

DEPARTMENT OF CORRECTIONAL SERVICES | VOTE NO. 21

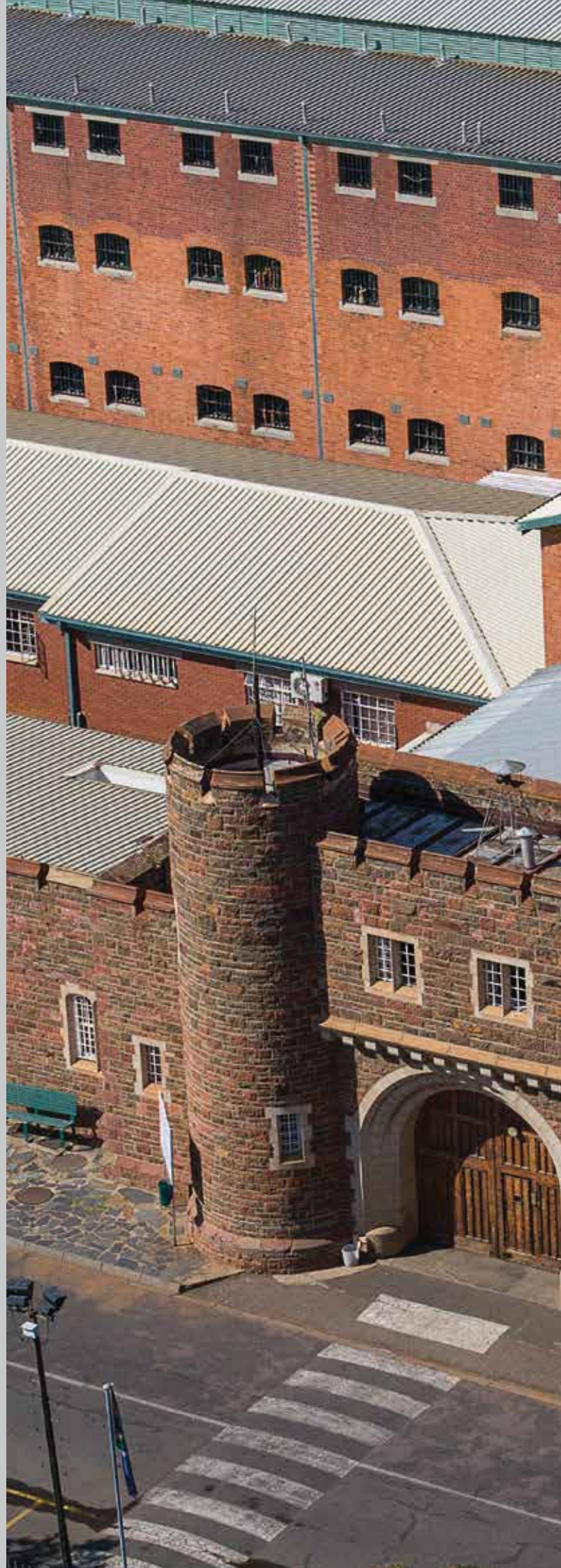
ANNUAL REPORT

2014|2015 FINANCIAL YEAR



correctional services

Department:
Correctional Services
REPUBLIC OF SOUTH AFRICA





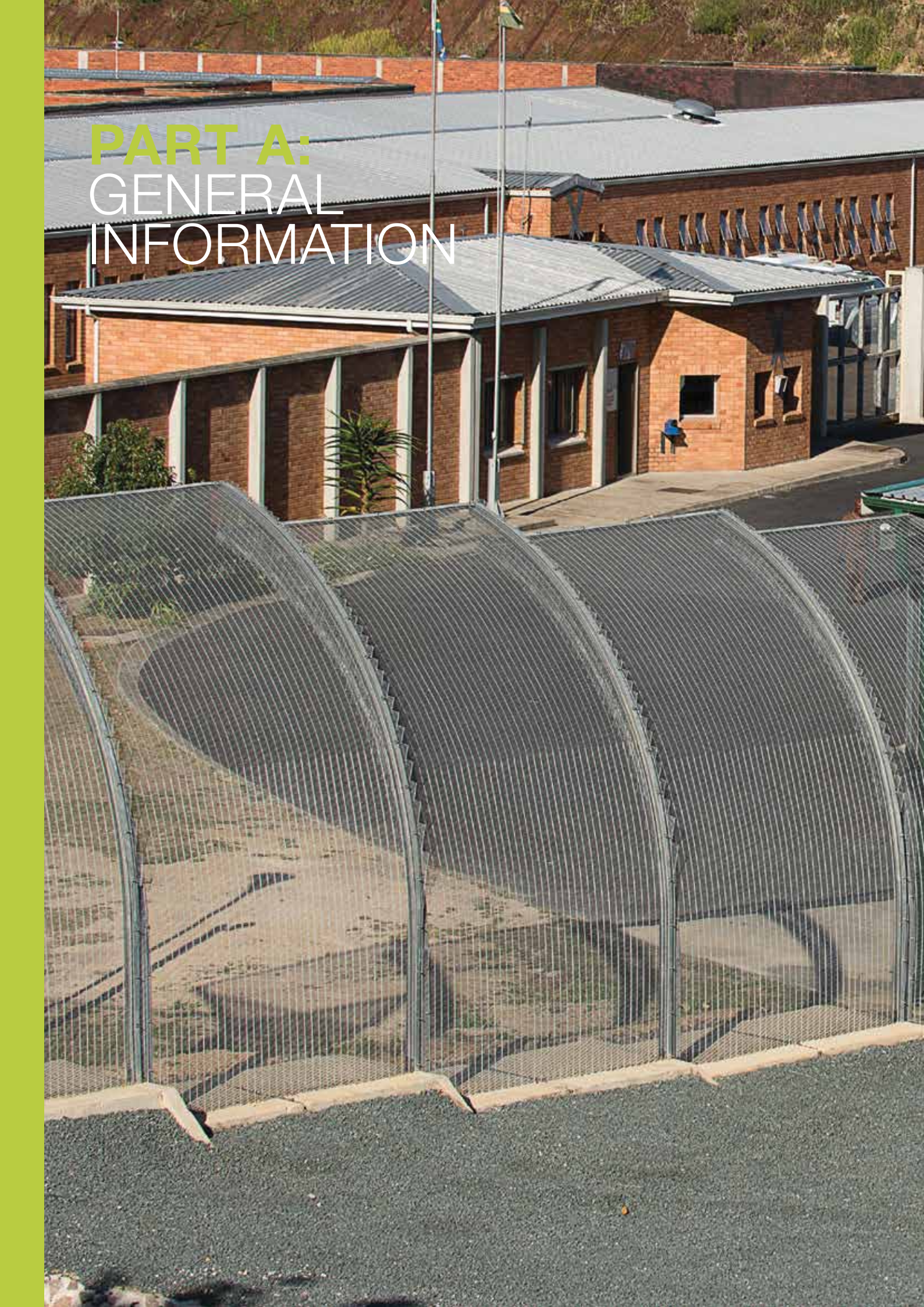
DEPARTMENT OF
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SERVICES

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PART A: GENERAL INFORMATION

1. DEPARTMENT GENERAL INFORMATION

DEPARTMENT OF CORRECTIONAL SERVICES	
NATIONAL DEPARTMENT (HEAD OFFICE)	
POSTAL ADDRESS	PHYSICAL ADDRESS
Private Bag X 136 PRETORIA 0001 Tel: (012) 307 2154 Email: communications@dcs.gov.za Website: www.dcs.gov.za	124 WF Nkomo Street Poyntons Building (West Block) Pretoria 0002
LIMPOPO / MPUMALANGA / NORTH WEST REGION	
POSTAL ADDRESS	PHYSICAL ADDRESS
Private Bag X 142 PRETORIA 0001 Tel: (012) 306 2000	Corner Paul Kruger and Johannes Ramokhoase Streets PRETORIA 0002
FREE STATE / NORTHERN CAPE	
POSTAL ADDRESS	PHYSICAL ADDRESS
Private Bag X 20530 BLOEMFONTEIN 9300 Tel: (051) 404-0209	103 Agrimed Building BLOEMFONTEIN 9300
KWAZULU NATAL	
POSTAL ADDRESS	PHYSICAL ADDRESS
Private Bag X 9126 PIETERMARITZBURG 3200 Tel: (033) 342 6965	1 Eugene Marais Road Napierville PIETERMARITZBURG 3201
EASTERN CAPE	
POSTAL ADDRESS	PHYSICAL ADDRESS
Private Bag X 9013 EAST LONDON 5200 Tel: (043) 722 1090	Ocean Terrace Office Block B Moore Street Quegney EAST LONDON 5200
WESTERN CAPE	
POSTAL ADDRESS	PHYSICAL ADDRESS
Private Bag X 1 EDGE MEAD 7404 Tel: (021) 550 6077	Breede River Street Monte Vista CAPE TOWN 7460
GAUTENG REGION	
POSTAL ADDRESS	PHYSICAL ADDRESS
Private Bag X 393 PRETORIA 0001 Tel: (012) 420 0102	1077 Forum East Building Arcadia Street Hatfield PRETORIA 0001

2. LIST OF ABBREVIATIONS / ACRONYMS

AET:	Adult Education and Training
AGSA:	Auditor-General of South Africa
ART:	Antiretroviral Therapy
CAE:	Chief Audit Executive
CDC:	Chief Deputy Commissioner
CFO:	Chief Financial Officer
CJS:	Criminal Justice System
CMC:	Case Management Committee
COID:	Compensation for Occupational Injuries Disease
CSPB:	Correctional Supervision and Parole Board
DC:	Deputy Commissioner
DCS:	Department of Correctional Services
DG:	Director-General
DPME:	Department of Performance Monitoring and Evaluation
DPSA:	Department of Public Service and Administration
DPW:	Department of Public Works
EAP:	Employee Assistance Programme
EC:	Eastern Cape
EM:	Electronic Monitoring
EMS:	Electronic Monitoring System
ER:	Employment Relations
EW:	Employee Wellness
FET:	Further Education and Training
FS/NC:	Free State and Northern Cape
GEMS:	Government Employee Medical Scheme
GITO:	Government Information Technology Office
HET:	Higher Education and Training
HIV:	Human Immunodeficiency Virus
HR:	Human Resources
HRD:	Human Resource Development
HRM:	Human Resource Management
IA:	Internal Audit
ICT:	Information and Communication Technology
IDT:	Independent Development Trust
IEHW:	Integrated Employee Health and Wellness
IIMS:	Integrated Inmate Management System
IJS:	Integrated Justice System
IT:	Information Technology
JCPS:	Justice, Crime Prevention and Security
KZN:	KwaZulu-Natal
LMN:	Limpopo, Mpumalanga and North-West
MTEF:	Medium-Term Expenditure Framework
MTSF:	Medium-Term Strategic Framework
NC:	National Commissioner
NCV:	National Certificate Vocational
NDP:	National Development Plan
NSF:	National Skills Fund
NT:	National Treasury
OHS:	Occupational Health and Safety
PC:	Portfolio Committee
PFMA:	Public Finance Management Act
PPP:	Public Private Partnerships
RD:	Remand Detention
SASSETA:	Safety and Security Sector Training Authority
SCM:	Supply Chain Management
SCOPA:	Standing Committee on Public Accounts
SDIP:	Service Delivery Improvement Plan
SITA:	State Information Technology Agency
SLA:	Service Level Agreement
SMS:	Senior Management Service
TB:	Tuberculosis
TVET:	Technical and Vocational Education and Training
VCT:	Voluntary Counselling and Testing
VOD:	Victim Offender Dialogues
VOM:	Victim Offender Mediation
VPN:	Virtual Private Network
WC:	Western Cape
WSP:	Workplace Skills Plan



It is important to reflect on what has been achieved over the past two decades by South Africans working together. This report provides an analysis of the achievements, as well as challenges faced by DCS during the 2014/2015 financial year.

Advocate Michael Masutha, MP
Minister of Justice and Correctional Services

3. FOREWORD BY THE MINISTER

It gives me great pleasure to present the Department of Correctional Services (DCS) 2014/2015 Annual Report, which marks the beginning of the new journey of the fifth democratic Parliament, with our revamped and integrated Ministry of Justice and Correctional Services.

The Department is responsible for the service delivery accountability and strategic objectives, in accordance with the DCS's Strategic Plan, the Correctional Services Act, Act 111 of 1998, as amended and the Constitution of the Republic of South Africa, as well as the National Development Plan (NDP) Vision 2030 and the Medium-Term Strategic Framework (MTSF) 2014-2019. The decision by the President to integrate the two Ministries of Justice and Correctional Services was welcomed by all our stakeholders and this has begun to show results, as is evident in the increased collaboration by various partners within the Criminal Justice System (CJS).

The Department has identified three strategic outcome-oriented goals, which it strived to achieve during the year under review. All our efforts are in line with the key strategic goals identified. Firstly, the need to ensure an effective criminal justice system through the effective management of remand processes. The Department wants to ensure that remand detainees are held under secure, safe and humane conditions and have conditions conducive for participation in court processes. Secondly, the need to ensure that society is protected, through incarcerated offenders being secure and rehabilitated. Thirdly, the need to ensure the provision of services and interventions that will contribute to the reintegration of offenders, back into communities as law abiding citizens.

The White Paper on Remand Detention Management in South Africa, 2014, in conjunction with the Correctional Matters Amendment Act (Act 5 of 2011), seeks to improve the management of remand detainees in DCS facilities. The White Paper recognises the challenges associated with persons in remand detention, although not been found guilty of any crime. The constitutional right of 'innocent until proven guilty' underpins the White Paper. Together with the Criminal Justice Review Committee, the DCS has embarked on a process of tracking those remand detainees who have been detained the longest in correctional facilities. This process has assisted in determining those factors which delay the finalization of such cases, in order to ensure that these issues are addressed accordingly.

Interventions within the criminal justice cluster included the training of officials on several protocols, including the protocol on referral of remand detainees to court, based on

their length of detention, the protocol on referral of terminally ill or severely incapacitated remand detainees to court, the bail protocol and the protocol on temporary release of remand detainees to SAPS for further investigation and ensuring early arrival in court. A draft protocol on electronic tagging of remand detainees was developed and consulted with several stakeholders, including the Judiciary.

During 2014/2015, the Department had an annual average of 42 077 unsentenced inmates. Of these inmates, 1 048 were females and 41 029 were males. The unsentenced category consists of remand detainees, state patients and the deportation group. Remand detainees constituted 99% of the unsentenced inmates of which 41 717 was an annual average.

During 2014/2015, the remand detainees (RDs) were detained in hundred and nineteen (119) facilities and of these fifteen (15) were dedicated remand detention facilities. Less than 0.08% of remand detainees were detained in five maximum facilities.

The DCS forms part of the Inter-sectoral Committee for Child Justice, which coordinates the implementation of the Child Justice Act 75, 2008, since 2010. The Child Justice Act (CJA) provides for a Criminal Justice System for children who acted in conflict with the law. The DCS developed an implementation framework which stipulates the responsibilities of different units, in relation to the implementation of the CJA. The DCS submitted its own departmental report on the implementation of the CJA, which was tabled in Parliament in September 2014 by the lead department, the Department of Justice and Constitutional Development. DCS has been monitoring the court appearances of the children in remand detention, in order to ensure that they adhere to the 14-day interval, stipulated in the CJA. One of the achievements since the implementation of the Act is the reduction of the number of children in remand detention. The number decreased from a baseline of five hundred and four (504) in March 2010 to an average of hundred and fifty five (155) in the 2014/2015 financial year. This converts to a reduction of 69.25%.

The Department acknowledges that overcrowding at correctional facilities is a global challenge. Beyond the challenges of overcrowding, the Department still managed to reduce the number of escapes to ensure that people in South Africa are and feel safe. As at 31 March 2015, South Africa's inmate population reached 159 563. The Department's multi-pronged overcrowding management strategy has brought about meaningful results over the past years. The strategy also deals with the strengthening of diversion programmes and alternative sentencing. The creation of additional bed spaces, improved management of the parole system, successful reintegration of offenders into society and most importantly, the reduction of re-offending by increasing the success of rehabilitation in a participatory, holistic and integrated manner all contributed to improve the situation.

