

## **INFORMATION SERVICES: RESEARCH**

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### **Department of Correctional Services Budget Vote 19**

#### **1. Introduction**

The purpose of this document is to:

- Identify the relationship between the priorities of government as identified in the President's State of the Nation Address of 2007; and the Correctional Services budget for 2007/08.
- Contextualise the Correctional Services Vote within the broader framework of the Budget as a whole, with a specific focus on the Justice and Protection Services cluster.
- Identify the key aspects of the Budget Vote for the Department of Correctional Services for 2007/08 and the Medium Term Expenditure Framework (MTEF).
- Highlight the relationship between the priorities identified in the Strategic Plan of the Department of Correctional Services (2006/7-2010/11) and the Correctional Services budget for 2007/08.

#### **2. Government's Priorities for 2007**

##### **2.1. 2007 State of the Nation Address**

The President, in his State of the Nation Address, outlines the Government's priorities for 2007. The President outlined the following specific focus areas for 2007 in the area of Correctional Services:

- To implement the decision to build the new prisons.
- To realise the objectives of the White Paper on Corrections

A number of broader themes are also relevant to the area of corrections. These include:

- Addressing the root causes of crime
- Working together to resolve crime, including partnerships between Government and communities
- The effective implementation of existing policy
- Improved management of correctional officials

It is important to ensure that financial support for the implementation of these priorities is reflected in the 2007/08 budget for the Department of Correctional Services.

### 3. The Correctional Services Vote in Context

The Department of Correctional Services (DCS) will receive R10, 74 billion for the 2007/08 financial year. This amounts to 4% of the total Budget.

The Department of Correctional Services received 13.5% of the total allocation for the Justice and Protection Services cluster, which includes the departments of Correctional Services, Defence, Justice and Constitutional Development, Safety and Security and the Independent Complaints Directorate. It received 14.5% of the total Justice and Protection Services (JCPS) cluster allocation in 2006/07 and thus has remained relatively stable, in terms of its percentage of this cluster allocation.

The Government's total commitment to improving the Justice and Protection cluster is reflected in the large allocation to this cluster. In 2007/08, this cluster receives a total of R79, 9 billion which reflects 30% of the total Budget, up from 28% in the previous year.

<i>Justice and Protection Services Cluster</i>	<i>2007/08 (R'000)</i>	<i>% of Cluster Vote</i>
<b>Correctional Services</b>	10 742 331	13.5%
<b>Defence</b>	25 922 255	32.4%
<b>Independent Complaints Directorate</b>	80 891	0.1%
<b>Justice and Constitutional Development</b>	7 277 770	9.1%
<b>Safety and Security</b>	35 917 470	44.9%
<b>Total for Cluster</b>	<b>79 940 717</b>	<b>100%</b>
<b>Total Budget Vote</b>	<b>266 186 484<sup>1</sup></b>	<b>30%</b>

### 4. Strategic Objectives and Goals of the DCS

Key strategic priorities for funding for 2007/08 and the MTEF include:

- **Information Technology (IT):** Specifically delivery of the Master Information Systems Plan.
- **Security:** To proceed with existing initiatives aimed to improve security in prisons.

<sup>1</sup> This figure includes only the national equitable share of the budget.

- **Management of Remand Detainees Project:** DCS has established an internal Management of Remand Detention Project to address the problem of institutional arrangements for the large number of awaiting trial (remand) offenders within the system.
- **Implementation of the 7-day establishment:** The 7 day 4 shift system should be fully implemented by 2008/09.
- **Integrated Human Resource (HR) Strategy, corporate projects and HR development:**
- **New Generation Centres:** The costs for the Kimberley Centre, which is the only centre where construction has commenced will continue in 2007/08.
- **Development and Care:** Development and care are priority areas for funding in 2007/08 and the MTEF.

## 5. Analysis of the 2007/08 Budget

During the MTBPS hearings held by the Joint Budget Committee in October 2006, a total of R800 million was surrendered to Treasury during 2006/07. Of this R800 million, R603 million was from unspent funds for compensation for employees due to delays in filling vacancies and R197 million was due to delays in finalising the feasibility studies for the new prisons.

