

JUSTICE AND CONSTITUTIONAL DEVELOPMENT

JOINT BUDGET COMMITTEE:

14 November 2006

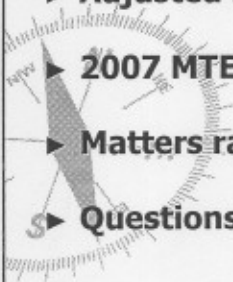
**HEARINGS ON THE MEDIUM TERM
BUDGET POLICY STATEMENT**



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AGENDA

- ▶ **2006 and 2007 Half Year Financial Performance Review**
- ▶ **2006 Audit Outcomes**
- ▶ **Adjusted Estimates 2006**
- ▶ **2007 MTEF Priorities**
- ▶ **Matters raised in MTBPS**
- ▶ **Questions?**



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Expenditure 2005/06 and preliminary expenditure 2006/07

Table 23.3: Justice and Constitutional Development

Programme	2005/06				2006/07		
	Expenditure outcome				Preliminary expenditure		
	Adjusted appropriation	Apr 2005 - Sep 2005	Apr 2005 - Mar 2006	Apr 05 - Mar 06 % of adjusted appropriation	Adjusted appropriation	Apr 2006 - Sep 2006	% change 05/06 - 06/07 Apr - Sep
R thousand							
1. Administration	650 576	313 535	600 368	91,0	775 679	287 582	(8,3)
2. Court Services	2 289 577	787 076	1 992 706	87,0	2 748 613	998 810	26,9
3. State Legal Services	313 824	136 146	299 594	95,5	385 754	155 156	14,0
4. National Prosecuting Authority	1 354 810	559 121	1 399 923	103,3	1 582 062	857 918	11,5
5. Auxiliary and Associated Services	838 243	451 802	860 606	102,7	866 539	472 154	4,5
Subtotal	5 455 030	2 287 680	5 153 195	94,4	6 478 647	2 581 595	12,8
Direct charge against the National Revenue Fund	849 977	524 872	1 048 898	122,4	1 071 056	539 950	2,9
Judges' Salaries	187 877	125 118	228 822	121,8	234 549	130 741	4,5
Magistrates' Salaries	662 100	399 754	811 276	122,5	836 507	409 209	2,4
Total	6 306 007	2 812 552	6 193 293	98,2	7 549 703	3 121 545	11,0

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Expenditure 2005/06 and preliminary expenditure 2006/07

Table 23.3: Justice and Constitutional Development (continued)

Programme	2005/06				2006/07		
	Expenditure outcome				Preliminary expenditure		
	Adjusted appropriation	Apr 2005 - Sep 2005	Apr 2005 - Mar 2006	Apr 05 - Mar 06 % of adjusted appropriation	Adjusted appropriation	Apr 2006 - Sep 2006	% change 05/06 - 06/07 Apr - Sep
R thousand							
Current payments	5 137 970	2 274 980	4 968 298	96,7	6 128 881	2 454 262	7,8
Compensation of employees	3 253 986	1 627 904	3 268 613	100,4	3 901 500	1 719 416	5,6
Goods and services	1 884 054	848 322	1 857 289	88,0	2 225 391	733 163	13,4
Financial transactions in assets and liabilities	-	754	46 416	-	-	1 683	123,2
Transfers and subsidies	697 133	419 691	760 970	109,2	805 888	439 748	5,6
Provinces and municipalities	7 784	3 532	10 405	133,7	4 456	2 836	(19,7)
Departmental agencies and accounts	685 407	412 692	703 812	102,7	795 110	410 407	(0,6)
Foreign governments and international organisations	-	377	4 106	-	3 644	485	20,7
Households	3 942	-	42 647	1081,9	2 678	26 042	(100,0)
Payments for capital assets	470 904	120 971	464 825	98,5	616 534	227 543	88,1
Buildings and other fixed structures	317 375	99 097	306 312	96,3	355 836	152 885	54,3
Machinery and equipment	151 135	21 718	157 280	104,1	299 338	54 480	150,9
Software and other intangible assets	1 794	156	453	25,3	11 760	20 198	12847,4
Total	6 306 007	2 812 552	6 193 293	98,2	7 549 703	3 121 545	11,8