The introduction of the use of electronic monitoring, to enhance around the clock tracking of high risk parolees, awaiting trial inmates, etc. in order to affirm the safety of communities, whilst simultaneously reducing recidivism, overcrowding and the current incarceration rates proved to be successful. During the year under review, six hundred and four (604) persons have been tagged electronically. South Africa's first ever Electronic Monitoring of a South African Remand Detainee, as an alternative to incarceration was welcomed by the Department during the year under review in the Bloemfontein Regional Magistrate Court when a 50-year-old paraplegic remand detainee, who has been incarcerated at Grootvlei Correctional Centre since 2011, was released on bail on condition that he be electronically monitored by the DCS. This initiative is aimed towards 'Enhancing Public Safety, through Electronic Monitoring'. We have learnt that one way to manage the inmate population is to utilize technology, such as electronic monitoring. Through electronic monitoring, we are able to monitor offenders on a 24-hours-a-day basis countrywide.

The Department remains committed to placing humane and safe detention and rehabilitation at the centre of its service delivery. The Department made a huge contribution to enhance the National Development Plan Vision 2030. To ensure rehabilitation of offenders within our correctional facilities, the Department increased the number of Further Education and Training (FET) full-time correctional centre schools, registered with the Department of Education from one in 2009 to fourteen (14) in 2014. Our schools yielded good results as we had 91.5% of offenders, who participated in the adult education and training programme and more than 83% participated in skills development programmes (Skills Training and FET College Programmes). By the end of March 2015, 68.89% (68 624 / 99 605) of offenders with correctional sentence plans, have completed their correctional programmes. The achievements in respect of educational, developmental and rehabilitation interventions to provide the identified offenders with much needed skills and competencies to lead productive lives on their release, placed greater emphasis on the elimination of illiteracy and enhancing education, artisan training and agricultural production among over 100 000 sentenced offenders.

The Department continues to strengthen interventions, aimed at improving the efficiency of the Correctional System, in order to reduce re-offending, on an ongoing and sustainable basis. Over and above the rehabilitation programmes, we continued with the implementation of the Restorative Justice processes. Together with the other JCPS Departments, the DCS continued to strengthen victim and community participation in the fight against crime, as it is essential in this respect that offenders be encouraged to reconcile with the people they have offended. In order to facilitate the involvement of victims in Parole Board meetings, provision has been made in both Section 75 (4) of the Correctional Services Act, 1998 (Act 111 of 1998) as amended, as well as Section 299A of the Criminal Procedure Act, 1977 (Act 51 of 1977) to regulate matters in this regard.

In November 2014, a video-conferencing system was launched in all fifty three (53) Correctional Supervision and Parole Board (CSPB) offices in South Africa. This innovation is intended to help reduce the barriers of participation in the parole hearings, like physical distance and language barriers in our efforts of centralizing victims in the determination of offender parole hearings. Progress has been made in mobilizing victims to participate in parole hearings. In 2013/2014, we had 6.86% (1 543 / 22 484) of parole cases, in which victims of crime made representations. In 2013/2014, 1 750 victims participated in restorative justice processes, namely Victim Offender Mediation (VOM) and Victim Offender Dialogue (VOD). In 2014/2015, 2 212 victims participated. This clearly demonstrates the shift from a retributive Criminal Justice System to that of a Restorative Justice System. DCS marks the end of a life of crime and ensures that offenders make restitution both to society for their crimes, and leave correctional centres equipped with better skills and prospects.

DCS has a distinct facilitation responsibility in the restorative justice process by ensuring that victims are not contacted just before appearing at a parole hearing, without having been engaged previously. Restorative justice and victim involvement are priority elements in all parole considerations. The Department cannot achieve rehabilitation and social reintegration of offenders alone, hence it is very important to strengthen community partnerships and stakeholder involvement. The Department has experienced considerable success by sharing responsibilities of corrections and risks with community-based structures, including the increase of the rollout of halfway houses, social reintegration, facilitating Non-Governmental Organisation (NGOs) and by monitoring probationers and parolees.

It is important to further reflect on additional achievements, linked to the budget of R19.72 billion. These include the following:

- The upgrading of skills of 24 617 officials in the Department, in line with the guidelines of the Workplace Skills Plan.
- The intensification of HIV / AIDS and TB prevention and management programmes in the Correctional Centres and the monitoring of patients in this regard.
- The renewed focus on the modernization of information and communication technology (ICT) infrastructure and systems, towards the provision of an Integrated Inmate Management System (IIMS), includes the biometric identification to curtail identity fraud and errors in the release of inmates.
- The gradual replacement of old equipment and machines in the production workshops and agricultural sections to improve production.

Furthermore, the Department has made a significant impact in terms of focussing on the youth, and recognizing their vulnerability to unemployment, poverty and inequality, build an effective and capable justice system for all, as well as rehabilitating offenders. The

Department has also enhanced active citizenship in every phase of correctional interventions and intensified collaboration with all sectors of society on correctional matters to fully realize the saying that "corrections is a societal responsibility".

Offenders across the country are giving back to communities and demonstrating remorse for the crimes they committed against them. Empowering offenders with skills to function effectively in society upon their release, is essential to rehabilitation. It is equally important to ensure that offenders are actively involved in productive activity while they serve their sentences. In line with the National Framework on Offender Labour, the Department is increasing the number of offenders participating in offender-labour and skills-development programmes.

In terms of institutional capacity, the Department commenced with the process of appointing the National Commissioner, CDC: Strategic Management; Chief Financial Officer, and Regional Commissioner: Limpopo, Mpumalanga and North-West. Interviews were conducted and it is expected that all the posts will be filled in the next financial year (2015 / 2016). The appointment of the CFO has been finalised. The DCS received a qualified audit opinion on contingent liabilities. I am committed to ensure continuous improvement on compliance with various prescripts and good governance principles, that the Department achieves an unqualified audit opinion, during our term of office. I already had a discussion with the Auditor-General on issues to be addressed in the Department.

The Department has an ongoing and sustainable approach to interventions in response to the current qualified audit status. These efforts are much needed and will no doubt assist to address the challenges in respect of the qualified audit opinion by the Auditor-General. I have highlighted the need for more meaningful systems between the Department's strategic direction and my performance agreement with the President. I am pleased to say that considerable progress has been made in this regard, particularly in respect of our commitment to deliver on the Government's priorities, as outlined in the National Development Plan and Medium-Term Strategic Framework (MTSF).

I am pleased to report that, together with the JCPS cluster, the DCS has focused on the fight against crime and corruption, in order that all citizens are and feel safe. The success of correctional services also depends on the correctional officials, who must be at the forefront of prison reform on the continent. Our correctional officials are the heart of the system of corrections. When society breaks down and everyone else has failed, correctional officials pick up the pieces and deal with the entirety of the human experience, step in to rebuild the character of offenders, and improve their skills, so that they may return to society with enhanced prospects of success. Correctional officials can use their authority and well-balanced influence to inspire offenders towards



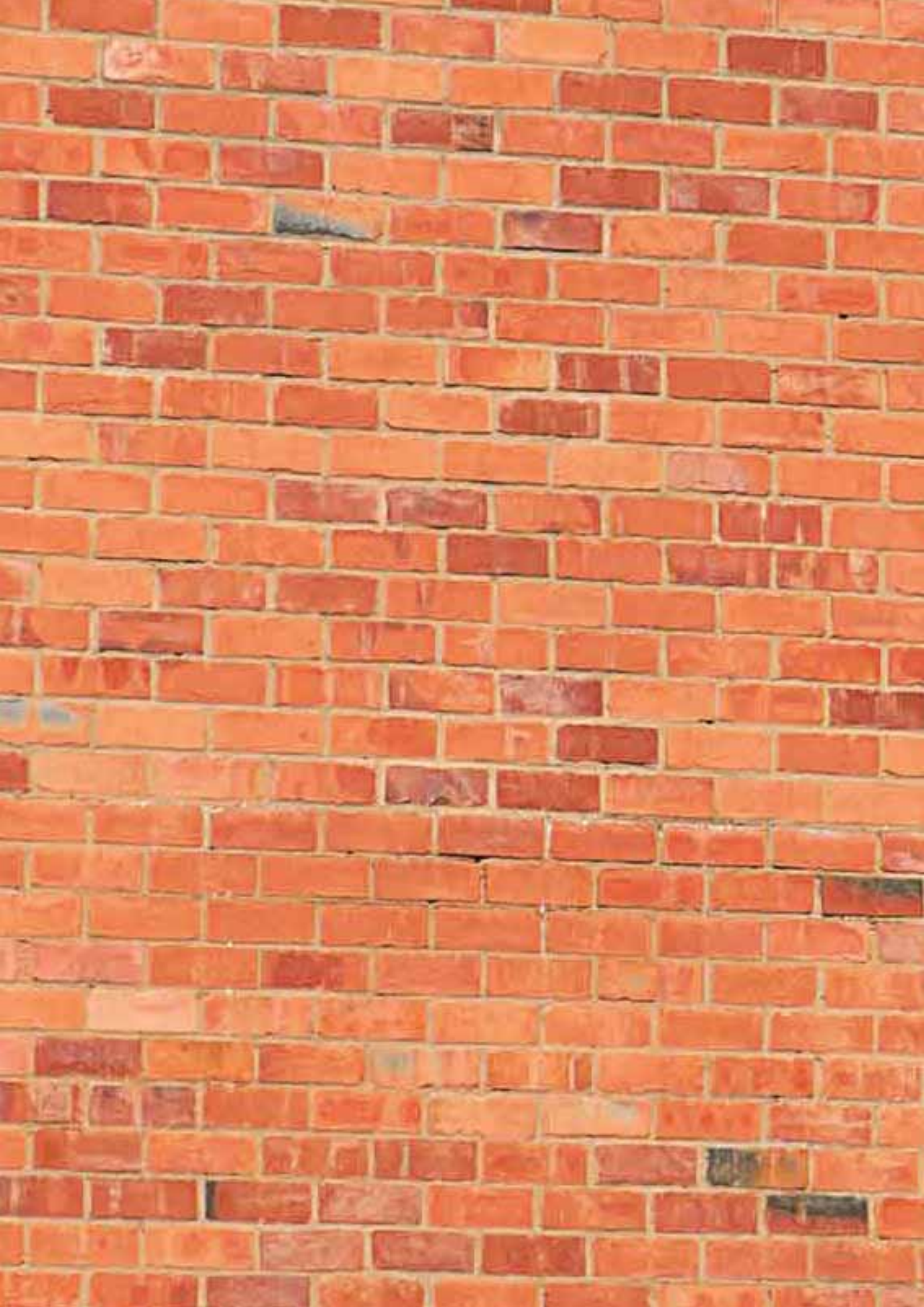
transformation and good behaviour. Cognisant of the value of our correctional officials, the DCS annually celebrates the National Corrections Excellence Awards. We therefore discourage corruption by officials within our system, as it undermines rehabilitation and risks the lives of both inmates and offenders.

Whilst we agree that a number of our challenges to implement reform relate to challenges of resources, there is still much we can do to ensure that inmates are afforded the dignity and humane treatment they deserve. We should also bear in mind that corrections is a societal responsibility. We need to find ways of increasing the participation of communities, non-governmental organisations and the private sector in rehabilitation programmes.

Finally, the priorities outlined in this report, are all based on strategic partnerships, stemming from the well-functioning integrated approach of the JCPS cluster. The contributions of all government agencies, organized labour, officials, NGOs and the religious community, the National Council for Correctional Services (NCCS) and the Medical Parole Advisory Board, as well as the role of the media, families and other stakeholders, are acknowledged with gratitude and respect. We appreciate the good work of the Judicial Inspectorate of Correctional Services (JICS) under the leadership of Judge Vuka Tshabalala, which provided the constitutionally judicial oversight over Correctional Services, on the treatment of inmates and on conditions in Correctional Centres. A special word of thanks also to members of the Justice and Correctional Services Portfolio Committee for their guidance and wisdom shared during engagements.

I want to sincerely thank the Deputy Minister of Justice and Correctional Services for his outstanding support. My gratitude also goes to the National Commissioner of Correctional Services, Mr Z I Modise, his executive management and staff for their demonstrated passion and commitment.

Advocate Michael Masutha, MP
Minister of Justice and Correctional Services









In 2013, the Department adopted a new vision and mission in an effort to better focus our department. The strategy and strategic goals were subsequently re-aligned with this vision.

Mr Z I Modise
National Commissioner
Department of Correctional Services

4. REPORT OF THE ACCOUNTING OFFICER

It is indeed a privilege and honour to present this Annual Report, as it reflects achievements of the Department in the fifth democratic government.

The mandate of the Department is derived from the Correctional Services Act, Act 111 of 1998, as it relates to the Constitution of the Republic of South Africa and the Bill of Rights. The DCS has been mandated mainly to ensure that inmates are held in safe and humane custody.

During the period under review, the Department has made significant progress in a number of critical areas. As at 31 March 2015, the DCS had an inmate population of 159 563, of which 43 298 were unsentenced inmates and 116 265 were sentenced offenders.

The DCS participates in the implementation of various cluster protocols, such as the protocol on referral of terminally ill or severely incapacitated remand detainees to court, in line with section 49E of the Correctional Services Act, protocol on referral of remand detainees to court, based on the length of detention, in line with section 49G of the Correctional Services Act and the bail protocol, which is implemented, in line with section 63(1) of the Criminal Procedure Act (CPA).

In order to facilitate the implementation of the White Paper on Remand Detention Management in South Africa, several policy procedures were developed in 2014/2015. Before the implementation of 49G (1 July 2013), the number of remand detainees detained for longer than two (2) years were 1 971 on 3 June 2013. By 31 March 2015, this number was 1 733 and this translates to a reduction of 12.08% (238).

The Department is responsible for the administration of two hundred and forty three (243) Correctional Centres, of which two hundred and thirty six (236) are active and seven (7) correctional centres are temporarily closed for upgrades, repair and renovations. The Correctional Centres include facilities for remand detainees and sentenced offenders in the minimum, medium and maximum security categories.

Overcrowding is the single most pressing concern, facing correctional services around the world. It still remains a challenge facing the Department, as we were at 32% on average. The Department continues to implement a multi-pronged strategy, in this regard. In terms of remand detainees, as indicated above, various ways of reducing the population of remand detainees were utilised, including the use of bail protocol to approach the court to release an accused on warning, in lieu of bail or to amend

the bail conditions, imposed by the court. The use of electronic monitoring of offenders also assists in reducing overcrowding within our centres. The Department also welcomed the decision by the Regional Magistrate Court to utilise electronic monitoring for a person awaiting trial, as this will contribute towards enhancing public safety. Six hundred and four (604) persons were electronically tagged in the 2014/2015 financial year. As a Department, we need to work together in influencing our courts to use restorative justice and alternative sentencing, more as a way of dealing with the peculiar challenges we are facing in our facilities.

The number of children in Correctional Centres remains an important area of concern for corrections in South Africa. During the year under review, the number of sentenced children was at an average of two hundred and four (204). To address the issue of children in conflict with the law, the Department developed a framework on the implementation of the Child Justice Act (CJA) (Act 75 of 2008), which is aligned with the National Policy Framework of the Criminal Justice Act and Correctional Services Act (Act 111 of 1998). The framework reflects the summary of the responsibilities of different functional units within the DCS, in relation to the implementation of the CJA and coordination for reporting in various structures of the Inter-Sectoral Committee for Child Justice (ISCCJ).

We remain committed to placing humane and safe detention and rehabilitation at the centre of service delivery. In so doing, we continue to strive to promote corrections as a societal responsibility, contributing to enhanced public safety and reducing reoffending. During the year under review, the Department managed to reduce escapes from sixty (60) in 2013/2014 to forty nine (49) in 2014/2015. Operation Vala, which is a festive season security plan and includes tightening of security, limiting offender's externally focused activities to essential services, curtailing goods and products brought to facilities by families and friends, conducting impromptu searches to eliminate illegal substances and maintaining appropriate staffing levels, as informed by local threat assessments by Heads of Correctional Centres and Area Commissioners, also contributed to the reduction of escapes. Despite progress made in reducing overcrowding and the incarceration rate in general, the Department is still faced with the challenge of increasing bed spaces in our correctional centres.