### 5.1 Broad Expenditure Trends

The following table illustrates that for 2007/08, the budget for the DCS has increased by R919 million (9%) in nominal terms in comparison to 2006/07<sup>2</sup>. It must be remembered that this increase is a comparison of the 2007/08 allocation with the adjusted appropriation of the previous year. In actual fact, the DCS was allocated R 10,63 billion in the 2006/07 financial year but they did not manage to spend all of these funds and therefore their adjusted appropriated was only R9,8 billion for that year. If one was to compare the voted fund allocations for 2006/07 with 2007/06 the increase is only R111 million (1%).

	2006/07 <sup>3</sup> (R'000)	2007/08 (R'000)	2008/09 (R'000)	2009/10 (R'000)
<b>Vote 20</b>	9 831 512	10 742 331	11 365 798	12 267 765
<b>Nominal % increase</b>		9.3%		

A total of R6, 2 billion has been taken away from the baseline of the DCS. This is essentially unspent funds that have been allocated to the department over the last few years largely for the new prisons, which remains unspent and which has now been taken out of their baseline. Only R2,8 billion of this R6, 2 billion has been rescheduled into the department's baseline. The rest of

<sup>2</sup> Nominal increase or decreases do not take into account inflation projected at 5.2% for 2006/07.

<sup>3</sup> All 2006/07 figures refer to the Adjusted Appropriation as outlined in the Estimates of National Expenditure.



the funds have been reallocated to other departments within the Justice Crime Prevention and Security (JCPS) cluster and even to other departments outside of the cluster.

Additional allocations to the department for 2007/08, 2008/09 and 2009/10 are for:

- Implementation of the master information systems plan. Last year, additional allocations were also provided for this system.
- Procurement of X-ray scanners and access control systems.
- Remuneration of health professionals.

The following details the total allocations for 2007/08 in the areas of infrastructure and training.

- Infrastructure: R673, 4 million reduced from just under R1 billion in 2006/07.
- Training: R132 million which is an increase from R117 million in 2006/07. It is estimated that a total of 24 300 personnel will receive training in comparison with 22 100 in 2006/07.

The following table illustrates the proportion of the total DCS budget for each programme and whether the programmes increased or decreased in 2007/08 in comparison to the previous year.

<i>Programme</i>	<i>2006/07 (R'000)</i>	<i>2007/08 (R'000)</i>	<i>Nominal increase/ decrease</i>	<i>Percent of total budget per programme for 2007/08</i>
<b>Administration</b>	2 573 946	2 771 323	7.7%	25.8%
<b>Security</b>	3 062 928	3 244 797	5.9%	30.2%
<b>Corrections</b>	766 914	1 236 791	61.3%	11.5%
<b>Care</b>	1 180 755	1 339 290	13.4%	12.5%
<b>Development</b>	394 343	403 917	2.4%	3.8%
<b>Social Reintegration</b>	323 894	336 118	3.8%	3.1%
<b>Facilities</b>	1 528 732	1 410 095	-7.8%	13.1%

Security and Administration remain the largest two programmes in the budget. However, the Corrections subprogramme which provides for the development of tailored sentence plans for offenders, receives by far the largest increase in the 2007/08 budget of 61%. This programme has grown increasingly from 2005/06 where it was allocated 6, 5% of the DCS budget, to 2006/07 where it was allocated 8% of the budget to 2007/08 where it now accounts for 11, 5% of the DCS budget. The Care Programme receives the second largest increase in the 2007/08 budget of 13, 4%. The percentage allocation for this budget has also increased over the last few years from 9, 5% of the budget in 2005/06 to 12, 5% in the 2007/08 financial year.

These increases are in line with the focus of the White Paper on correcting offender behaviour in a targeted manner in order to reduce the risk of offending after release.

The Facilities Programme, as in the 2006/07 financial year, is the only programme in the 2007/08 financial year to receive a decrease in allocation. This is largely due to the fact that Treasury has declined to allocate funds for the new prisons which are to be built until the results of the feasibility assessment are available and scrutinised.

Expenditure for 2006/07 was at 73% against an ideal of 83% as at 31 January 2007. The department explained that this underspending was largely due to problems with Department of Public Works who are not sending billing timeously for repairs and renovations. However all programmes are experiencing under expenditure and an amount of R2,6 billion is still available in the budget for February and March 2006.

