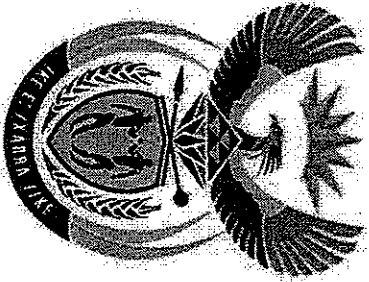


PC correct
9 October
2012



correctional services

Department:
Correctional Services
REPUBLIC OF SOUTH AFRICA

PRESENTATION TO PORTFOLIO COMMITTEE

1st QUARTER EXPENDITURE REPORT
2012/13 FINANCIAL YEAR

29 August 2012

Discussed on: 29 Sept 2012





OUTLINE OF THE PRESENTATION

1. SUMMARY OF NATIONAL STATE OF EXPENDITURE
2. COMMENTS ON NATIONAL STATE OF EXPENDITURE PER PROGRAMME
SUMMARY OF NATIONAL STATE OF EXPENDITURE PER PROGRAMME
3. COMMENTS ON THE NATIONAL STATE OF EXPENDITURE PER ECONOMIC CLASSIFICATION
SUMMARY OF THE NATIONAL STATE OF EXPENDITURE PER ECONOMIC CLASSIFICATION

**1. SUMMARY OF NATIONAL STATE OF EXPENDITURE FOR THE YEAR
TO DATE: 30 JUNE 2012**

Budget allocation	R'000
Less: Expenditure	17,732,188
Total amount available	3,696,223
Percentage spent	14,035,965
	20.84%

2. COMMENTS ON THE NATIONAL STATE OF EXPENDITURE FOR THE YEAR TO DATE PER PROGRAMME: 30 JUNE 2012

- The year-to-date expenditure of the Department as at 30 June 2012 was R3.696 billion (20.84%) against the original spending plan of R4.108 billion (23.17%) resulting in R412 million (2.33%) of the allocated budget [under-spending] against the spending plan.
- Factors that contributed to the under/over-spending per programme are as follows:
 - Programme Administration: The actual spending of R1.039 billion (21.10%) against the budget spending plan of R1.035 million (21.01%) (over-spending) is mainly due to the net effect of an over-spending arising from the non-clearing of stores items that were issued to other programmes as well as higher than anticipated expenditure on agency and support, legal services and an under spending on computer services.
 - Programme Incarceration: The actual spending of R2.014 billion (21.30%) against the budget spending plan of R2.244 billion (23.73%) (under-spending) is mainly due to low spending on contractors and buildings as a result of outstanding invoices from DPW for capital works for April to June as well as outstanding general salary increases from May 2012 to date under Compensation of Employees.
 - Programme Rehabilitation: The actual spending of R173 million (17.85%) against the budget spending plan of R231 million (23.81%) (under spending) is mainly due to low payments made than anticipated in spending plan for processable materials as well as outstanding general salary increases from May 2012 to date under Compensation of Employees.

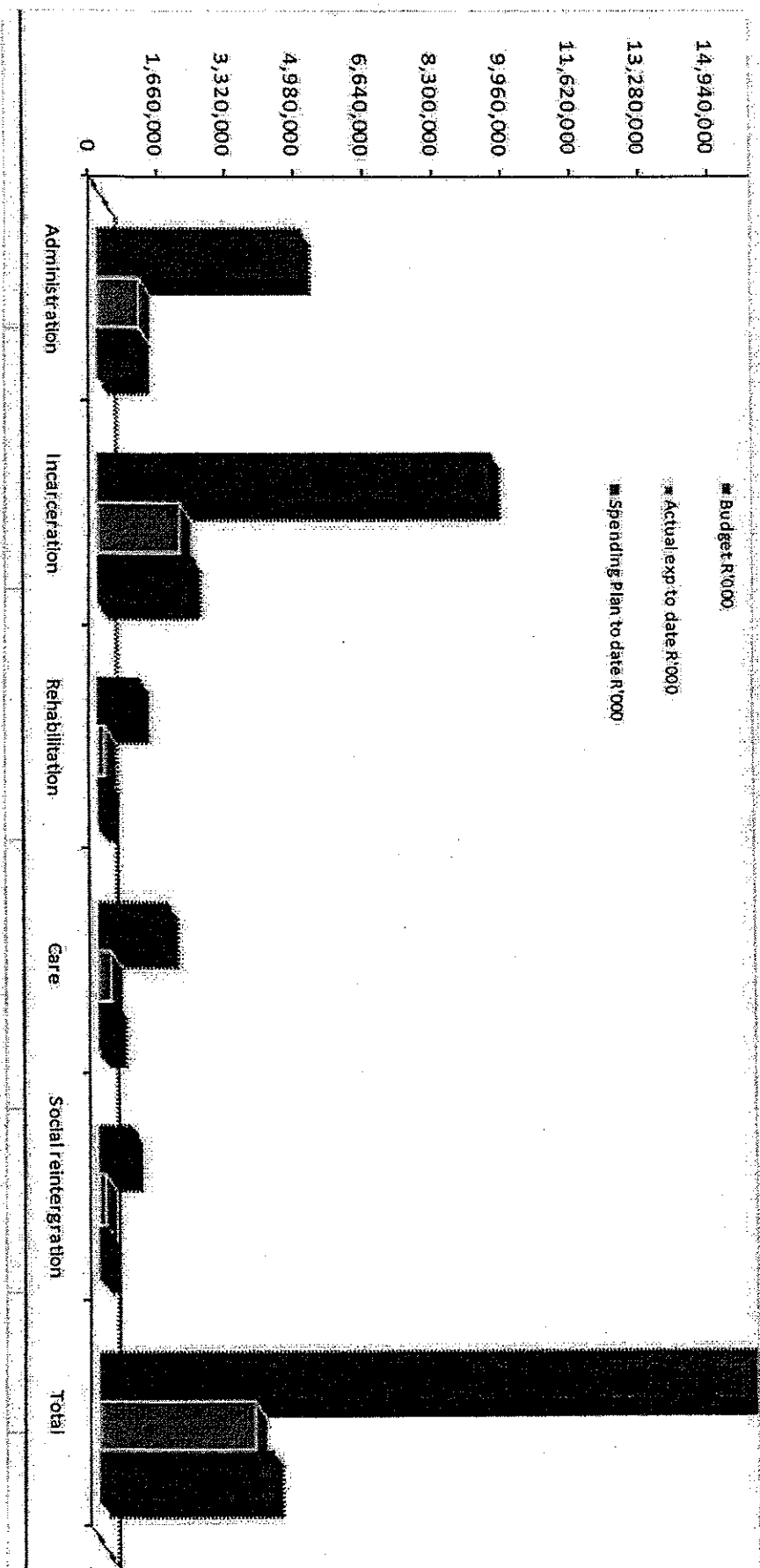
2. COMMENTS ON THE NATIONAL STATE OF EXPENDITURE FOR THE YEAR TO DATE PER PROGRAMME: 30 JUNE 2012 (CONTINUED)