The DCS has placed education and training at the centre of its rehabilitation agenda. This paradigm is aimed at eliminating illiteracy, under-qualifications, as well as the absence of critical technical skills and competencies, required for employment or self-employment. DCS increased the number of full-time further education and training schools from one in 2009 to fourteen in 2014. More than 16 000 inmates participated in formal education and skills development programmes. Education and training programmes are some of the tools being used to activate the offender rehabilitation process. In Grade 12, the overall pass rate has increased in 2014. The Department's top five performing schools in 2014 recorded an average pass rate of 83.63%. They were Emtongeni Youth Centre with a 100% pass rate, St Albans School with 83.33%, Umlalati Learning Centre with

83.33%, Usethubeni Youth School with 76.47% and Vuselela Learning Centre (Barberton) with 75%. These statistics tell a story of success within correctional services.

Offenders have equal access to needs-based psychological, social work and spiritual services, and correctional programmes, despite the limited number of psychologists in DCS, in order to maintain their emotional well-being, promote continued effective social functioning, improve their quality of life and reintegration of offenders back into the community as law-abiding citizens. The Department still needs more psychologists, social workers, medical practitioners, pharmacists and nurses to service 159 563 inmates in two hundred and forty three (243) correctional centres nationally. During the year under review, the number of offenders who participated in correctional programmes was at 68.89%. The percentage clearly shows that as much as we have achieved on rehabilitation programmes, more is still required to effectively correct offending behaviour and break the cycle of crime.

The Department signed an agreement to bolster spiritual ties and cooperation between the DCS and the Twelve Apostles' Church in Christ (TACC). The partnership builds on years of collaboration between DCS and the TACC and also aims to promote corrections as a societal responsibility while working together towards the spiritual upliftment and education of inmates. The Department recognised the importance of the TACC in the rehabilitation and reintegration of offenders.

The Department has various offender rehabilitation programmes. Inmates at correctional centre farms and abattoirs produced litres of milk, red meat, pork, chicken, dozens of eggs, vegetables and fruits. Furthermore, offenders at the production workshops have manufactured office and school furniture, as part of their rehabilitation programme, ploughing back to communities and demonstrate remorse for crimes committed. Most of the schools benefitted from offender labour as offenders have refurbished schools, established school gardens, painted, cut the grass and trees, cleared bushes and cleaned yards.

The Department and Robben Island Museum (RIM) signed an historic Memorandum of Understanding (MOU) on 30 September 2014 to involve offenders and parolees in establishing and maintaining a neat appearance of this national heritage site. This initiative would go a long way in establishing a sense of pride and responsibility among the offenders tasked with renovating and restoring the vast museum site. We are proud of being part of the constructive legacy that will be gained from this historic initiative. This process will see the restoration and preservation of Robben Island and will also play a major role in the rehabilitation and subsequent social reintegration of both parolees and offenders.

The Department has improved healthcare services in correctional facilities. More than 100% of inmates had been tested for HIV in 2014/2015. Currently 97% of inmates who are HIV positive are on antiretroviral therapy (ART). The increase in the number of inmates voluntarily going for HIV

testing is attributed to peer educator programmes conducted in correctional centres and participation of non-governmental organisations in providing counselling and testing services. The cure rate for TB increased from 75% in 2013/2014 to 83% in 2014/2015.

Significant progress has been made in advancing social reintegration of offenders. As corrections is a societal responsibility, and not just the responsibility of the Department of Correctional Services (DCS), the community forms an integral part of the rehabilitation of offenders on parole to reintegrate them as law-abiding citizens. There has been phenomenal improvement in compliance with conditions of probationers and parolees from 94% of parolees in 2013/2014 to 98% in 2014/2015, whilst probationers without violations improved from 92% in 2013/2014 to 97% in 2014/2015. A new audio-visual system was installed in all Parole Boards with the aim of increasing participation of victims in Parole Boards meetings. There were 2 212 victims who participated in restorative justice processes during the year under review.

The Department has a staff establishment of 42 006. A total of 38 440 posts were filled during the year under review. In the 2014/2015 financial year 1009 learners were appointed in a permanent capacity. The Department needs to function at full capacity with respect to the filling of strategic vacant posts, including the posts of National Commissioner, Chief Financial Officer (CFO), Chief Deputy Commissioner (CDC) of Strategic Management and the Regional Commissioner of the Limpopo, Mpumalanga and North-West region. This was done as part of ensuring that all strategic and operational vacant positions are filled. Further actions are already taking place to fill other remaining critical posts to enable the Department to function effectively and deliver services. 24 617 officials were trained in line with the Workplace Skills Plan to gear the Department of Correctional Services for a heightened delivery of services. As a Department, we strived to create a sustained human rights culture at all our Correctional Centres, whereby our correctional officials must be at the forefront. The correctional official has a difficult job of caring for those who offended communities. They continue to work even in appalling conditions where a number of them were attacked by offenders. Annually, we host the highly prestigious Excellence Awards to recognise those correctional officials who go beyond the call of duty in contributing towards safety, fighting fraud and corruption, promoting partnerships as well as advancing community participation in rehabilitation.

- Overview of the financial results of the department

Departmental receipts	2014/2015			2013/2014		
	Estimate	Actual Amount Collected	(Over)/ Under Collection	Estimate	Actual Amount Collected	(Over) / Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Tax receipts						
Sale of goods and services other than capital assets	54 737	57 347	(2 610)	49 438	54 134	(4 696)
Transfers received	-	-	-	-	5	(5)
Fines, penalties and forfeits	22 775	18 159	4 616	21 110	16 484	4 626
Interest, dividends and rent on land	82	724	(642)	517	319	198
Sale of capital assets	9 642	7 423	2 219	1 500	3 246	(1 746)
Financial transactions in assets and liabilities	39 067	56 099	(17 032)	58 522	42 941	15 580
Total	126 303	139 752	(13 449)	131 087	117 129	13 957

- Departmental receipts

During the 2014/2015 financial year, an amount of R139.752 million was collected against the annual target of R126.303 million. Vehicles that have reached their economic useful life span and damaged beyond economical repairs were sold for an amount for R7.423 million.

Revenue is mostly generated from selling products made in correctional centre workshops, hiring out offender labour and also letting accommodation facilities to personnel. One third of revenue generated from hiring out of offender labour is also used to supplement the budget for inmates' gratuity.

All tariffs are calculated according to the applicable inflation rate for the reporting period. The changes in the 2014/2015 financial year were due to inflationary adjustments and were accordingly approved by the Accounting Officer.

A total amount of R6.916 million was written off in respect of debts and losses.

Free Services

The total expenditure for the 2014/2015 financial year for free services amounted to R45.923 million (2013/2014: R43.556 million). This amount consists of Compensation of Employees in respect of two hundred and five (205) officials (2013/2014: two hundred and three (203) officials working directly for Clubs and Messes and R1.923 million (2013/2014: R1 million) was spent for three (3) officials working in the Head Office Biokinetics Centre.

Programme Expenditure

Expenditure per Programme for the year ended 31 March 2015

Programme Name		2014/2015			2013/2014		
		Final Appropriation	Actual Expenditure	(Over) / Under Expenditure	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure
		R'000	R'000	R'000	R'000	R'000	R'000
1.	Administration	3 662 655	3 641 704	20 951	5 153 497	5 152 997	500
2.	Incarceration	12 178 748	12 097 188	81 560	10 046 507	9 997 094	49 413
3.	Rehabilitation	1 109 566	1 019 492	90 074	998 027	950 045	47 982
4.	Care	1 940 182	1 940 182	-	1 799 173	1 799 173	-
5.	Social Reintegration	830 688	830 688	-	751 289	751 289	-
Total		19 721 839	19 529 254	192 585	18 748 493	18 650 598	97 895

Expenditure per Economic Classification for the year ended 31 March 2015

Economic Classification	2014/2015			2013/2014		
	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Compensation of Employees	12 701 585	12 611 511	90 074	12 238 049	12 190 067	47 982
Goods and Services	5 831 417	5 770 156	61 260	5 296 111	5 246 198	49 913
Interest and Rent on land	394	394	-	890	890	-
Provinces and municipalities	4 817	4 817	-	4 180	4 180	-
Departmental Agencies and Accounts	9 830	9 830	-	8 455	8 455	-
Households	112 999	112 999	-	99 467	99 467	-
Buildings and other fixed structure	846 099	846 099	-	862 354	862 354	-

Machinery and equipment	204 630	163 379	41 251	205 330	205 330	-
Biological assets	3 153	3 153	-	2 951	2 951	-
Software and other intangible assets				27 036	27 036	-
Payment for financial assets	6 916	6 916	-	3 670	3 670	-
Total	19 721 839	19 529 254	192 585	18 748 493	18 650 598	97 895

Virements / Rollovers

All the virements and shifting of funds for the period under review were in line with section 43 of the PFMA, Treasury Regulations 6.3.1 and were approved by the Accounting Officer. All approved virements and shifting of funds were reported to the National Treasury and Executive Authority.

The Department was allocated with a budget of R19.722 billion at the beginning of the 2014/2015 financial year, however there was an additional allocation of R728 thousand for incremental income for inmates' gratuity which was included in the Adjustment Estimates Budget.

Motivation for the virements for 2014/2015 financial year

The Department re-prioritised an amount of R614 million from vacancy savings under Compensation of Employees to fund various critical shortfalls for Goods and Services, Payments for financial assets and also for Transfers to households for service terminations in terms of Treasury Regulations 6.3.1. (d).

The fund shifts are summarised as follows in terms of Programmes and Economic Classifications:-

- Programme 1: Administration**

The net increase of R38.9 million was mainly due to funds which were shifted to this programme to fund Goods and Services for various items such as municipal services, fleet services and on Transfers and Subsidies under Households for service terminations from savings realised under Compensation of Employees.

- Programme 2: Incarceration**

The net decrease of R121 million was mainly under Compensation of Employees due to funds shifted to Programme Administration and Care to fund shortfalls realised under Goods and Services on item Agency Support / Outsourced Services for Nutritional Services Contract and also on Transfers and Subsidies under Households for service terminations in the Department.

- Programme 3: Rehabilitation**

The net decrease of R56.7 million was mainly under Compensation of Employees due to funds shifted to Programme Care to fund shortfall realized under Goods and Services on item Agency Support / Outsourced Services for Nutritional Services.

- Programme 4: Care**

The net increase of R194.4 million was mainly under Goods and Services on item Agency Support / Outsourced Services for Nutritional Services Contract due to the continuous increase in food prices and also the two Management Areas, namely Bizzah Makhate and Groenpunt Management Areas which were added to the existing contract from savings realized in Programme Rehabilitation, Incarceration and Social Reintegration programmes under Compensation of Employees.

According to the consumer price index for the total country for the item, food and beverages, there was a 7.8 % change from March 2013 to March 2014. Although this consumer price index decreased to 5.9% from March 2014 to March 2015, the effect of the backlog in funding inflation on nutritional services has been carried through in the form of increasing shortfalls, which could not be managed from reprioritisation within the goods and services budget.

- **Programme 5: Social Reintegration**

The net decrease of R55.6 million was mainly under Compensation of Employees to fund shortfall realized in Programme Care under Goods and Services for Item Agency Support / Outsourced Services for Nutritional Services and Programme Administration, under Transfers and Subsidies, under households for service terminations in the Department.

Rollovers

A request for the rollover of funds, amounting to R20.300 million was made by the Department from the 2014/2015 to the 2015/2016 financial year. The rollover was for the installation of the security equipment which could not be installed, due to the delays in the finalisation of procurement processes.

Public Private Partnerships (PPP)

The Department has two (2) Public Private Partnerships (PPPs) Correctional Centres, namely the Kutama-Sinthumule and Mangaung Correctional Centres (MCC). The Mangaung Correctional Centre was involved in labour unrest and there was a general state of instability in the operations of the correctional centre. As a result of this, the Department took over the operations of the centre. The intervention ended on 1 August 2014, however some DCS Task Team members were allowed to remain at the centre and to withdraw in phases until 1 December 2014, as per the agreement between DCS and the management of Bloemfontein Correctional Contract (BCC).

As a result of the deployment of DCS officials a total cost of R110 million was incurred and the Department is currently in the process of recovering these costs. The Department is also in the process of finalising all notices of breach of contract against the Contractor which emanated during the period of the Industrial Strike.

Discontinued activities

There were no activities to be discontinued.

Supply Chain Management

The Department has a central SCM unit as well as regional SCM units. The former manages procurement for goods and services which are valued more than R10 million nationally as well as head office procurement, whereas regional SCM units manage below the R10 million threshold. The Department has seven (7) sub bid adjudication and one (1) national bid adjudication committee. These committees ensure that the supply chain management system of the Department is fair, equitable, transparent competitive and cost effective. The bid adjudication committees are functioning effectively and in compliance with laws and regulations.

Fruitless and Wasteful expenditure

As at 31 March 2015, the balance of fruitless and wasteful expenditure was R35.628 million, of which R27.710 million relates to sixteen (16) cases incurred in the year under review. These cases are with respect to cancellation of travel, interest and penalty charges for late payments, and non-attendance training.

During the same period ten (10) cases to the total value of R140 000 were finalised. A total of five (5) cases to the value of R9 978 were recovered from officials. One case valued at R13 680 was written off, whereas four (4) cases valued at R116 272 were found not to be fruitless and wasteful expenditure.

Prevalent cases of fruitless and wasteful expenditure reported are for cancellation fees on accommodation and events. The Department will continue with awareness sessions among officials on incidences that give rise to fruitless and wasteful expenditure in order to minimize the occurrence of such cases.

Irregular expenditure

Challenges remain with procurement of goods and service through price quotations. This is an area which largely contributes towards irregular expenditure incurred by the department. As at 31 March 2015, the balance of irregular expenditure was R287.514 million, of which R164.007 million was incurred during the year under review. The irregular expenditure incurred during the year, comprises of fifteen (15) cases relating to procurement and financial procedures not complied with.

During the year, nineteen (19) cases amounting to R60.744 million were investigated and proven not to be irregular. Furthermore, the accounting officer condoned sixteen (16) cases amounting to R2.814 million which relate to non-compliance to procurement and financial procedures although service was rendered.

The strengthening of the Internal Control and Compliance unit within the Finance branch during the next financial year will ensure that investigations are prioritised for timely disciplinary actions and/or recoveries. This is expected to be a deterrent for future non-compliance.

Gifts and Donations received in kind from non-related parties

The value of donations received in kind during the 2014/2015 financial year amounts to R1.919 million. These comprise service dogs, sports and recreational items and other accessories to promote offender well-being.

The table below depicts donations received in kind from non-related parties.

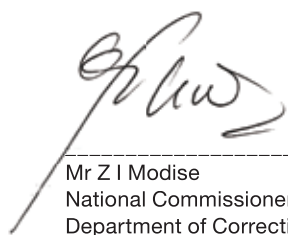
Nature of Donation	Amount (R'000)
Animals	4
Sports and Recreation	43
Computer Equipment and Software	17
Books	1 261
Food and related products	6
Toiletries	50
Electrical appliances	52
Toys, baby accessories and recreation	44
Accommodation	35
Stationary	26
Other	381
Total	1 919

Exemptions and deviations received from National Treasury

There were no exemptions / deviations that were requested from National Treasury.

The progress reflected in this Annual Report is aimed at providing an assurance that we take seriously the responsibility entrusted upon us to ensure that all people in South Africa are and feel safe and that offenders leave correctional centres with a more positive outlook on life and equipped with better skills, which will contribute towards reducing repeat offending and increase their chances of successful and sustainable reintegration into society as law-abiding citizens.

I wish to express my sincere appreciation to Minister Michael Masutha and Deputy Minister Thabang Makwetla for their guidance and support during the year under review. I also wish to extend my gratitude to organized labour and all our stakeholders for their partnership, cooperation and continued support, and all employees of the Department for their hard work and commitment. I look forward to another year in which we continue to build on our achievements and working together in finding innovative ways to overcome our challenges, especially in areas where we have fallen short of our planned targets.



Mr Z I Modise
National Commissioner
Department of Correctional Services

5. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

To the best of my knowledge and belief, I confirm the following:

All information and amounts disclosed throughout the annual report are consistent.

The annual report is complete, accurate and free from any omissions.

The annual report has been prepared in accordance with the guidelines on the annual report, as issued by National Treasury.

The Annual Financial Statements (Part E) have been prepared in accordance with the modified cash standard and the relevant frameworks and guidelines issued by the National Treasury.