#### Comment and questions

- National Treasury or the DCS should provide a detailed breakdown on which areas were affected by the removal of R6.2 billion from the DCS baseline.
- Once again there is a problem of shifting targets. Can the DCS explain measures that it has or will be taking to ensure that targets are realistically set and can be used as a measurement tool? Is the 2007/08 Strategic Plan fundamentally different in terms of targets in comparison with the previous plans? The 2007/08 plan is to date, not available at Parliament.
- There is no point in identifying recent outputs in terms of the ENE as these are for the 2005/06 financial year and thus cannot be used when measuring performance for 2006/07 in terms of allocation of funds.
- What steps have been taken by National Research and DCS to ensure that the Department of Public works sends off billing invoices timeously? What are the other problems, specific to each programme, which have led to underexpenditure to date?

### 5.3 Programme Allocations

#### Programme 1: Administration

	2006/07 (R'000)	2007/08 (R'000)
<b>Programme 1: Administration</b>	2 573 946	2 771 323
<b>Nominal percentage increase</b>		7.7%

This programme increases by 7,7% in 2007/08 in comparison to the previous year. Increases in the programme are ascribed to additional allocations for ICT, including allocations for the master information systems plan.

Key areas where decreases are visible include:

- Inventory subprogramme, which deals with the food, medication and personal items for offenders, decreases from R213 million in 2006/07 to R109 million for 2007/08. Even further decreases are apparent in the MTEF. This is ascribed to the reduction of the offender population as a result of the special remissions in 2006/07 as well as the further outsourcing of the provision of meals at selected facilities.

**Key aspects under this programme include:**

- The number of full time personnel is set to increase by approximately 3 500 (from 42 222 in 2006/07 to 45 674 in 2007/08), which includes the 2 627 new recruits that will be hired in 2007/08 to implement the 7 day 4 shift system. The implementation of the 7-day establishment is funded largely from savings generated on the personnel budget that was rescheduled to enable the department to employ an additional 8 311 correctional officials over the period 2005/06 to 2007/08. 5 684 new recruits has been appointed to date and 2 627 will commence training in March 2007. This system should be fully implemented by 2008/09.
- The Master Information Systems Plan will improve planning, monitoring, evaluation and reporting; provide information-driven decision making on remand detainees and offender related matters as well as integration with the Integrated Justice System departments (IJS); improve monitoring of movement within the centres and proper inmate identify management; establish enterprise resource management systems and enterprise architecture; and establish and implement the IT governance framework.
- DCS has established an internal Management of Remand Detention Project. A JCPS Management of Remand Detention Task Tam has been established to ensure intersectoral collaboration on this issue. Draft terms of reference and the project objectives of the team were presented to Cabinet for endorsement in November 2006. DCS is to establish a dedicated component with facilities, staff, resources and budget in order to give effect to the JCPS proposal and to enable government to define and outline institutional arrangements for the management of detention of remand persons.
- The Integrated Human Resource Strategy is a five-year strategy (2006-2011) to address human resource issues in the department covering areas such as the recruitment and retention of staff, training and retraining, career management and employment equity. This process includes alignment of the organisational culture with the imperatives of the White Paper on Corrections. Corporate projects include review of the HR policies and procedures and the development of an integrated corporate services system, which will be implemented during 2007.



Other focus areas include: job refinements and the development of a code for enumeration for correctional officials to coincide with the 7 day 4 shift system which will be fully implemented by 2008/09; and focusing on scarce skills and retention. A total of 1 700 interns will be employed during 2007 which will be maintained at 3% of the workforce during 2008. Measures will be put in place to ensure that the department does not exceed a 3% vacancy rate by 2009/10. HR development initiatives include electronic security management, emergency support team training, firearm training, investigators, disciplinary code and procedures, ethics managements, financial management for non financial managers, supply chain management, basic accounting system, induction and training manual development, change management, communication, junior and middle managements training and executive development programmes.