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Key features of Departmental 2007 Half Year Financial Performance Review

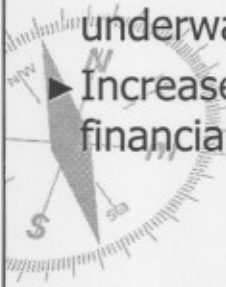
- ▶ Current payments 38 % spend
- ▶ Compensation of employees 42 % spend
- ▶ Goods and services 33 % spend
- ▶ Machinery and Equipment 12 % spend
- ▶ Capital works expenditure 50 % spend
- ▶ Overall 41 % spend



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Key features of Departmental 2007 Half Year Financial Performance Review

- ▶ Linear vs Cash Flow projections
- ▶ Departmental Budget Reprioritization
towards identified unfunded priority projects
underway
- ▶ Increased expenditure in last quarter of the
financial year inevitable



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AUDIT OUTCOMES 2006

- ▶ **Vote account** – Audit Qualification on Monies in Trust
- ▶ **Monies in Trust** – Audit in progress
- ▶ **Guardians Fund** (Trust Funds) – Disclaimer of audit opinion
- ▶ **Presidents Fund** (TRC reparations) – Unqualified audit opinion
- ▶ **NPA** – Unqualified audit opinion
- ▶ **CARA** – Unqualified audit opinion
- ▶ **Public Entities (SIU, LAB)** – Unqualified audit opinions
- ▶ **Constitutional Institutions (OPP, HRC, IEC)** – Unqualified audit opinions; **GCE** – qualified audit opinion

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ADJUSTED ESTIMATES OF NATIONAL EXPENDITURE 2006 PER PROGRAMME

Table Z5.3: Justice and Constitutional Development

Programme	2005/06				2006/07		
	Expenditure outcome				Preliminary expenditure		
	Adjusted appropriation	Apr 2005 - Sep 2005	Apr 2005 - Mar 2006	Apr 05 - Mar 06 % of adjusted appropriation	Adjusted appropriation	Apr 2006 - Sep 2006	% change 05/06 - 06/07 Apr - Sep
Thousand							
Administration	629 576	313 535	600 395	91,6	775 679	267 552	(8,3)
Court Services	2 289 577	787 876	1 932 706	87,8	2 748 613	938 815	20,9
State Legal Services	313 824	136 140	299 994	95,5	385 754	155 156	14,8
National Prosecuting Authority	1 354 810	599 121	1 399 923	103,3	1 582 052	667 918	11,5
Auxiliary and Associated Services	830 243	451 862	800 005	102,7	986 519	421 154	4,5
Subtotal	6 456 030	2 287 630	6 193 195	94,4	6 473 647	2 581 595	12,8
Direct charge against the National Revenue Fund	849 977	524 872	1 040 098	122,4	1 071 056	589 990	2,9
Judges' Salaries	187 877	125 118	228 822	121,8	234 149	130 741	4,5
Magistrates' Salaries	662 100	399 754	811 276	122,5	836 907	409 209	2,4
Total	6 306 007	2 812 502	6 193 293	98,2	7 549 703	3 121 545	11,8

ADJUSTED ESTIMATES OF NATIONAL EXPENDITURE 2006 PER SCOA

Adjusted Estimates of National Expenditure 2006

Table 23.1: Justice and Constitutional Development (continued)