The Accounting Officer is responsible for the preparation of the annual financial statements and for the judgements made in this information.

The Accounting Officer is responsible for establishing and implementing a system of internal control that has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the annual financial statements.

The external auditors are engaged to express an independent opinion on the annual financial statements.

In my opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the Department for the financial year ended 31 March 2015.

Yours faithfully



Mr Z I Modise
National Commissioner
Department of Correctional Services

6. STRATEGIC OVERVIEW

6.1 VISION

Providing the best Correctional Services for a safer South Africa.

6.2 MISSION

Contributing to a just, peaceful and safer South Africa through effective and humane incarceration of inmates and the rehabilitation and social reintegration of offenders.

6.3 VALUES

Development

- Enablement and empowerment.
- Faith in the potential of people.
- Provision of opportunities and facilities for growth.

Integrity

- Honesty.
- Disassociation from all forms of corruption and unethical conduct.
- Sound business practices.

Effectiveness

- Productivity.
- The best work methods.
- Excellent services.

Ubuntu

- Serving with kindness and humanity.

Accountability

- Desiring to perform well.
- Accepting accountability for one's behaviour.
- Commitment.

Justice

- Fair treatment.
- Justice for all.
- Fairness and equality before the law.

Security

- Safety of employees, inmates and the community.

Equity

- Non-discrimination.
- Affirmative action.
- Gender equality.
- Integration of disability issues.

7. LEGISLATIVE AND OTHER MANDATES

7.1 CONSTITUTIONAL MANDATES

The Constitution of the Republic of South Africa (Act No. 108 of 1996) lays the basis for the mandate of the Department of Correctional Services. The Constitution compels the Department to comply with the following sections in terms of the treatment of offenders:

- Section 9 – Equality.
- Section 10 – Human dignity.
- Section 12 – Freedom and security of the person.
- Section 27 – Right to health care services.
- Section 28 – Children's rights.
- Section 29 – Right to education.
- Section 31 – Freedom of religion.
- Section 35 – Rights to humane treatment and to communicate and be visited by family, next of kin etc.

7.2 LEGISLATIVE MANDATES

Correctional Services Act (No.111 of 1998) as amended

The Act seeks to provide amongst others, for a correctional system; the establishment, functions and control of the Department of Correctional Services; the custody of all offenders under conditions of human dignity; the rights and obligations of sentenced offenders; the rights and obligations of unsentenced offenders; a system of community corrections; release from correctional centres and placement under correctional supervision, on day parole and parole; a National Council for Correctional Services; a Judicial Inspectorate; Independent Correctional Centre Visitors; an internal service evaluation; officials of the Department; joint venture correctional facilities; penalties for offences; the repeal and amendment of certain laws; and matters connected therewith.

Criminal Procedure Act (No. 51 of 1977)

The following sections of the Criminal Procedure Act, 1977 (Act No 51 of 1977) are of particular importance to the DCS, namely, section 63A, Chapter 28 and section 299A. Section 63A of the CPA, provides for a procedure in terms of which the Court may, on application by a Head of a Correctional Centre and if not opposed by the Director of Public Prosecutions concerned, order the release of certain accused on warning in lieu of bail or order the amendment of the bail conditions imposed by that court on the accused. Section 63A also forms the basis of a protocol between JCPS departments to encourage the utilization of this provision to assist accused persons who do not pose a danger to society to be released from detention under circumstances where the bail set by the court cannot be afforded by the accused or his or her family. Chapter 28 of the CPA deals with sentencing and the whole Chapter is applicable to the DCS's mandate. Offenders must be detained in accordance with the sentences handed down under this Chapter. The granting of parole and the conversion of sentences to correctional supervision is also done in accordance with this Chapter, read together with the Correctional Services Act, 1998 (Act No 111 of 1998). Finally, section 299A of the CPA regulates victim involvement in the decisions of parole boards.

7.3 POLICY MANDATES

The White Paper on Corrections in South Africa (2005) obliges management to:

- capacitate the Department of Correctional Services to play its role as a security institution responsible for the promotion of public safety through breaking the cycle of crime;
- develop the Department of Correctional Services into an institution of rehabilitation and
- social reintegration; and
- promote corrections as a societal responsibility.

The White Paper on Remand Detention Management in South Africa, 2014 which was approved in March 2014 after consultation with the Cabinet, several stakeholders and the Portfolio Committee of DCS is relevant in relation to the mandate of remand detention and consistent with the Correctional Matters Amendment Act (Act 5 of 2011) and other local and international policies and protocols.

7.4 RELEVANT COURT RULINGS

Significant developments in terms of court rulings that have an ongoing impact on operations of correctional services in the past year include two rulings that confirm that there are two systems of parole applicable to lifers sentenced before 1 October 2004. No offender has a right to parole, offenders have a right to be considered for parole and all the judgments handed down in 2011 merely provide them with the right to be considered but the granting of parole is not guaranteed. In terms of the Correctional Services Act the Minister has the final decision as to the placement on parole of offenders sentenced to terms of life imprisonment.

First System: Van Vuuren Judgment

On 30 September 2010, the Constitutional Court handed down judgment in the Van Vuuren case. [Paul François Van Vuuren v Minister of Correctional Services and Others [2010] ZACC 17] As a result of this judgment, the minimum detention period for inmates sentenced to life before 1 October 2004 is no longer a blanket 20 year period. The Court held that in order for the provisions of the Act to be constitutional it must be interpreted as stating that inmates sentenced to life before 1 October 2004 must be considered for placement on parole in accordance with the legislative provisions and policies applicable on the date of sentencing.

Second System: Van Wyk Judgment

In line with the principle that sentenced offenders must be treated in accordance with the parole system applicable at the time of sentencing, on 15 July 2011, in the matter of Van Wyk, the North Gauteng High Court ruled that the credit system was applicable to lifers sentenced between 1 August 1993 and 30 September 2004. [Cornelius Johannes Van Wyk v Minister of Correctional Services and Others; Case Nr 40915/10; North Gauteng High Court] This means that all offenders sentenced to life imprisonment between 1 August 1993 and 30 September 2004 must be allocated the maximum of six (6) years and eight (8) months credits. This period of 6 years and 8 months must be deducted from the minimum of 20 years to determine the new date of consideration for parole.

8. ORGANISATIONAL STRUCTURE

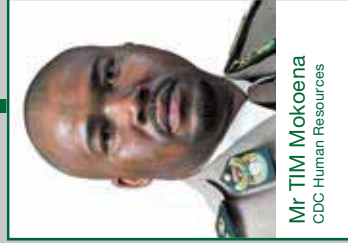
See page 26

9. ENTITIES REPORTING TO THE MINISTER

There are no entities that report to the Minister of Justice and Correctional Services.



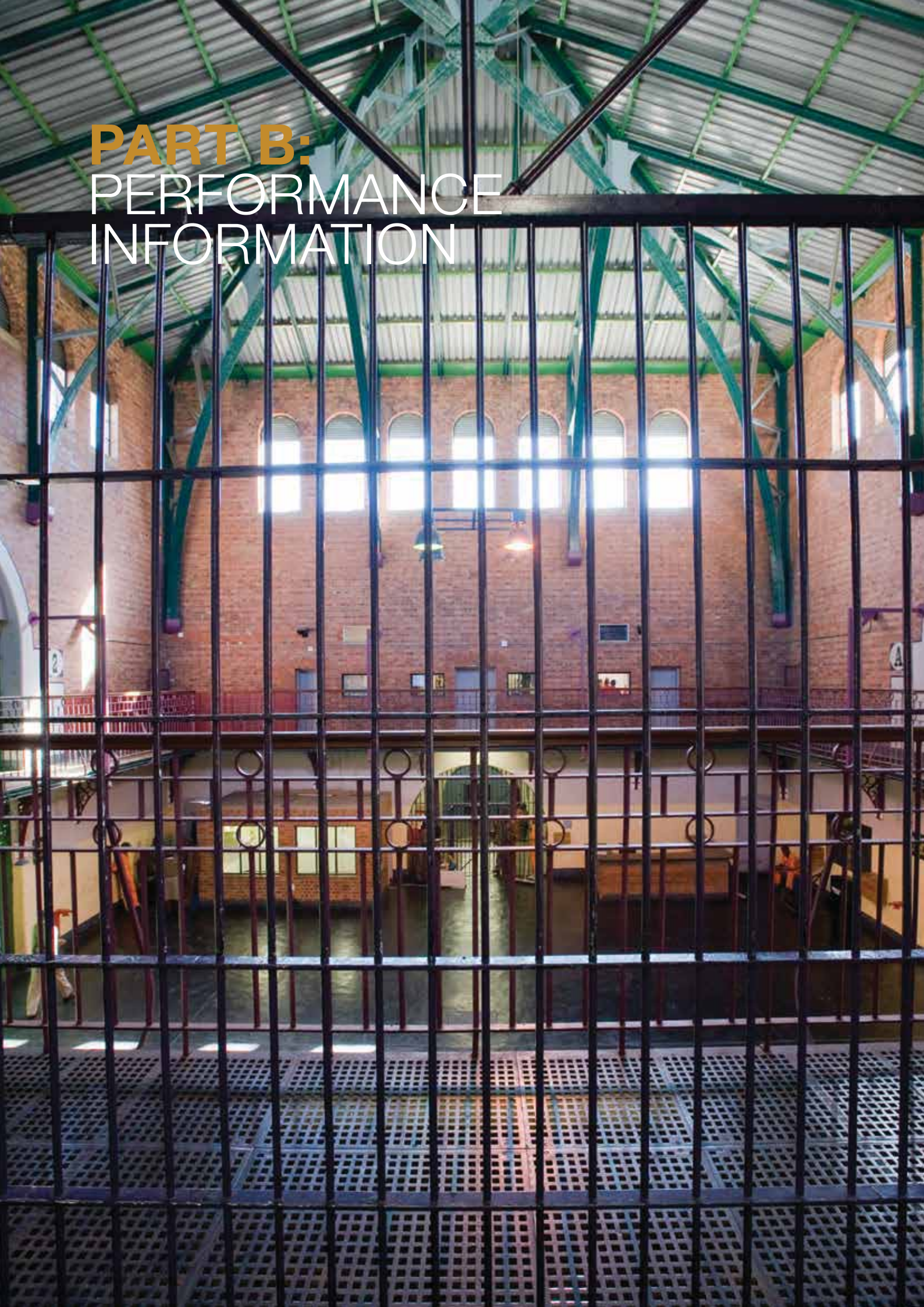
Chief Deputy Commissioners



Regional Commissioners



PART B: PERFORMANCE INFORMATION



1. AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The AGSA currently performs certain audit procedures on the performance information, to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management, with material findings being reported under the Predetermined Objectives heading in the Report on other legal and regulatory requirements section of the auditor's report.

Refer to page 105 of the Report of the Auditor-General, published as Part E: Financial Information.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1 SERVICE DELIVERY ENVIRONMENT

In May 2014, the Department of Correctional Services was combined with the Department of Justice and Constitutional Development to fall within one Ministry of Justice and Correctional Services. The legal mandate of the Department is the provision of a safe and secure environment, as well as the creation of an enabling environment for correction and rehabilitation to take place. At the time of the 2014 national budget, Justice and Correctional Services were still two separate ministries and R19 721 million was appropriated for Correctional Services. The DCS is a large institution, comprising of 38 440 permanent employees and 2 189 employees on contract for the year under review. At the end of the 2014/2015 financial year, the Department had 3 566 vacancies, which is a vacancy rate of 8.1%.

South Africa had a total inmate population of 159 563 as at 31 March 2015. Overcrowding within the Department still remains a priority. Besides overcrowding, we have noted that incidents of violence and gang-related atrocities among offenders, as well as the stabbings of officials continue to increase in some areas.

Table 1: Average number of inmates per gender category in correctional facilities per financial years

The following table represents the average number of inmates in our correctional facilities.	Unsented inmates		Sented offenders		Average inmate population	
	Females	Males	Females	Males	Females	Males
2010/2011	963	46 794	2 625	110 714	3 588	157 508
2011/2012	1 030	44 868	2 735	110 309	3 765	155 177
2012/2013	988	44 742	2 392	102 486	3 380	150 608
2013/2014	1 005	43 853	2 490	105 206	3 495	149 058
2014/2015	1 048	41 029	2 867	112 197	3 915	153 226

The number of youth offenders within our correctional facilities is still a concern. The Department had convened a youth dialogue to find solutions for the scourge of youth delinquency that is troubling many communities. The dialogue was also to launch the Department's youth strategy. Common problems encountered by the youth as contributing factors towards committing crime were peer pressure, unstable families, unstable communities and a lack of education and development.

Table 2: Average number of Sented offenders during 2014/2015 according to daily unlocks.

Average number of sentenced offenders per category per age group during 2014/2015						
Children (Younger than 18 years)		Juveniles 18 – 20 years)		Youth and adults (21 years and older)		Total
Females	Males	Females	Males	Females	Males	
3	201	92	4 402	2 772	107 594	115 064

The Criminal Justice System in South Africa has accomplished much, despite the challenges it has faced since 1994.

One of the biggest challenges is amongst others, violent crime and xenophobic attacks. Hostility towards foreign nationals has become one of the most significant features within South African society. Xenophobic violence in South Africa has been increasingly brought under the media spotlight, yet there is a lack of empirical data that reliably discusses and debates the alleged involvement of foreign nationals, in the rise of the national crime rates. Incarcerated foreign nationals within South African Correctional facilities was at an average of 10 170 inmates, which is about 6% of the total inmate population. The following table reveals that there has been an increase in foreign national inmates from 2012/2013 to 2014/2015.

Table 3: Number of foreign nationals in correctional centres

Number of foreign nationals in correctional centres (average)		
2012/2013	2013/2014	2014/2015
9 308	9 702	10 170

The Department is managed within six (6) regions, that is, Eastern Cape, Gauteng, Free State and Northern Cape, KwaZulu-Natal, Western Cape, and Limpopo, Mpumalanga and North-West.

Table 4: Number of inmates as at 31 March 2015 per region:

Region	Total number of sentenced offenders			Total number of un-sentenced inmates			Total number of inmates
	Males	Females	Total number of sentenced offenders	Males	Females	Total number of un-sentenced inmates	
Eastern Cape	14 071	286	14 357	4 600	73	4 673	19 030
Gauteng	24 830	895	25 725	10 009	322	10 331	36 056
Free State and Northern Cape	17 940	297	18 237	5 150	82	5 232	23 469
KwaZulu-Natal	20 588	499	21 087	7 176	149	7 325	28 412
Western Cape	17 961	725	18 686	9 939	398	10 337	29 023
Limpopo, Mpumalanga and North-West	17 846	327	18 173	5 335	65	5 400	23 573
	113 236	3 029	116 265	42 209	1 089	43 298	159 563

There are two hundred and forty three (243) Correctional Centres, including two (2) Public Private Partnerships (PPPs) of which two hundred and thirty six (236) correctional centres across South Africa are active. Nine (9) are for women only, fourteen (14) are for youths and hundred and twenty nine (129) are for men only. During 2014/2015, fifteen (15) dedicated remand detention facilities were established across the country.

Table 5: Regions per management area and correctional centres as on 31 March 2015

Region	Number of management areas	Number of correctional centres		
		Number of temporarily closed for upgrade	Number of active centres	Total number of centres
Eastern Cape	6	1	44	45
Gauteng	8	1	25	26
Free State / Northern Cape	7	0	49	48
KwaZulu-Natal	7	2	40	42
Western Cape	10	0	42	42
Limpopo/Mpumalanga/ North-West	8	3	36	38
Public Private Partnerships (PPPs) in FS/NC (1) and LMN (1)				2
Total	46	7	236	243

Centres temporarily closed for upgrades, repair and renovations:

- Eastern Cape: Port Elizabeth
- Gauteng: Kgoši Mampuru II Maximum (C-Max)
- KZN: Matatiele and Estcourt
- LMN: Geluk, Rustenburg Medium B and Standerton Medium B

The Department accommodated sentenced offenders in the following crime categories. The majority of sentenced offenders are serving sentences for aggressive crimes, followed by economic offences. According to the latest National Offender Population Profile, the major crime categories are economic, aggressive, sexual and narcotics.