### Comments and questions

- According to the ENE, the outsourcing of meals in selective regions will be expanded. The DCS should provide more information on this expansion decision and the cost implications thereof.
- Is the reduction in offender numbers sustainable over the medium term? What studies have been done with regard to projected offenders growth over this period? What measures are in place to ensure the sustainability of the lower offender numbers?
- Are there budgetary implications for implementation of the recommendations of the Jali Commission Report? If so, how does the 2007/08 budget reflect this?
- According to the 2005/06 Annual Report, the vacancy rate in the Department has increased from 7.3% in 2004/05 to 7.8% in 2005/06. The ENE states that provision is made for a vacancy rate of 5% declining to 3% in 2009/10. What provision has been made in the 2007/08 budget to improve the salaries and working conditions of staff in order to both attract and retain them, and for which categories of staff?
- What are the time frames for the investigation into the possibility of employing professional staff under the Public Service Act rather than the Correctional Services Act?
- It was reported to the Committee on 28 October 2005, that the DCS was in talks with Treasury with regard to motivating an increase in basic salary for correctional officials. Has any progress been made in this regard?
- Which facets of the Master Information Systems Plan will be implemented in 2007/08?
- The Department needs to present a comprehensive briefing to the Committee on the Management of Remand Detention Project and progress in this regard? Has a costing exercise been completed to ascertain the projected costs of establishing a separate component? Have time frames been defined?
- What functions will the 1 700 interns perform?
- The improved management of criminal justice officials including correctional officials was highlighted in the SONA. What measures will be

put in place during 2007/08 to achieve this objective, particularly at Centre level?

- What allocation has been made in this budget to improve the financial reporting and controlling and other systems in DCS to rectify problems identified in the Auditor General Report for 2005/06?

## Programme 2: Security

	<b>2006/07 (R'000)</b>	<b>2007/08 (R'000)</b>
<b>Programme 2: Security</b>	3 062 928	3 244 797
<b>Nominal percentage increase</b>		5.9%

The allocations for the Security Programme increases by almost 6% in comparison with last year when it only increased by 0.7%. The main reasons for the increase is due to the additional allocations for equipment of R100 million per year over the MTEF, to improve the security in centres, including biometric access control equipment and X-ray scanners.

Key measures that are being taken to improve security in prisons include:

- The Policy on Minimum Security Standards has been developed and the Draft Vulnerability Assessment informed by these Standards was meant to be completed by the end of 2006/07.
- Key components in terms of implementation include the installation of biometric/Closed Circuit Television (CCTV) security access control system in 66 centres, installation of technology enhanced motion detector, outer security fences connected to all control rooms and the use of metal detectors and x-ray scanning technology.

### **Comments and questions**

- Has this technology already been implemented in the 66 centres? Will it be expanded to more centres during 2007/08?
- The DCS reported to the Committee on 13 February 2007 on slow progress with regard to the vetting of officials, and steps that have been taken for the DCS to take over this function from the National Intelligence Agency. However, in the light of the recent escape from the CMAX, are steps been taken to prioritise the vetting of officials at Maximum Security Centres? At the time of the escape, had these officials at CMAX already been vetted?
- The DCS mentioned the establishment of a national operations centre with which to manage biometric access in their briefing to the Committee in 2006. What progress has been made in this regard?



### Programme 3: Corrections

	2006/07 (R'000)	2007/08 (R'000)
<b>Programme 3: Corrections</b>	766 914	1 236 791
<b>Nominal percentage increase</b>		61.3%

This programme increases by 61% in 2007/08 in comparison with the previous year. This substantial increase is due to additional allocations made in the 2005 budget, in order to implement the White Paper on Corrections including risk assessment and profiling of offenders, and implementation of the case management committees. This money was not spent at the time of allocation due to delays in implementing the risk assessment and profiling tools in the centres. These tools have apparently been finalised and will be implemented from 2007.

The increase in allocation for personnel is mainly due to shifting of managerial personnel from the Security Programme to the Corrections Programme. Provision is also made in the MTEF for buying equipment for the Correctional Supervision and Parole Boards, and for implementing targeted programmes to address offender's behaviour.

#### **Comments and questions**

- Why have delays been experienced in the implementation of the risk assessment and needs assessment tools? What are the financial cost drivers in implementation of these tools?
- The budget for this programme has increased substantially. How will this money be spent to realise the objectives of the White Paper?
- Which new programmes have been developed and have they been implemented? If not, will they be implemented in 2007/08?
- What equipment will be purchased for the parole boards and how will this assist in improving their functioning and outputs?