- Programme Care : The actual spending of R306 million (18.78%) against the budget spending plan of R413 million (25.36%) (under-spending) is mainly due to non-clearing of stores items that were issued to programme Care for food and food suppliers, medical suppliers and personal hygiene items as well as general salary increase which was originally projected from May and has not been implemented.
- Programme Social Reintegration: The actual spending of R163 million (21.80%) against the budget spending plan of R185 million (24.67%) (under-spending) is mainly due to invoices that have been received but not yet been processed for Office Accommodation for Community Corrections as well as delay of clearance of GG expenditure under Goods and Services.

2. SUMMARY OF STATE OF EXPENDITURE PER PROGRAMME FOR THE YEAR TO DATE: 30 JUNE 2012 (CONTINUED)

Programme	Budget R'000	Actual exp to date R'000	% Actual	Spending Plan to date R'000	% Spending g plan	Budget avail R'000
Administration	4,924,039	1,038,838	21.10%	1,034,638	21.01%	3,885,201
Incarceration	9,457,207	2,014,522	21.30%	2,244,038	23.73%	7,442,685
Rehabilitation	972,058	173,521	17.85%	231,447	23.81%	798,537
Care	1,630,469	306,192	18.78%	413,428	25.36%	1,324,277
Social reintegration	748,415	163,150	21.80%	184,656	24.67%	585,265
Total	17,732,188	3,696,223	20.84%	4,108,207	23.17%	14,035,965

2. STATE OF EXPENDITURE PER PROGRAMME FOR THE YEAR TO DATE: 30 JUNE 2012 (CONTINUED)



3. COMMENTS ON THE NATIONAL STATE OF EXPENDITURE FOR THE YEAR TO DATE PER ECONOMIC CLASSIFICATION: 30 JUNE 2012

- Compensation of Employees: The actual spending of R2.633 billion (22.80%) against the budget spending plan of R2.760 billion (23.90%) (under-spending) is mainly due to the vacancies which the department is in the process of filling as well as the outstanding general salary increase which was supposed to be implemented from May 2012.
- Goods & Services: The actual spending of R967 million (19.08%) against the budget spending plan of R1.124 billion (22.18%) (under spending) is mainly due to slow spending on medical suppliers, contractors, computer services as well as inventory for material supplies and consumables.
- Transfers and Subsidies: The actual spending of R18 million (24.61%) against the budget spending plan of R16 million (21.46%) (over spending) is mainly as a result of leave gratuity payments made due to service terminations in the Department.
- Payments for Capital Assets: The actual spending of R78 million (7.48%) against the budget spending plan of R208 million (19.99%) (under-spending) is mainly due to low expenditure on buildings as a result of low billing from the Department of Public Works for capital works projects and machinery and equipment than anticipated in the spending plan.

3. SUMMARY OF STATE OF EXPENDITURE PER ECONOMIC CLASSIFICATION FOR THE YEAR TO DATE: 30 JUNE 2012 (CONTINUED)

GFS Classification	Budget R'000	Actual exp to date R'000	% Actual	Spending plan to date R'000	% Spending plan	Budg avail R'000
Compensation of Employees	11,550,343	2,633,092	22.80%	2,760,142	23.90%	8,917,251
Goods & Services	5,068,989	967,151	19.08%	1,124,531	22.18%	4,101,838
Thefts and losses	0	22	0.00%	0	0.00%	-22
Transfers & Subsidies	74,173	18,257	24.61%	15,919	21.46%	55,916
Payment of Capital Assets	1,038,683	77,701	7.48%	207,615	19.99%	960,982
Total	17,732,188	3,696,223	20.84%	4,108,207	23.17%	14,035,965

3. STATE OF EXPENDITURE PER ECONOMIC CLASSIFICATION FOR THE YEAR TO DATE: 30 JUNE 2012 (CONTINUED)