Table 6: Average sentenced offenders per crime category during 2014/2015

Crime Type	Crime Category	2013/2014	% against sentenced population	2014/2015	% against sentenced population
Aggressive	Aggressive Crimes Other; Assault Common; Assault Serious; Cruelty To Animals; Culpable Homicide; Damage To Property; Murder; Murder Attempted; Murder Child; Necklace And Related Murders; Robbery Aggravating; Robbery Common; Suicide Attempted	58 954	55%	61 110	53.11%
Economic	Burglary / House-breaking; Car Theft; Economic Crimes Other; Fraud And Forgery; Illegal Trade/possession Of Gemstone; Stock-theft; Theft Other	21 537	20%	24 094	20.94%
Sexual	Indecent Assault; Intercourse With Minor; Rape; Rape Attempted; Sexual Crimes Other	19 262	18%	20 608	17.91%
Narcotics	Possession/trade In Intoxicating Liquor; Possession/use Of Dangerous Dependand Substance; Possession/use Of Marijuana; Possession/use Of Prohibited Dependand Substance; Trade/cultivate Marijuana; Trade/cultivate Of Prohibited Dependand Substance; Trading In Dangerous Dependand Medicine	2 996	3%	3 613	3.14%
Other	Agriculture/stock-breed/fishery; Crimes Against The Family-life; Crimes Against The Good Order; Crimes Against The Safety of the State; Crimes in relation of Conservation of Nature; Crimes in relation of Education And Training; Crimes in relation of Health Services; Crimes in relation of Public Transport; Crimes in relation of Religion; Crimes in relation of Road Traffic; Crimes in relation of Sports And Recreation; Crimes in relation of Welfare And Service; Driving Under The Influence; Foreigners In The RSA; Good Name And Honour Of A Person; Government Finance And Income; Kidnapping / Man-stealing / Child-stealing; Lottery And Related Crimes; Mining/factories/trade/business; Other crimes Not Mentioned elsewhere; Prison Offences; Reckless/negligent Driving	4 947	4%	5 639	4.90%
Grand Total		107 696	100%	115 064	100%

* **"Other" crimes** – Crimes committed by offenders that cannot be specifically categorized into Economical, Aggressive, Sexual or Narcotics, for example, crimes against family life, good order, safety and prison offences

* Offenders are placed only in one crime category regardless of the number of crime they are sentenced for.

The average number of offenders placed under the system of community corrections is 68 173; parolees have increased to 50 855 in 2014/2015 and probationers have increased to 17 318 in the period under review. Of those placed on parole in 2014/2015, 49 928 were without violations and 16 913 were probationers without violations. During 2014/2015, 68.73% of all offenders placed on parole completed pre-release programmes.

Table 7: Average number of probationers and parolees

Probationers and parolees	2013/2014	2014/2015	Difference
Parolees without violations	94.1% (46 380 / 49 282)	98.18% (49 928 / 50 855)	4.08% (3 548)
Probationers without violations	92.8% (15 543 / 16 744)	97.66% (16 913 / 17 318)	4.8% (1 370)

Parole in South Africa is an integral part of the broader Criminal Justice System. The granting of parole and the conversion of sentences to correctional supervision are done in accordance with Chapter 28 of the Criminal Procedure Act (CPA), read together with the Correctional Services Act, 1998 as amended. Offenders must be detained in accordance with the sentences handed down in line with the Act.

The credibility of the South African medical parole system has been cast into the spotlight during the year under review after the Justice and Correctional Services Minister announced his decision on the parole and medical parole applications of three apartheid assassins. The medical parole system in South Africa is governed by the Correctional Services Act, which was amended to broaden the circumstances under which medical parole can be granted. The community forms an integral part of the rehabilitation of offenders on parole to reintegrate them as law-abiding citizens. Parole is used internationally to place offenders under supervision within the community. The parole system allows for independent decision making by Correctional Supervision and Parole Boards (CSPBs). Furthermore, it encourages the participation of victims, as well as other role players such as representatives from the SAPS and other relevant Departments.

The Criminal Procedure Act (CPA) regulates victim involvement in the decisions of parole boards. The installation of an audio-visual system in the parole boards' offices will give victims access to any of the fifty three (53) parole boards across the country to make representations without having to travel. In 2014/2015, 94% of cases submitted by Case Management Committees (CMCs) were considered by the parole boards. Victims of crime will henceforth be able to 'attend' parole hearings via audio-visual connection from remote parole board offices. The system will enable more victims to make representations at parole hearings.

The Department identified challenges with regard to parole profiles of lifers, for example, the absence of police reports, outdated reports from professionals such as psychologists and social workers and an absence of evidence that victims were approached or were involved in preparations for parole hearings.

Work sessions were held with CMCs and CSPBs in this regard, with the aim of discussing matters related to the submission of profile reports of lifers for parole. The sessions sought to develop a uniform understanding of the procedural and substantive elements required for parole recommendations for lifers.

Report on the implementation of the Child Justice Act (Act 75, 2008)

A second departmental report on the implementation of the Child Justice Act (Act 75, 2008) was submitted to the Department of Justice (lead department) for tabling at the parliament during the 2014/2015 financial year. The number of children has gradually dropped, since the implementation of the Child Justice Act in 2010. There are processes that have to be followed by the criminal justice system, role-players before a decision for sending a child to DCS facilities is made. These processes include assessment of the child by the probation officer, placement of the child on diversion programme, in a situation where this was deemed to be appropriate, conducting of preliminary inquiry and ultimately referral of the child to the Child Justice Court. Imprisonment is regarded as the last resort. The number of remand detainee children reduced from an annual average of three hundred and seventy nine (379) in 2011/2012 to an annual average of hundred and fifty five (155) in the 2014/2015 financial year. This translated to a reduction of 59.1%. The number of sentenced children reduced from an annual average of five hundred and thirty eight (538) in 2011/2012, to an annual average of two hundred and four (204) in the 2014/2015 financial year. This translated to a reduction of 56.5%.

The regions that detained the highest number of children in 2014/2015 were KwaZulu-Natal followed by the Eastern Cape, whilst the regions that detained the lowest number of children were Gauteng, followed by LMN.

The snapshot analysis for 31 March 2014, 30 September 2014 and 31 March 2015 revealed that more than 90% of remand detainee children were in detention without an option of bail. One of the challenges experienced with the remand detainee children

is that some facilities would detain only one child. A strategy for referring lone children to court for possible placement in secure care facilities, managed by the Department of Social Development, has been agreed upon at various sub-cluster structures.

Another challenge with regard to the rendering of educational programmes to remand detainee children, is that most children admitted in the Department have no primary or high school education and as such, do not show any willingness to register for formal educational programme. This is exacerbated by the fact that they must appear in court every fourteen (14) days and almost 90% of them are detained for a period that ranges from less than a day to six (6) months.

2.2 SERVICE DELIVERY IMPROVEMENT PLAN

The Department is developing a new service delivery improvement plan, to be aligned with the 2015/2018 cycle, as requested by the Department of Public Service and Administration (DPSA). During 2014/2015, the Department continued to monitor the results on the service standards. The four main services of the previous plan are still utilised to ensure that service delivery is improving and therefore reporting is done on what was achieved against the desired standards of service.

Main services and standards

Table 8: The table below highlights the service delivery plan and the achievements to date.

Main services	Beneficiaries	Current / actual standard of service	Desired standard of service	Actual achievement
Improve telephone and switchboard etiquette at all the service points.	General public, service providers, employees and families of inmates.	Switchboard open 24 hours.	Switchboard open 24 hours.	<ul style="list-style-type: none"> Head-Office switchboards are operational during working hours. Regional Office switchboards are operational during working hours only. Most correctional centre switchboards are manned at all times. In many regions lines are put through to night shift control offices.
		Trained switchboard operators, especially in customer relations.	Trained switchboard operators, especially in customer relations.	<ul style="list-style-type: none"> Training of frontline staff in telephone etiquette and customer relations protocols is an ongoing process.
		Information about DCS services played while callers hold the line.	Information about DCS services played while callers hold the line.	<ul style="list-style-type: none"> This action is dependent on the availability of funds and the availability of the specific functionality. The allocated budget was not sufficient to upgrade most of the systems.
		Grievances of dissatisfied callers would be responded to within a week.	Grievances of dissatisfied callers would be responded to within a week.	<ul style="list-style-type: none"> Heads of correctional centres are attending to the grievance registers and feedback is given in most of the cases.
		Centralised switchboard number advertised.	Centralised switchboard number advertised.	<ul style="list-style-type: none"> Centralised numbers are displayed in telephone directory. The intranet and internet telephone lists are updated on a regular basis.
		DCS hotline numbers available.	DCS hotline numbers available.	<ul style="list-style-type: none"> Numbers displayed on information boards and printed on Service Delivery Charter.
		Updated website.	Updated website.	<ul style="list-style-type: none"> The DCS website was updated on an on-going basis.
		Telephone number of Dept. Investigative Unit available.	Telephone number of Dept. Investigative Unit available.	<ul style="list-style-type: none"> The contact number of the Department Investigative Unit is available in all centres as well as on the internet and intranet.

		Toll-free number available to report fraud & corruption.	Toll-free number available to report fraud & corruption.	<ul style="list-style-type: none"> The contact number of Department Investigative Unit is available in all centres as well as on the internet and intranet.
Improve scheduling of visitations to offenders.	Families of offenders, Legal representatives of families.	Suggestion boxes in visitors' area.	Suggestion boxes in visitors' area.	<ul style="list-style-type: none"> There was ongoing interaction with visitors regarding policies and procedures. All documents received in the suggestion boxes that are available in the majority of the correctional centres, were attended to within the limits of the available budget.
		Evaluation forms in visitors' area.	Evaluation forms in visitors' area.	<ul style="list-style-type: none"> Customer satisfaction rating forms have been printed and distributed to all service points. Visitors' areas have been targeted. This rating facility is also available on the intranet and internet.
		A visitors' reception and waiting area.	A visitors' reception and waiting area.	<ul style="list-style-type: none"> The availability of visitors' parking areas was still a challenge at some correctional centres. However, where there are such areas, they have been sign-posted for easy identification.
		Parking area for vehicles will be provided outside the security fence of each correctional centre.	Parking area for vehicles will be provided outside the security fence of each correctional centre.	<ul style="list-style-type: none"> Such parking areas are not available at all correctional centres.
		Complaints and requests procedures are communicated to every offender on admission.	Complaints and requests procedures are communicated to every offender on admission.	<ul style="list-style-type: none"> Heads of correctional centres or their delegates as well as the Independent Correctional Centre Visitor monitor the complaints and requests consistently.
		Orientation manual available to all admission sections.	Orientation manual available to all admission sections.	<ul style="list-style-type: none"> Upon admission, offenders are orientated on complaints procedures and privilege system.
		Offenders to receive information and or pamphlet / brochure on the privilege system in different languages.	Offenders to receive information and or pamphlet / brochure on the privilege system in different languages.	<ul style="list-style-type: none"> Availability of pamphlets in different regional languages not achieved. Brochures and pamphlets mostly available in English at all centres.
		Policy and procedures will be explained to the community members (family, friends, and employers) via a video/DVD in the waiting room.	Policy and procedures will be explained to the community members (family, friends, and employers) via a video/DVD in the waiting room.	<ul style="list-style-type: none"> Policy and procedures not readily available and Offender Rehabilitation Path (ORP) videos were shown in some centres.

		Announcements on community radio stations and local newspapers during Corrections Week.	Announcements on community radio stations and local newspapers during Corrections Week.	<ul style="list-style-type: none"> Target not met because of limited budget allocations.
		All frontline staff wears name tags and corporate wear with right insignia.	All frontline staff wears name tags and corporate wear with right insignia.	<ul style="list-style-type: none"> Name tags not available at all centres. Frontline staff wears corporate wear and proper insignia correctly.
		Encourage families and friends of offenders through community structures to visit offenders.	Encourage families and friends of offenders through community structures to visit offenders.	<ul style="list-style-type: none"> Integration forums were established in some regions. Open / Family days were utilized to encourage visits. CPF meetings were utilized.
		Make contact details of management areas and National Contact Centre available for communities to log complaints and suggestions or solutions.	Make contact details of management areas and National Contact Centre available for communities to log complaints and suggestions or solutions.	<ul style="list-style-type: none"> Contact details of management areas were made available in all regions. National Contact Centre stopped functioning. Staff and equipment brought to Head-Office and integrated with Presidential Hotline.
Manage the payment of bail and fines at correctional centres.	Members of the public, next-of-kin, offenders, inmates, and employers.	Offenders will be informed about all services, including procedures for payment of bail and fines.	Offenders will be informed about all services, including procedures for payment of bail and fines.	<ul style="list-style-type: none"> Upon admission, offenders were informed about procedures regarding payment of bail and fines. Roll calls were utilized as well.
		Offender's family and employer(s) will be informed telephonically.	Offender's family and employer(s) will be informed telephonically.	<ul style="list-style-type: none"> Family members and employers were informed telephonically. Offenders were allowed time to inform families.
		Integrated Justice System (IJS) partners will be fully informed regarding standard procedures.	Integrated Justice System (IJS) partners will be fully informed regarding standard procedures.	<ul style="list-style-type: none"> IJS cluster and case flow meetings were utilized to communicate bail and fine procedures.
		Access during official working hours. Prior arrangement if arrival is after working hours.	Access during official working hours. Prior arrangement if arrival is after working hours.	<ul style="list-style-type: none"> Offices were open between 08:00 – 16:00. Prior arrangements were made for late arrivals.
		Proper waiting area for members of the public, with information pamphlets.	Proper waiting area for members of the public, with information pamphlets.	<ul style="list-style-type: none"> Proper waiting areas were not available at all centres. Information pamphlets were distributed at some centres.
		Clear signage of reception areas.	Clear signage of reception areas.	<ul style="list-style-type: none"> Clear signage was available at most centres.
		Intercom systems in all Remand Detention Facilities.	Intercom systems in all Remand Detention Facilities.	<ul style="list-style-type: none"> Target not met because of budget constraints.

		Prompt location of the accused – admission and release also with reference to remand detainees (bails and fines).	Prompt location of the accused – admission and release also with reference to remand detainees (bails and fines).	<ul style="list-style-type: none"> There were still challenges at the larger correctional centres to promptly locate offenders and detainees.
		Assistance to trace the whereabouts of a person to assist the family members or employer.	Assistance to trace the whereabouts of a person to assist the family members or employer.	<ul style="list-style-type: none"> Target not met at all centres.
Access of service providers and other stakeholders into correctional centres.	Service Providers Stakeholders.	To be addressed in an appropriate vernacular.	To be addressed in an appropriate vernacular.	<ul style="list-style-type: none"> At most of the centres officials complied.
		Upon application for access, proper orientation was done.	Upon application for access, proper orientation was done.	<ul style="list-style-type: none"> All service providers were orientated on protocol issues. Service providers were registered and quality assured.
		All community members / organisations to be properly identified at all times. Indemnity forms completed.	All community members / organisations to be properly identified at all times. Indemnity forms completed.	<ul style="list-style-type: none"> Identification cards issued to service providers. Indemnity forms not completed by all centres.
		To be issued with a whistle to blow in case of emergency inside the centre.	To be issued with a whistle to blow in case of emergency inside the centre.	<ul style="list-style-type: none"> Whistles not issued to service providers as a standard procedure. They are all escorted by officials upon arrival.
		Security officials / unit staff assigned to escort and guard service providers.	Security officials / unit staff assigned to escort and guard service providers.	<ul style="list-style-type: none"> Service providers escorted at all times.
		Transport to be available at all centres for movement from access gate to specific section.	Transport to be available at all centres for movement from access gate to specific section.	<ul style="list-style-type: none"> Transport not available at all centres to ensure that service providers arrive at a specific section. Escorting of service providers always done.
		Seamless transfer between management areas.	Seamless transfer between management areas.	<ul style="list-style-type: none"> Centres complied.
		Searching cubicles to ensure privacy of searches.	Searching cubicles to ensure privacy of searches.	<ul style="list-style-type: none"> Service providers were searched in appropriate search cubicles.
		Any materials or equipment being used will be X-rayed and approved by the head of correctional centre.	Any materials or equipment being used will be X-rayed and approved by the head of correctional centre.	<ul style="list-style-type: none"> X-ray scanners not functional at the majority of centres because of budget constraints.