### Programme 4: Care

	2006/07 (R'000)	2007/08 (R'000)
<b>Programme 4: Care</b>	1 180 755	1 339 290
<b>Nominal percentage increase</b>		13.4%

Increases in the Care Programme are largely due to:

- Increased remuneration for health care professionals. An additional allocations of R83 million over the MTEF has been provided for this purpose in order to attract and retain nurses, doctors and pharmacists.
- Introduction of three meals per day for inmates. According to the previous ENE, all prisons now provide three meals a day.

The United States Presidents Emergency Fund received donor funding of \$1 million for Aids Relief, which will be used for the HIV/AIDS and syphilis prevalence survey. \$600 thousand was received in the previous financial year.

Key initiatives under this programme:

- Services of pharmacists and psychologists on community service have been secured.
- Five sites have been accredited for access to ARV by offenders. These include Maritzburg, Qalabusha, Westville, Grootvlei and St Albans.
- The HIV/AIDS prevalence survey was completed in December 2006 and a preliminary report was expected in February 2007.
- Funding has been secured for TB programmes from the United States government.

#### ***Comments and questions***

- The DCS must report to the Committee on the key results of the HIV/AIDS prevalence study completed in December 2006.
- How will the extra allocation for the retention of health care staff be used to attract these categories of staff?

#### **Programme 5: Development**

	<b>2006/07 (R'000)</b>	<b>2007/08 (R'000)</b>
<b>Programme 5: Development</b>	394 343	403 917
<b>Nominal percentage increase</b>		2.4%

This Programme increases only slightly by 2.4%. Slightly higher increases to this programme are envisaged over the MTEF.

Key aspects under this programme:

- Quality assurance process of external service providers will continue.
- A framework for the needs of special categories of offenders has been developed.

#### ***Comments and questions***

- Implementation of the White Paper has been identified as a priority in the 2007 SONA. In addition, a key mechanism to reduce recidivism includes the delivery of development programmes that provide skills and education to offenders. In the light of the above, the increase to the Development programme is quite small. How will the delivery of programmes be affected by the insubstantial increase?

- According to the DCS, the Offender Skills Development Plan was to have been implemented in 2006/07. Was this done?
- What measures are there in the 2007/08 budget to attract teachers and improve facilities in prisons to ensure that more offenders who would like to receive education are able to do so?
- The 2004/05 targets for delivery of educational and skill programmes were not met. What steps were taken in 2006/07 to address this problem and what additional steps will be taken in 2007/08?
- What steps have been taken to expand the national agricultural and production workshop, which was mentioned by the DCS during the 2006/07 budget hearings? On the visit to the Drakenstein Centre during 2007, the Committee was told of severe staff shortages of artisans due to poor salaries. Have measures been taken to address this problem?

### Programme 6: Social Reintegration

	2005/06 (R'000)	2006/07 (R'000)
<b>Programme 6: Social Reintegration</b>	323 894	336 118
<b>Nominal percentage increase</b>		3.8%

This Programme increases by 3.8% in comparison to the previous year.

Key aspects of this programme:

- Development and delivery of pre-release/ social re-integration programmes.

### Comments and questions

- Pre-release programmes are a vital component of the work of DCS to increase the chance of reintegration of offenders into the families and communities. This is also in line with the priorities of government as outlined in the SONA with regard to building social cohesion and improving breakdowns within families. According to the ENE, the number of offenders taking part in pre-release programmes was to be benchmarked in 2005/06. What proportion of released offenders has participated in these pre-release programmes to date?

- What budgetary constraints are faced with regard to the delivery of these programmes?

- What programmes are offered to released offenders?

### Programme 7: Facilities

	2006/07 (R'000)	2007/08 (R'000)



purpose effect delivery on this priority?

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## **6. Conclusion**

In conclusion, the budget for the department remains relatively stable in comparison to the 2006/07 years mainly due to decreases for Facilities. The substantial increase for the Correction Programme to implement the risk assessment and needs assessment tools should be welcomed.

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