997. SAPS confirmed that they had no dedicated budget for the functions in respect of community policing structures and hence cannot transfer any funds to go with the transfer of the functions to the Provincial Secretariats for Police Service.

**Criminal Law (Forensic Procedures) Amendment Bill:** The Minister has approved the Bill for further processing to the Cabinet Committee of the JCPS Cluster. A request for approval of the Bill for introduction in Parliament shall be sought from Cabinet and a date is awaited to brief the Minister.

**Firearms Control Amendment Bill:** During March 2021, the drafting team briefed the Minister and the Deputy Minister on the revised version of the Bill and the Minister agreed that the Bill should be processed at the next JCPS Minister's Cluster meeting. The Bill was presented to the JCPS Minister's Cluster on 31 March 2021 for approval to process the Bill to Cabinet for public consultation. The bill was published for public comment on 21 May 2021. The deadline for comments was extended and closed on 02 August 2021.

**Independent Police Investigative Directorate Amendment Bill:** The Department of Justice and Constitutional Development (DOJ&CD) was requested to consider the proposal of extending the mandate of the IPID to include oversight over traffic police of various Municipalities, Metropolitan Police Services and certain Peace Officers who render the functions contemplated in the Criminal Procedure





Act 51 of 1977. The State Law Advisers were requested to advise on the same. On 19 March 2021, a status update on the progress of the Bill was provided to the CSPA/IPID Consultative Forum.

**Civilian Secretariat for Police Service Amendment Bill:** In March 2021, the Chief Directorate: Legislation circulated the Civilian Secretariat for Police Service Act 2 of 2011 and the Civilian Secretariat for Police Service Act Amendment Bill, with a request to staff to provide suggested amendments to the Act and input on the Bill by the end of March 2021.

**Protection of Constitutional Democracy against Terrorist and Related Activities Amendment Bill, 2020:** The Bill was presented to the JCPS Ministers Cluster on 31 March 2021, and was endorsed for further processing and for approval for public consultation.

#### Comments and questions

- 4) The Department should provide progress on the various legislation that is under way, especially the IPID Amendment Bill, SAPS Amendment Bill and the Firearm Control Amendment Bill.
- 5) The Department should indicate whether the Minister of Home Affairs responded to the request from the Minister of Police to develop a population database, which placed significant delays on processing the Criminal Law (Forensic Procedures) Amendment Bill. If so, can the Department elaborate on the response.
- 6) It seems that there is a significant challenge in the SAPS Amendment Bill regarding the funding of community policing structures. The amendment bill proposed that the functions and funding will shift to Provincial Secretariats for Police Service. However, these functions have never been budgeted for by the SAPS (unfunded mandate) and as such there are no funds to transfer with the function.
- 7) The Department should explain the concerns raised by the State Law Advisers that led to the removal of all proposals (from the IPID Amendment Bill) to extend the mandate of the IPID to cover all law enforcement agencies countrywide.

#### 5.4. Programme 4: Civilian Oversight, Monitoring and Evaluation

The Civilian Oversight, Monitoring and Evaluation Programme achieved 90% of its annual performance targets, which is a decline from the 100% achievement rate of the previous financial year. However, this represents only one target not achieved. Due to the limited access to courts due to COVID-19, the Programme could not finalise the police oversight report on *Court Watching Briefs*.

#### Comments and questions

- 1) The Department should make all the monitoring and analysis reports (completed during the 2020/21 financial year), available to the Committee, including the police oversight reports, SAPS Trend Analysis report, SAPS budget and programme performance assessment reports, assessment reports on complaint management, implementation of IPID recommendations, report on implementation and compliance to the Domestic Violence Act, report on the implementation of an compliance to legislation and policies, assessment report on police conduct and integrity and reports on the functioning of the National Forensic DNA Database.



- 2) The Department completed four reports on the functioning of the National Forensic DNA Database during the 2020/21 financial year. In 2020/21, the size of the National Forensic DNA Database has decreased to 743 730 forensic DNA profiles from 1 616 535 profiles in 2018/19. This is attributed to challenges with the poor compliance rates of detectives taking buccal samples from persons arrested and charged for Schedule 8 offences, as well as the significant increase in DNA backlogs. During 2020/21, 207 840 profiles were expunged on the Database, while only 4 693 new profiles were loaded. Did the Department pick-up on the serious decline of the DNA Database and what steps were taken to address the findings? Did the reports contain any recommendations to the SAPS or to the Minister of Police and what are these recommendations?

## 6. HUMAN RESOURCE MANAGEMENT

At the end of 2020/21, the Department had 146 filled posts against the approved Human Resource Budget Plan (HRBP) annual target of 156 posts for 2020/21. This translated into a vacancy rate of 6.41%. These vacant posts, coupled with the non-implementation of the 2018 public sector wage agreement, translated into underspending of R5.4 million on *compensation of employees*. When compared with the same period in 2019/20, the vacancy rate in the Department has decreased by 8.1 percentage points or 13 vacant posts. The vacancy rate recorded in the 2020/21 financial year was the lowest recorded by the Department since the 2018/19 financial year.

**Note:** It is important to note that National Treasury commended the Department for the improvement recorded in the number of filled posts in the 2020/21 financial year. However, the Department was requested to apply caution when filling vacant funded posts going forward, particularly given the budget reductions effected on *compensation of employees* over the 2021 MTEF period.

In the 2020/21 financial year, the Department had an overall turnover rate of 7.59%, which is a significant decrease compared to 11.15% turnover in the previous financial year. The turnover rate was the highest in the highly skilled production salary band (levels 6-8) with a turnover rate of 9.38%.

### Comments and questions

- 1) The Department should indicate what steps will be taken to address the vacancy and turnover rates of the Department, especially in the Legislation and Policy Development Programme.
- 2) The Department should provide clarity on the number of contract employees and why they had a turnover rate of 200% on contract employees.
- 3) Capacity constraints have been raised continuously by the Department to explain underperformance and underspending. The Department should indicate whether they are experiencing challenges with attracting employees.

## 7. REFERENCES

Civilian Secretariat for Police (CSP) (2020). *2020/21 Annual Performance Plan*  
Civilian Secretariat for Police (CSP) (2021). *2020/21 Annual Report*