		Security classification of inmates is taken into consideration when service providers render services to groups of inmates.	Security classification of inmates is taken into consideration when service providers render services to groups of inmates.	<ul style="list-style-type: none"> All centres complied.
		Preparation of all visitors before the visit and debriefing after the visit if required.	Preparation of all visitors before the visit and debriefing after the visit if required.	<ul style="list-style-type: none"> Preparation of service providers done before visiting. Debriefing not always done after visits. Database maintained of all service providers.

Batho Pele arrangements with beneficiaries (consultation, access etc.)

Table 9: Batho Pele arrangements and achievements to date.

Current / actual arrangements	Desired arrangements	Actual achievements
Cluster Department meetings.	Cluster Department meetings.	Regular attendance at all IJS / cluster meetings.
Meetings / orientation sessions with new admissions. Community outreach programmes.	Meetings / orientation sessions with new admissions. Community outreach programmes.	<ul style="list-style-type: none"> Regular orientation sessions with all new admissions. Orientation sessions with families of new admissions on protocol / policy issues. During community outreach programmes communities were informed of various correctional centre processes and the need for interaction from them. Ministerial izimbizo used as platforms as well. Round table discussions with stakeholders also used.
Meetings / orientation regarding privilege systems for visitation.	Meetings / orientation regarding privilege systems for visitation.	<ul style="list-style-type: none"> Regular orientation sessions took place with families of offenders, legal representatives / stakeholders regarding visitation processes and access.
Visitors accessing correctional centres to visit family and friends.	Visitors accessing correctional centres to visit family and friends.	<ul style="list-style-type: none"> Parking areas designated. Sign boards for directions on premises and in correctional centre in most centres. Escorting of visitors. Providing DCS transport for visitors from entrance to correctional centre unit. Fire-arm safes available. Searching cubicles to ensure privacy for searching are available in most centres. Not available at some smaller centres. Emergency contingency plan in place and members receive regular briefing sessions. Bagless society compliance communicated. Lock-up facility for belongings. Open / Family days – part of the Corrections Week activities during September included arranging of Family Days at the centres.

Stakeholders and service providers accessing correctional centres to deliver programmes and deliver goods and services.	Stakeholders and service providers accessing correctional centres to deliver programmes and deliver goods and services.	<ul style="list-style-type: none"> Registration of stakeholders and service providers, completion of indemnity forms. Quality assurance of service providers' register. Identification cards for service providers. Escorting of service providers in centres. Provision of DCS transport for service providers from entrance to Correctional Centre. Parking areas designated. Fire-arm safe. Searching cubicles to ensure privacy in searching at most centres. Emergency contingency plan in place and members receive regular briefing sessions. Bagless society compliance. Lock-up facility for belongings.
Arrangements for payment of bail and fines.	Arrangements for payment of bail and fines	<ul style="list-style-type: none"> Promotion of bail and fine payments posted in visiting areas of remand detention facilities for easy access to visitors. Bail and fine registers implemented and monitored on a daily basis.
Booking system for visitors.	Booking system for visitors.	<ul style="list-style-type: none"> Some correctional centres have established call centres to manage booking of visits.

Service delivery information tool

Table 10: Service delivery information tools and achievements to date.

Current / actual information tools	Desired information tools	Actual achievements
DCS Service Delivery Charter.	DCS Service Delivery Charter.	<ul style="list-style-type: none"> The DCS Service Delivery Charter was printed and distributed within the Department and is reflected prominently in all service delivery points. A range of marketing materials were developed and distributed to regions and service points. The Charter reflects an executive summary of the Code of Conduct; Batho Pele Principles and the Service Delivery Improvement Plan.
Centre Communication.	Centre Communication.	<ul style="list-style-type: none"> Information on privilege system is communicated on a regular basis. Orientation manuals utilized effectively. Notice boards are utilised to promote services. Morning parades used to communicate operational and policy changes. Telephone calls to next-of-kin to assist with bail processes are offered.

Complaints mechanism

Current / actual complaints mechanism	Desired complaints mechanism	Actual achievements
Complaints and requests procedures.	Complaints and requests procedures.	<ul style="list-style-type: none"> Complaints registers available in all correctional centres and monitored by heads of centres.
DCS Hotline.	DCS Hotline.	<ul style="list-style-type: none"> A telephone number and email address where complaints could be lodged were available.
Customer Satisfaction Rating tool.	Customer Satisfaction Rating tool.	<ul style="list-style-type: none"> A customer satisfaction rating tool is functional on the internet and intranet. The system is used by officials as well as stakeholders and relatives of offenders. A management reporting tool was developed and is functional.
Presidential Hotline.	Presidential Hotline.	<ul style="list-style-type: none"> The DCS Presidential Hotline was moved from SITA to the DCS Head-Office.

2.3 ORGANISATIONAL ENVIRONMENT

The DCS is a large institution comprising of 38 440 permanent employees and 2 189 employees on contract. Due to a high staff turnover during 2014/2015 the Department had 3 566 vacancies by the end of the reporting period.

The following Senior Management positions were filled during 2014/2015:

- Director: Psychological Services.
- Director: Health Care Services.
- Director: Area Coordinator Corporate Services: Johannesburg.
- Director: Production Workshops and Agriculture.
- Director: Regional Head Corporate Services: KwaZulu-Natal.
- Director: HIV/AIDS.
- Deputy Commissioner: Chief Audit Executive.

In total, 2 023 appointments were made during the period under review.

The Department expects to fill the post of National Commissioner, CDC Strategic Management and LMN Regional Commissioner during 2015/2016 financial year. The appointment of trained Student Correctional Officers into entry level vacancies in the Department was done and learners were appointed in a permanent capacity. The Department did not experience any major disruptions, such as a strike action by staff. However, a number of challenges delayed meeting some of the targets set for the reporting period.

During the year under review the Department had forty nine (49) escapes. Thirty (30) were rearrested. Despite the challenge of inadequate human resources due to the high turnover of staff, the Department still managed to achieve most of the set targets.

Overcrowding within DCS facilities remained a huge challenge. However, the Department has embarked on the implementation of the Electronic Monitoring System in which six hundred and four (604) persons were tagged to reduce overcrowding within the facilities. Furthermore, two hundred and eighty two (282) bed spaces were created during the year under review.

The Department had a shortage of professionals which impacted negatively on service delivery. However, in order to improve the skills base of officials, the Department continued to train them, thus keeping ahead of the latest developments in areas of their professions. During the year under review, 24 617 officials in various occupations were trained in line with the Workplace Skills Plan (WSP). The Department has an achievement of 100% training in line with the WSP.

The DCS Fraud Prevention Plan has been implemented and on-going training is provided to DCS members in line with the Anti-Corruption and Fraud Prevention Plans. In ensuring the implementation of the Anti-Corruption strategy and Fraud Prevention Plan, the Department has a Whistle-Blowing Policy to ensure that whistle-blowers are protected against occupational detriment (i.e. any form of work-related victimization). The Department reviewed the current Anti-Corruption, Fraud Prevention and Whistle Blowing policies.

During the year under review, forty nine (49) disciplinary hearings were handled by the Code Enforcement Unit. Altogether forty seven (47) officials were found guilty, two were found not guilty (95.91% success rate) on misconduct related to fraud, corruption, theft and maladministration, nineteen (19) were dismissed, thirteen (13) officials were suspended without salary as an alternative to dismissal, eleven (11) officials received final written warnings, one (1) received a written warning, one (1) a verbal warning and two (2) received corrective counselling.

The Department is pursuing its aim of modernizing its correctional system in order to provide a reliable, integrated and secure Information and Communication Technology (ICT) infrastructure and business application systems. Central to this effort is the development and implementation of an Integrated Inmate Management System (IIMS), intended to create a single view of offender and inmate information through improved positive identity verification based on biometric technology to curtail instances of identity fraud, escapes, parole violations and absconders, multi-versions or duplicate records for the same person, and erroneous releases.

The IIMS requires a major technology investment. Complexities inherent to such a large scale system call for a phased implementation approach to ensure success. Preliminary analysis and system piloting have already been conducted over the past year, which provided valuable lessons and insights, and the Department is currently implementing a full-scale development and rollout of IIMS across all two hundred and forty three (243) correctional centres, and two hundred and twenty eight (228) Community Correction offices, which is expected to take three years to complete.

2.4 KEY POLICY DEVELOPMENTS AND LEGISLATIVE CHANGES

Policy Framework on Remand Detention Management was approved during the year under review.

3. STRATEGIC OUTCOMES ORIENTED GOALS

Table 11: Progress made towards achievement of Strategic Outcomes Oriented Goals.

Strategic outcomes oriented goals		Progress
Strategic Outcomes Oriented Goal 1	Effective criminal justice through the effective management of remand processes.	The policy on Remand Detention Management was approved in the 2014/2015 financial year.
Goal Statement	Establish effective management of remand processes by ensuring that remand detainees are held under secure, safe and humane conditions, have conditions conducive for participation in court processes, that their social and family needs are supported, and that they are healthy.	<p>Policy procedure manual on referral of RDs to courts, based on the length of detention approved on 7 September 2014.</p> <p>The strategies for reducing the population of remand detainees were implemented at centre level by referring remand detainees to court for review of bail.</p> <p>Other strategies include monitoring of RDs detained for longer than two (2) years in DCS and sharing the information with all relevant cluster departments through the sub-cluster structures such as the Criminal Justice System Review Committee, the National Operations Committee and the Provincial Efficiency Enhancement Committees. The aim is to ensure that cases are fast tracked.</p>
Strategic Outcomes Oriented Goal 2	Society is protected through incarcerated offenders being secure and rehabilitated.	At 31 March 2015, 68.89% of offenders with correctional sentence plans have completed correctional programmes. This includes programmes rendered by both internal and external service providers.
Goal Statement	To provide services and interventions that will contribute to the safety and rehabilitation of offenders by ensuring that offenders are held under secure, safe and humane conditions, correctional sentence plans are managed, offending behaviour is targeted, offender literacy, education skills competency is improved and that they are healthy.	<p>The Department had a total number of 159 563 inmates within correctional facilities.</p> <p>Inmates were involved in various programmes, including educational, psychological, social work and spiritual services. During the year under review offenders were involved in the following formal education programmes:</p> <p>Literacy programme; Adult Education and Training programme (AET); Further Education and Training programme (new and old curriculum) ; Higher Education and Training (HET) Programme; Computer-Based Training Programme.</p> <p>Offenders were involved in the following Skills Development Programmes:</p> <ul style="list-style-type: none"> Technical and Vocational Education and Training (TVET) College Programmes, and Skills Training Programmes. <p>The Department ensured that services and interventions that contribute to the safety and rehabilitation of offenders are being provided. Inmates receive prescribed therapeutic diets, are tested for HIV and are placed on antiretroviral therapy and they also receive treatment for TB, whilst being held under secure, safe and humane conditions.</p>
Strategic Outcomes Oriented Goal 3	Society is protected by offenders being reintegrated into the community as law-abiding citizens.	The Department has managed probationers and parolees under the system of community corrections and ensured that they comply with their parole conditions without violations.

Goal Statement	To provide services and interventions that will contribute to the reintegration of offenders as law abiding citizens into communities by ensuring that probationers are rehabilitated, monitored and accepted by communities.	
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During the year under review, the DCS made the following contributions towards the achievement of Government 14 Outcomes and the National Development Plan, Vision 2030.

Table 12: Achievement of 14 Government Outcomes and the National Development Plan.

OUTCOMES		National Development Plan		Progress
1.	Quality Basic Education.	Chapter 9	Improving Education, Training and Innovation.	<p>The Department ensured that there are school facilities and offenders have opportunities to attend educational and skills programmes within correctional centre facilities.</p> <p>DCS officials received training in line with the Workplace Skills Plan (WSP).</p> <p>During the year under review offenders were involved in formal and skills education programmes.</p>
2.	A long and healthy life for all South Africans.	Chapter 10	Promoting Health.	<p>During 2014/2015 the Integrated Employee Health and Wellness (IEHW) component rolled out Integrated Employee Health and Wellness programmes in ten (10) Management Areas, i.e. Kimberley, Drakenstein, George, Kroonstad, Empangeni, Polokwane, Rustenburg, Witbank, Pretoria and East London.</p> <p>Awareness was raised with regard to compliance with the OHS Act, the COID Act, HIV and TB management, and the importance of exercises and healthy living.</p> <p>The Department contracted health care waste services towards promoting good health within correctional facilities. There are hospital facilities to ensure that the health needs of offenders are being catered for. Food service units were resourced with required human resources, equipment and facilities requirements.</p>
3.	All people in South Africa are and feel safe.	Chapter 12	Building Safer Communities.	<p>The Department ensured that offenders have correctional sentence plans which guide intervention programmes directed at correcting offending behaviour and improving skills and enhancing development to enable a productive and law-abiding life style in society.</p> <p>South Africa's National Development Plan (NDP) has flagged electronic monitoring of offenders and remand detainees as a key feature of a modernized and more efficient and effective criminal justice system. By end of 2014/2015, six hundred and four (604) inmates were placed under the Electronic Monitoring.</p> <p>Partnerships were established to skill parolees and probationers to create opportunities for employment for them. During the financial year two hundred and twelve (212) parolees received starter business packs. Seventy nine (79) parolees and probationers were employed by the Working on Fire initiative. Parolees and probationers participated in programmes on crime prevention at schools.</p>

		Chapter 14	Fighting Corruption.	<p>The DCS Fraud Prevention Plan has been implemented and on-going training is provided to the DCS officials in line with the Corruption and Fraud Prevention Plan.</p> <p>The National Anti-Corruption Hotline (0800 701 701) was used to report incidents of corruption under the control of the Public Service Commission and alternatively, incidents were reported directly to the Departmental Investigation Unit within the Department.</p>
5.	A skilled and capable workforce to support an inclusive growth path.	Chapter 9	Improving Education, Training and Innovation	<p>The following skills were transferred to offenders to contribute effectively to the employability of offenders upon their release, and for their self-sustenance:</p> <p>Production Workshops: 1 690 offenders per day were skilled in baking, wood machining, cabinet making, wood polishing, upholstery, sheet metal work, welding, fitting and turning, spray painting, shoe manufacturing, clothes manufacturing and textile machine mechanics.</p> <p>Agriculture / farming: 3 033 offenders per day were skilled in vegetable, fruit, piggery, beef, dairy, agronomy, broiler, layers, sheep and goat farming, as well as abattoir operation / butcher, agro-processing, and farm equipment operation.</p> <p>During the year under review, officials in various occupations were trained in line with the Workplace Skills Plan (WSP).</p>
11.	Create a better South Africa, a better Africa and a better world.	Chapter 7	Positioning South Africa in the world.	<p>DCS has been in the Executive Committee of the African Correctional Services Association (ACSA) since it was launched in 2008. DCS was elected as Secretary of ACSA for two consecutive terms, from 2008-2012. In 2012, DCS was elected as Chairperson of ACSA. The ACSA secretariat was established. DCS hosted the Executive Committee meeting attended by the Heads of Correctional Services and Prisons from Zambia, Namibia, Mozambique, Ghana, Nigeria, Uganda and Tanzania.</p> <p>South Africa hosted the ACSA Ministerial Consultative Forum that was held during the first week of April 2014.</p> <p>ACSA was registered as a Non-Profit Organisation in South Africa in May 2014; thereby ensuring that governance issues were implemented.</p> <p>ACSA Strategic Plan was developed and adopted by the Executive Committee.</p> <p>The Secretariat played a pivotal role towards the successful hosting of the 3rd ACSA Biennial Conference. The Secretariat engaged in a number of activities ranging from distribution of invitation letters to Heads of Corrections/ Prisons in Africa, guest presenters & service providers for exhibitions.</p> <p>ACSA Constitution was reviewed and approved by the Executive Committee.</p> <p>DCS participated in the Local Organising Committee meetings in Namibia in preparation for the 16th ICPSA Annual General Meeting & Conference.</p>

12.	An efficient, effective and development oriented public service.	Chapter 13	Building a capable and developmental State.	DCS is a labour-intensive department and thus dependent on the management of human resources. The Department continues to pursue the Professionalisation of Correctional Services through the establishment of a Corrections Professional Council.
13.	Nation Building and Social Cohesion.	Chapter 15	Transforming society and uniting the country.	The Department continues to strengthen its relationships with civil society organisations and communities. Community involvement ranges from involving victims of crime in restorative justice programmes with offenders, victims participating in parole board hearings, offender labour being utilized to improve infrastructure in local communities, and offenders' and officials' skills being transferred to unemployed youth in agricultural production and vocational skills such as motor mechanics, textile production and upholstery.