Programme	2006/07					Total additional appropriation	Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virement	Other adjustments		
R thousand							
Economic classification							
Current payments	6 050 504	40 500	-	30 877	(1 003)	70 377	6 120 881
Compensation of employees	3 871 716	-	-	(70 219)	-	(70 219)	3 801 500
Goods and services	2 078 786	40 500	-	101 092	(1 003)	140 089	2 220 381
Transfers and subsidies	923 917	-	-	2 871	-	2 871	926 788
Provinces and municipalities	4 753	-	-	(297)	-	(297)	4 456
Departmental agencies and accounts	794 620	-	-	480	-	480	795 100
Foreign governments and international organisations	3 644	-	-	-	-	-	3 644
Households	-	-	-	2 676	-	2 676	2 676
Payments for capital assets	432 824	181 658	-	(33 748)	-	157 910	590 734
Buildings and other fixed structures	282 134	-	-	37 702	-	37 702	320 836
Machinery and equipment	189 670	181 658	-	(82 120)	-	109 488	299 158
Software and other intangible assets	1 020	-	-	10 740	-	10 740	11 760
Total	7 372 545	228 158	-	-	(1 000)	237 156	7 599 701

2006 Adjustment Estimates

- ▶ Roll-overs - R238,158 m
- ▶ Unforeseen and unavoidable expenditure - R00 m
- ▶ Shifting Funds to Statutory Appropriation - R28,391 m
- ▶ Shifting of funds between votes - R1,000 m

Roll-overs and Virements

► Roll-overs

- R41,8 m for digital network system
- R35 m for x-ray machines and metal detectors at courts
- R114,8 m for digital court recording equipment

► Virements

- R101 m to Goods and Services from Compensation of Employees and Machinery & Equipment
- R37,7 m to Buildings from Machinery & Equipment
- R10,7 m to Software from Machinery & Equipment

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2007 MTEF ALLOCATION

R' thousand	Total Baseline	Reprioritised Baseline	Reprioritised Baseline	Reprioritised Baseline
	2006/07	2007/08	2008/09	2009/10
1. Administration	761,679	848,747	920,701	1,013,645
2. Court Services	2,609,746	2,927,983	3,202,664	3,558,974
3. State Legal Services	376,354	421,731	478,613	561,736
4. National Prosecuting Authority	1,535,562	1,709,691	1,947,314	2,202,912
5. Auxiliary and Associated Services	986,539	1,045,118	1,138,911	1,232,541
Statutory Amounts Of which	1,042,665	1,114,547	1,182,789	1,241,928
Judges' Salaries	234,149	284,106	279,143	293,100
Magistrates' Salaries	808,516	850,441	903,646	948,828
	7,312,545	8,067,817	8,870,992	9,811,738

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3.SIU (Increase Capacity)	42	30	80	40	105	60	227	130
4.LAB (Increase Capacity)	127	20	157	40	179	80	463	140
5.Statutory Appropriation	149	148,971	157	156,540	178	177,761	484	483,272
6.Reducing Criminal Case Backlogs	182	75	329	150	488	200	999	425
7.Constitutional Institutions	34	7,5	41	11,25	43	13,5	118	32,25
TOTAL	1,362	381,471	1,764	532,790	1,955	701,261	5,081	1,615,522

Policy Priorities

- Statutory Appropriation
- Reducing Criminal Case Backlogs

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Expanded Capital Works

- ▶ Enhancing court infrastructure **R 1,024,400**
- ▶ Assessment & maintenance **R 34,000**
- ▶ Rehabilitation of courts **R 177,600**
- ▶ Cleaning and gardening **R 142,800**
- ▶ Security & risk management **R 570,000**
- ▶ Additional accommodation courts **R 100,000**
- ▶ Building HC MP & Limpopo **R 100,000**
- ▶ Providing access to people with disability to court building **R 463,016**
- ▶ Creating Justice Precinct in PTA **R 83,108**
- ▶ Additional accommodation NPA **R 140,708**

TOTAL R 1,815,232

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Increasing capacity and enhancing efficiency

- ▶ Appoint. of maintenance investigators & additional staff FA offices **R 167,300**
- ▶ Training and skills development (Judicial education & Justice College) **R 92,124**
- ▶ National Operations Centre **R 34,000**
- ▶ Witness Protection Unit **R 118,395**
- ▶ National Prosecuting Authority **R 563,200**

TOTAL R 975,019

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