The following contributions were made towards the implementation of the Medium Term Strategic Framework 2014-2019

Table 13: Contributions towards the implementation of the Medium Term Strategic Framework 2014-2019

Action	Indicator	Baseline	Target 2014/15	Actual Achievement 2014/15	Reasons for Variance
Contribute towards reducing repeat offending or recidivism	Percentage of sentenced offenders subjected to correctional programmes	60 % (55 644/92 742)	64 % (59 720/93 306)	68.89% (68 624/99 605)	Training/ orientation of officials to facilitate programmes has been intensified. Monitoring and Evaluation (M&E) and support visits yielded positive results and improved reporting
	Percentage of parolees without parole violations	79.6 % (38 768/48 703)	80.9 % (44 247/54 694)	98.18% (49928 /50855)	Continuous adherence to the provisions of Supervision Procedure Manual Vol.5 Monitoring and Evaluation exercise conducted in all regions
	Percentage of probationers without violations	80 % (13 560 /16950)	81% (14 211/17 545)	97.66% (16913 /17318)	Continuous adherence to the provisions of Supervision Procedure Manual Vol.5 Monitoring and Evaluation exercise conducted in all regions

4. PERFORMANCE INFORMATION BY PROGRAMME

4.1 PROGRAMME 1: ADMINISTRATION

Programme Purpose: Provide administrative support and strategic leadership to the Department.

Sub-programmes	Sub-programme purposes	Strategic Objectives
Management	Provide leadership for the overall management and administration of the Department.	Effective management of business processes to promote good governance and ethical administration. Providing reliable, integrated and secure ICT infrastructure and business application systems.
Finance	Provide effective and efficient financial and supply chain management.	Building organisational capacity for enhanced service delivery.
Corporate Services	Provide human resource capacity and management to enable the Department to fulfil its mandate.	Building organisational capacity for enhanced service delivery. Professionalising for effective human resources management and development.

Sub-programme: Management

Sub-Programme Purpose: Provide leadership for the overall management and administration of the Department.

Strategic Objective: Provide reliable, integrated and secure ICT infrastructure and business application systems.

Performance indicators

Programme / Sub-programme: MANAGEMENT					
Performance Indicator	Actual Achievement 2013/2014	Planned Target 2014/2015	Actual Achievement 2014/2015	Deviation from planned target to Actual Achievement for 2014/2015	Comment on deviations
Percentage of cases brought against the Department defended	80% of cases brought against the Department defended.	90%	100% (475 / 475)	10% (48 / 475)	Effective system in place and proper preparation for the cases defended.
Single capture of inmate and offender information	Core business processes mapped.	Procurement and configuration of integrated inmate management system (IIMS Phase 1).	System procured and configuration partially completed.	Non-delivery and non-performance by service provider	Review system development approach. New tender to address the gaps.

Automated and Integrated core operations support system	EM pilot system implemented.	Electronic Monitoring (EM) integrated with the Community Correction system.	Completed enhancements to Community Corrections system to interface with EM.	The EM system remains live on the pilot external network environment, not yet migrated into the DCS.	Implement electronic monitoring solution within the DCS environment by reviewing the EM solution proposal in line with the Terms of Reference (TOR).
Consolidated network components and infrastructure	Indicator initiated in 2013/2014.	Infrastructure at prioritised sites upgraded as per regional requirements.	Tender re-advertised and evaluation is in progress.	Tender was re-advertised because of non-responsiveness of bidders.	Tender evaluation to be finalized.
	Indicator initiated in 2013/2014 no historical information.	A Centralised and virtualised server architecture designed and implemented phase 1.	Tender was awarded pending the negotiation and signing of the SLA.	SLA negotiation in progress.	Extended the validity period of the tender.
Consolidated and integrated physical security system	Security VPN assessment and requirements.	Security virtual private network (VPN) tender awarded.	The project is not funded.	Tender could not be advertised due to lack of funding.	No progress.

Strategy to overcome areas of under-performance

- Mandatory compliance to Enterprise Architecture (EA) to improve systems integration.
- Proactive management of dependencies.
- Enhanced resource management.

Linking performance with budgets

Sub-programme expenditure

Sub-Programme Name	2014/2015			2013/2014		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Management	899 518	878 567	20 951	908 599	908 099	500
Total	899 518	878 567	20 951	908 599	908 099	500

Sub-Programme: Finance

Sub-programme purpose: Provide effective and efficient financial and supply chain management

Strategic Objective: Effective management of business processes to promote good governance and ethical administration

SUB-PROGRAMME: FINANCE					
Performance Indicator	Actual Achievement 2013/2014	Planned Target 2014/2015	Actual Achievement 2014/2015	Deviation from planned target to Actual Achievement for 2014/2015	Comment on deviations
Percentage of allocated budget spent	<p>The final expenditure for the financial year 2013/2014 was R18.651 billion versus the adjusted budget allocation of R18.748 billion -99.48% of the budget spent.</p> <p>Under expenditure of voted funds was 0.52% (R97.895 million).</p>	Under expenditure limited to a quarter of percent of voted funds.	<p>The final expenditure for the financial year 2014/2015 was R19.592 billion against the adjusted budget allocation of R19.722 billion which is 99.0% of the budget spent.</p> <p>Under expenditure of the voted funds was 1% (R192.585 million).</p>	Final under expenditure was 0.7% on Compensation of Employees due to vacancies and on Payments for capital assets.	<p>Achieved 0.26% during 2013/2014 versus 0.7% during 2014/2015.</p> <p>There was a slight decline of 0.44% from 2013/2014 to 2014/2015 financial year.</p>
Number of audit qualifications	<p>One (1) audit qualification on the movable tangible assets.</p> <p>One (1) emphasis of the restatement of corresponding figures on the reclassification of goods and services and compensation of employees' expenditure as required by the modified cash Standards.</p>	Zero Audit qualification with a reduction of emphasis of matter. qualifications with a reduction of emphasis of matters.	One (1) new audit qualification on contingent liabilities. Three (3) emphasis of matters on restatement of corresponding figures; payables and impairments.	<p>Resolved audit qualification on movable tangible assets and a new audit qualification on contingent liabilities emerged.</p> <p>Two more matters of emphasis on payables and impairments over the one of restatement of corresponding figures.</p>	<p>Delays in finalising contingent liabilities register which afforded the State Attorney insufficient time to confirm the claims therein. For payables there was a backlog of billing by the municipality for water and sewage for Leeuwkop Management Area. As at year end the reconciliation by DCS and DPW was still not yet finalised.</p> <p>Material impairments are due to delays in determination of irrecoverable debts and subsequent write-offs.</p>

Strategy to overcome areas of under performance

- Refer to strategy to overcome areas of underperformance on pages 44 and 47
- Follow combined assurance approach so as to ensure that there is integrated assurance plan and reporting from internal assurance providers to reduce audit findings .
- Internal Control and Compliance (ICC) Unit to follow proactive approach and perform limited testing of business processes.
- Quality assure information from branches before submission to AGSA.

Linking performance with budgets

Sub-programme expenditure

Sub-Programme Name	2014/2015			2013/2014		
	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Finance	1 085 755	1 085 755	-	1 026 568	1 026 568	-
Total	1 085 755	1 085 755	-	1 026 568	1 026 568	-

Sub Programme: Corporate Services

Sub-Programme purpose: Provide human resource capacity and management to enable the department to fulfill its mandate

Strategic Objectives: Building organisational capacity for enhanced service delivery - professionalising for effective human resources management and development.

SUB-PROGRAMME: CORPORATE SERVICES					
Performance Indicator	Actual Achievement 2013/2014	Planned Target 2014/2015	Actual Achievement 2014/2015	Deviation from planned target to Actual Achievement for 2014/2015	Comment on deviations
Percentage of funded positions filled	97% (40 746 / 42 006)	98% (41 153 / 42 006)	91,35% (38 373 / 42 006)	6.62% (2 780 / 42 006)	Underachievement due to the following: There was a poor turnaround time in the processing of applications for employment. Ongoing challenges in attracting and retaining critical and scarce skills. High attrition rate, 3504 exits from the system as compared to 2 023 appointments.
Number of officials trained in line with the WSP	15 000	16 500	24 617	8 117	The annual target was based on the WSP target. When training was done, it exceeded the originally estimated totals of training required because the need for training exceeded the estimated planned training.
Number of Management Areas where Integrated Employee Health and Wellness (IEHW) programmes rolled out	10	10	IEHW rolled out in 10 Management Areas. (East London, George, Kroonstad, Empangeni, Polokwane, Kgosi Mampuru, Witbank, Rustenburg Drakenstein and Kimberley).	None	n/a

Strategy to overcome areas of under-performance

The following were strategies put in place to overcome the challenges of a high vacancy rate:

- Partnerships with institutions of higher learning, in particular FET Colleges to facilitate absorption of their graduates.
- Entrench the absorption of learners into entry-level security functions.
- Placement of advertisements in the external media on a monthly basis.
- Conduct forecasting on pending exits and proactively put recruitment plans in place.
- Enter into partnerships with relevant national departments in the areas of Education, Social Services and Health Services among others, so that they provide critical and scarce services to DCS. DCS would then reimburse these departments for services rendered.
- Enlist service providers to assist the Department in the areas of Executive and Specialist searches, as well as response-handling in instances of high volume recruitment projects, such as Learnerships and Internships.
- Roll out an e-recruitment system to facilitate quicker turnaround times.
- Decentralise recruitment to the regions and appoint regional recruitment specialists to manage recruitment processes regionally.
- Link filling of vacancies to each Branch Head and Regional Commissioner so that recruitment is prioritised.
- Obtain deviation permission from DPSA that would allow the Department, where necessary, to headhunt in the event that the initial advertisement did not yield suitable candidates.
- Amend the OSD bursary-related restrictions so that bursary holders, at least, retain their pre-qualification salary scales and are not forced to be accept entry-level salary scales of their new professions.
- In order to address some of the human resources challenges, there was a task team established to assist all regions in filling their vacant posts in order to strengthen the Department's workforce.

Linking performance with budgets

Sub-programme expenditure

Sub-Programme Name	2014/2015			2013/2014		
	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Corporate Services	1 508 819	1 508 819	-	1 355 278	1 355 278	-
Total	1 508 819	1 508 819	-	1 355 278	1 355 278	-

4.2 PROGRAMME 2: INCARCERATION

Programme Purpose: Provide appropriate services and a well-maintained physical infrastructure that supports safe and secure conditions of detention consistent with the human dignity of inmates, personnel and the public, and provide for the profiling of inmates and the compilation of needs-based correctional sentence plans, administration and interventions.

Sub-programme and purposes

Sub-programmes	Sub-programme Purpose	Strategic objectives
Security Operations	Provide safe and secure conditions for inmates, consistent with human dignity, and thereby provide security for personnel and the public.	Remand detainees and offenders are held in secure, safe and humane conditions.
Facilities	Provide physical infrastructure that supports safe custody, humane conditions, and the provision of correctional and development programmes, care and general administration.	Remand detainees and offenders are held in secure, safe and humane conditions.
Remand Detention	Ensure effective and efficient remand detention management by carrying out court decisions and accommodating remand detainees in safe and secure facilities consistent with a human rights environment.	Effective management of remand detention processes to promote and enable participation in court processes.
Offender Management	Provide an environment supportive of the rehabilitation and safety of offenders through regular classification, assessment, compilation of correctional sentence plans, effective administration and operations in well-maintained facilities.	Effective case management processes.

Sub-programme: Security Operations

Sub-programme Purpose: Provide safe and secure conditions for inmates, consistent with human dignity and thereby provide security for personnel and the public.

Strategic objectives: Remand detainees and offenders are held in secure, safe and humane conditions.

SUB-PROGRAMME: SECURITY OPERATIONS					
Performance Indicator	Actual Achievement 2013/2014	Planned Target 2014/2015	Actual Achievement 2014/2015	Deviation from planned target to Actual Achievement for 2014/2015	Comment on deviations
Percentage of inmates allegedly assaulted in correctional and remand detention facilities per year	4.67 % 7 370 / 157 969	4.1% (6 325 / 154 278)	4.9% (7 850 / 159 563)	0.8 % (1 277 / 159 563)	The main reasons for under-achievement is the high levels of gang activities and levels of overcrowding within correctional facilities
Percentage of unnatural deaths in correctional and remand detention facilities per year	0.039% 61 / 157 969	0.035% (54 / 154 278)	0.027% (44 / 159 563)	0.008% (12 / 159 563)	Deaths were due to incidences of violence (assault) which constituted only 25% (11) of all unnatural deaths with 32% (14) as a result of suicides, 4.5% (2) from medication overdose and 4.5% (2) shot during an attempted escape. The number of unnatural deaths was further inflated by the 15 (34%) deaths due to unknown causes where the cause of death could not be established.

Percentage of inmates who escaped from correctional and remand detention facilities per year	0.038% 60 / 157 969	0.026% (40 / 154 278)	0.031% (49 / 159 563)	0.005% (8 / 159 563)	Although the target was not achieved, there were only twenty six (26) escape incidents which are a notable achievement for the FY. The mass escape at Fort Beaufort in which fifteen (15) inmates escaped had a negative impact on the performance of the Department. Regions will review their escape prevention plan and align with the Back to Basic security campaign that will be initiated in the 2015/2016 FY.
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Strategy to overcome areas of under performance

Assaults and unnatural deaths:

- Review safety plans of regions.
- Improved implementation of Gang Management Strategy.
- Back to Basics Security Campaign at all levels (Centre, Management Areas, Regional, National).

Escapes:

- Review escape prevention plans of regions.
- Back to Basics Security Campaign at all levels (Centre, Management Areas, Regional, National).

Linking performance with budgets

Sub-programme expenditure

Sub-Programme Name	2014/2015			2013/2014		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Security Operations	5 850 937	5 830 637	20 300	5 942 403	5 942 403	-
Total	5 850 937	5 830 637	20 300	5 942 403	5 942 403	-

Sub-programme: Facilities

Sub-programme Purpose: Provide physical infrastructure that supports safe custody, humane conditions, and the provision of correctional and development programmes, care and general administration.

Strategic objectives:

- Remand detainees and offenders are held in secure, safe and humane conditions.

SUB-PROGRAMME: FACILITIES					
Performance Indicator	Actual Achievement 2013/2014	Planned Target 2014/2015	Actual Achievement 2014/2015	Deviation from planned target to Actual Achievement for 2014/2015	Comment on deviations
Number of new bed spaces created by upgrading of facilities per year	No additional bed spaces created (Nil).	1 081	282 bed-spaces created (Ceres).	799 bed spaces not created.	<p>Vanrhynsdorp (328 additional bed spaces) is due to be completed during 2015/2016 as completion contractor is already on site.</p> <p>Matatiele (24 additional bed spaces) is due to be completed during 2015/2016.</p> <p>Tzaneen (453 additional bed spaces) and C-Max (12 additional bed spaces): Negotiations are underway for appointing a completion contractor. DCS is following up with DPW to expedite the projects.</p>

Strategy to overcome areas of under performance

The following interventions have been / are being undertaken:

- An interdepartmental Infrastructure Task Team headed by the DDG Infrastructure (DPW) and the DDG Chief Engineer (DCS) meets regularly and terms of reference for improved infrastructure delivery have been drawn up.
- The DCS Facilities Chief Directorate has taken on additional capacity through the appointment of a new Director: Construction Project Management in May 2015 to improve operational efficiency.

Linking performance with budgets

Sub-programme expenditure

Sub-Programme Name	2014/2015			2013/2014		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Facilities	3 940 220	3 878 960	61 260	1 882 603	1 833 190	49 413
Total	3 940 220	3 878 960	61 260	1 882 603	1 833 190	49 413

Sub-programme: Remand Detention

Sub-programme Purpose: Ensure effective and efficient remand detention management by carrying out court decisions and provide accommodation for remand detainees in safe and secure facilities consistent within a human rights environment.

Strategic objectives: Effective management of remand detention processes to promote and enable participation in court processes.

SUB-PROGRAMME: REMAND DETENTION					
Performance Indicator	Actual Achievement 2013/2014	Planned Target 2014/2015	Actual Achievement 2014/2015	Deviation from planned target to Actual Achievement for 2014/2015	Comment on deviations
Operational policies aligned with the White Paper on Remand Detention Management	Approved White Paper on Remand Detention.	Final draft policy on remand detention management.	Final draft policy on remand detention management developed.	None	n/a
		Approved policy procedure manual on referral of RDs to courts based on the length of detention.	Policy procedure manual on referral of RDs to courts based on the length of detention approved on 7 September 2014.	None	n/a
		Final draft policy procedure manual on referral of terminally ill or severely incapacitated RDs to court.	Policy procedure manual on referral of terminally ill or severely incapacitated RDs was approved.	None	n/a
		Final draft privilege system for RDs.	Final draft privilege system for RDs developed.	None	n/a
		Final draft disciplinary procedure manual for RDs.	Final draft disciplinary system for RDs developed.	None	n/a
		Final draft policy procedure manual for uniform of RDs.	Final draft policy procedure manual for uniform of RDs developed.	None	n/a

Strategy to overcome areas of under-performance

- All targets under Remand Detention were achieved.

Linking performance with budgets

Sub-programme expenditure

Sub-Programme Name	2014/2015			2013/2014		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Remand Detention	574 881	574 881	-	507 384	507 384	-
Total	574 881	574 881	-	507 384	507 384	-

Sub-programme: Offender Management

Sub-programme Purpose: Provide an environment supportive of the rehabilitation and safety of offenders through regular classification, assessment, compilation of correctional sentence plans, effective administration and operations in well maintained facilities.

Strategic Objective: Effective case management processes.

SUB-PROGRAMME: OFFENDER MANAGEMENT					
Performance Indicator	Actual Achievement 2013/2014	Planned Target 2014/2015	Actual Achievement 2014/2015	Deviation from planned target to Actual Achievement for 2014/2015	Comment on deviations
Percentage of overcrowding in correctional centres and remand detention facilities per year in excess of official capacity	29.70% (35 370/119 134)	29% (35 114/119 164)	National: 32% (38 007/119 134) The daily average number of inmates during 2014/2015 was 157 141. Based on an average of 119 134 bed spaces, the average achievement was 32% against the average target of 29%.	3% (3 574/119 134)	The average number of inmates (157 141) was higher than the anticipated average of 154 278 during 2014/2015.

Strategy to overcome areas of under-performance

- Continued focus on the implementation of the multi-pronged strategy to manage overcrowding in collaboration with relevant role players in the Criminal Justice System.

Linking performance with budgets

Sub-programme expenditure

Sub-Programme Name	2014/2015			2013/2014		
	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Offender Management	1 812 710	1 812 710	-	1 714 117	1 714 117	-
Total	1 812 710	1 812 710	-	1 714 117	1 714 117	-

4.3 PROGRAMME 3: REHABILITATION

Programme Purpose: Provide inmates with needs-based programmes and interventions to facilitate their rehabilitation, social responsibility, human development and enable their social reintegration.

Strategic objectives:

- Offenders' personal development is improved through literacy, education and skills competency programmes.
- Effective incarceration and rehabilitation to protect society.
- Offending behaviour is targeted through access to correctional programmes and psychological, social and spiritual services.
- Offenders' human development is improved through literacy, education and skills competency programmes.
- Reduced re-offending to contribute to a safer South Africa.

SUB-PROGRAMME: OFFENDER DEVELOPMENT					
Performance Indicator	Actual Achievement 2013/2014	Planned Target 2014/2015	Actual Achievement 2014/2015	Deviation from planned target to Actual Achievement for 2014/2015	Comment on deviations
Percentage of offenders who participate in educational programmes measured against the enrolment register per academic year	57.8% (9 793 / 16 929) AET	80% (10 007 / 12 509) AET	91.5% (11 444 / 12 509) by end November 2014	11.5% (1 439 / 12 509)	Successful marketing and promotion of Education and Development programmes in the 2014 academic year.
	2.5% (986 / 39 566) FET mainstream	80% (498 / 622) FET Mainstream	87.6% (148 / 169) by end of November 2014	7.6% (13 / 169)	Successful marketing and promotion of Education and Development programmes in the 2014 academic year.
Percentage of offenders who participated in skills development programmes, measured against the list of offenders registered in participation (enrolment register)	22,06% (2 986 / 13 536) skills training	80% (4 287 / 5 359) skills training	83% (3 813 / 4 600)	3% (138 / 4 600)	The target was overachieved due to the availability of more skills training opportunities as a result of funding from the National Skills Fund (NSF).
	25.19% (3 889 / 15 436) FET college	80% (2 576 / 3 222) FET college)	86% (4 012 / 4 644) by end of November 2014	6% (278 / 4 644)	FET College programmes are reported per academic year, therefore the reporting is from January to November 2014. The target was overachieved due to improved marketing of FET College programmes and partnership with external FET Colleges for the implementation of the National Certificate Vocational (NCV) programmes.

Strategy to overcome areas of under-performance

- All targets under Offender Development were achieved.

Sub-programmes: Psychological, Social and Spiritual Services

Programme Purpose: Manage and ensure the rendering of need-based psychological, social and spiritual services to sentenced offenders and persons under correctional supervision aimed at improving their health and emotional well-being and assisting with their rehabilitation and reintegration into the community.

Strategic objectives:

- Offending behaviour is targeted through access to correctional programmes and psychological, social and spiritual services.
- Reduced re-offending to contribute to a safer South Africa.

SUB-PROGRAMME: PSYCHOLOGICAL, SOCIAL AND SPIRITUAL SERVICES					
Performance Indicator	Actual Achievement 2013/2014	Planned Target 2014/2015	Actual Achievement 2014/2015	Deviation from Planned Target to Actual Achievement for 2014/2015	Comments on Deviations
Percentage of inmates who are involved in psychological services	16.6% (21 120 / 126 936)	14% (21 599 / 154 278)	14.77% (23 565 / 159 563)	0.77% (1 228 / 159 563)	More participation in group interventions; availability of community service psychologists
Percentage of offenders who are involved in social work services	79.9% (152 406 / 190 616)	57% (102 732 / 180 233)	81.74% (152 707 / 186 810)	24.74% (46 216 / 186 810)	Group work, individual intervention and referrals had a great impact on performance. Marketing of Social Work services led to increased performance. More offenders participating in programmes.
Percentage of inmates who benefit from spiritual services	77.77% (120 668 / 155169)	54% (83 310 / 154 278)	83.87% (133 826 / 159 563)	29.87% (47 661 / 159 563)	Increased marketing of spiritual care services

Strategy to overcome areas of underperformance

- All targets under Psychological, Social and Spiritual Care services were achieved.

Linking performance with budgets

Programme expenditure

Programme Name	2014/2015			2013/2014		
	Final Appropriation	Actual Expenditure	(Over-)/- Under - expenditure	Final Appropriation	Actual Expenditure	(Over-) / Under - expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Rehabilitation	1 109 566	1 019 492	90 074	998 027	950 045	47 982
Total	1 109 566	1 019 492	90 074	998 027	950 045	47 982

4.4 PROGRAMME 4: CARE

Programme Purpose: Provide needs-based care services aimed at maintaining the well-being of inmates in the Department's custody.

Sub-programmes and purposes

Sub-programmes:	Sub-programme Purposes	Strategic Objectives:
Nutritional Services	Provide inmates with appropriate nutritional services consistent with health norms and standards as defined in policy.	Inmates are provided with appropriate nutritional services.
Health Services	Provide inmates with access to appropriate healthcare services in accordance with applicable norms and standards.	Inmates are provided with healthcare services to improve their life expectancy. Scale up prevention interventions to reduce new HIV and tuberculosis infections.
Hygiene Services	Provide personal and environmental hygiene services for inmates within correctional centres and remand detention facilities.	Inmates are provided with appropriate hygiene services.

Sub-programme: Nutritional Services

Sub-programme Purpose: Provide inmates with appropriate nutritional services consistent with health norms and standards as defined in policy.

Strategic Objective: Inmates are provided with appropriate nutritional services.

SUB-PROGRAMME: NUTRITIONAL SERVICES					
Performance Indicator	Actual Achievement 2013/2014	Planned Target 2014/2015	Actual Achievement 2014/2015	Deviation from Planned Target to Actual Achievement for 2014/2015	Comment on Deviations
Percentage of therapeutic diets prescribed for inmates	No historical information	10% (15 428 / 154 278)	6.04% (9 643 / 159 563)	3.96% (6 318 / 159 563)	This was achieved by the review of inmates on therapeutic diets.

Strategy to overcome areas of underperformance

- The target under Nutritional Services was achieved.

Linking performance with budgets

Sub-programme expenditure

Sub-Programme Name	2014/2015			2013/2014		
	Final Appropriation	Actual Expenditure	(Over-) / Under - expenditure	Final Appropriation	Actual Expenditure	(Over-) / Under - expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Nutritional Services	1 177 492	1 177 492	-	1 072 665	1 072 665	-
Total	1 177 492	1 177 492	-	1 072 665	1 072 665	-

Sub-programme: Health Services

Sub-programme Purpose: Provide inmates with access to appropriate healthcare services in accordance with applicable norms and standards.

Strategic Objective: Inmates are provided with healthcare services to improve their life expectancy. Scale up prevention interventions to reduce new HIV and tuberculosis Infections.

SUB-PROGRAMME : HEALTH SERVICES					
Performance Indicator	Actual Achievement 2013/2014	Planned Target 2014/2015	Actual Achievement 2014/2015	Deviation from Planned Target to Actual Achievement for 2014/2015	Comment on Deviations
Percentage of inmates tested for HIV	50% (77 918 / 155 836)	70% (107 995 / 154 278)	111.03% (177 172 / 159 563)	41.03% (65 468 / 159 563)	Over- achievement is due to the support of partners, resulting in more inmates being tested, i.e. high number of inmates who requested and required HIV counselling and testing which is affected by the high turnover of inmates' admissions, releases and transfers.
Percentage of inmates on antiretroviral therapy (ART) (Cumulative)	94% (16 577 / 17 636)	95% (19 158 / 20 166)	97.02% (17 526 / 18 063)	2.02% (364 / 18 063)	More inmates received ART due to the increased number of those who tested HIV-positive and qualify for ART.
TB (new pulmonary) cure rate	75% (4 675 / 6 233)	80% (4 937 / 6 171)	83.08% (1 709 / 2 057)	3.08% (63 / 2 057)	Support from the Department of Health and partners improved performance.

Strategy to overcome areas of underperformance

- The targets under Health Services were achieved.

Linking performance with budgets

Sub-programme expenditure

Sub-Programme Name	2014/2015			2013/2014		
	Final Appropriation	Actual Expenditure	(Over-) / Under-expenditure	Final Appropriation	Actual Expenditure	(Over-) / Under-expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Health Services	657 553	657 553	-	627 797	627 797	-
Total	657 553	657 553	-	627 797	627 797	-

Sub-programme: Hygiene Services

Sub-programme Purpose: Provide personal and environmental hygiene services to inmates in correctional centres and remand detention facilities.

Strategic Objective: Inmates are provided with appropriate hygiene services.

SUB-PROGRAMME : HYGIENE SERVICES					
Performance Indicator	Actual Achievement 2013/2014	Planned Target 2014/2015	Actual Achievement 2014/2015	Deviation from Planned Target to Actual Achievement for 2014/2015	Comment on Deviations
Number of management areas with contracted healthcare waste services	18	6	6	None	n/a

Strategy to overcome areas of underperformance

- Target achieved

Linking performance with budgets

Sub-programme expenditure

Sub-Programme Name	2014 / 2015			2013 / 2014		
	Final Appropriation	Actual Expenditure	(Over-) / Under-expenditure	Final Appropriation	Actual Expenditure	(Over-) / Under-expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Hygiene Services	105 137	105 137	-	98 711	98 711	-
Total	105 137	105 137	-	98 711	98 711	-

4.5 PROGRAMME 5: SOCIAL REINTEGRATION

Programme Purpose: Provide services focused on offenders' preparation for release, effective supervision of offenders placed under the system of community corrections and the facilitation of social reintegration into their communities.

Effective management and functioning of the Parole Boards

Sub-programmes:	Sub-programme Purpose	Strategic Objectives.
Parole Administration	Provide services related to the consideration of placement of offenders into community corrections by Correctional Supervision and Parole Boards and Heads of Correctional Centres.	Effective management and functioning of correctional supervision and Parole Boards.
Supervision	Provide for the sound and effective administration and supervision of offenders placed under correctional and parole supervision in order to enhance public safety.	Probationers and parolees are rehabilitated, monitored and accepted as law-abiding citizens by the communities.
Community Reintegration	Provide and facilitate support systems for the reintegration of offenders into society.	Offenders are provided with access to restorative justice programmes.
Office Accommodation: Community Corrections	Facilitate the provision of community corrections offices to enhance community reintegration.	Offenders are provided with access to community corrections services.

Sub-programme: Parole Administration

Sub-programme Purpose: Provide services related to the consideration of placement of offenders into community corrections by Correctional Supervision and Parole Boards and Heads of Correctional Centres.

Strategic Objective: Effective management and functioning of correctional supervision and Parole Boards.

SUB-PROGRAMME: PAROLE ADMINISTRATION					
Performance Indicator	Actual Achievement 2013/2014	Planned Target 2014/2015	Actual Achievement 2014/2015	Deviation from Planned Target to Actual Achievement for 2014/2015	Comment on Deviations
Percentage of cases submitted by CMCs and considered by Parole Boards	84.83% (35 666 / 42 044)	95% (42 634 / 44 878)	94% (41 519 / 44 367)	1% (444 / 44 367)	Vacancies contributed to non-achievement of the target.

Strategy to overcome areas of under performance

- Restructuring of Correctional Supervision and Parole Boards (CSPBs).
- Training of CSPBs and Case Management Committees (CMCs).

Linking performance with budgets

Sub-programme expenditure

Sub-Programme Name	2014/2015			2013/2014		
	Final Appropriation	Actual Expenditure	(Over-) / Under expenditure	Final Appropriation	Actual Expenditure	(Over-) / Under-expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Parole Administration	83 327	83 327	-	66 864	66 864	-
Total	83 327	83 327	-	66 864	66 864	-

Sub-programme: Supervision

Sub-programme Purpose: Provide for sound and effective administration and supervision of offenders placed under correctional supervision and parole in order to enhance public safety.

Strategic Objective: Probationers and parolees are rehabilitated, monitored and accepted as law-abiding citizens by the communities.

SUB-PROGRAMME: SUPERVISION					
Performance Indicator	Actual Achievement 2013/2014	Planned Target 2014/2015	Actual Achievement 2014/2015	Deviation from Planned Target to Actual Achievement for 2014/2015	Comment on Deviations

Percentage of parolees without violations	79.6% (38 768 / 48 703)	80.9% (44 247 / 54 694)	98.18% (49 928 / 50 855)	17.28% (8 788 / 50 855)	Continuous adherence to the Supervision Procedure Manual, Vol.5. Monitoring and Evaluation conducted in all regions.
Percentage of probationers without violations	80% (13 560 / 16 950)	81% (14 211 / 17 545)	97.66% (16 913 / 17 318)	17.66% (3 058 / 17 318)	Continuous adherence to the Supervision Procedure Manual, Vol.5. Monitoring and Evaluation conducted in all regions.
Number of persons [parolees, probationers and Awaiting Trial persons (ATPs)] placed under EMS	Preparation, EM rollout and placement of 500 offenders under EM	500	604	104	Training of CMCs, CSPBs, Community Corrections officials, Heads of Centres & management to solicit buy-in for implementation of EM. Through training, CMCs were able to identify more offenders eligible for the conditions of EM when considered for parole.

Strategy to overcome areas of underperformance

- All targets were achieved.

Linking performance with budgets

Sub-programme expenditure

Sub-Programme Name	2014/2015			2013/2014		
	Final Appropriation	Actual Expenditure	(Over-) / Under expenditure	Final Appropriation	Actual Expenditure	(Over-) / Under-expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Supervision	684 924	684 924	-	609 211	609 211	-
Total	684 924	684 924	-	609 211	609 211	-

Sub-programme: Community Reintegration

Sub-programme Purpose: Provide and facilitate a support system for the reintegration of offenders into society.

Strategic Objective: Offenders are provided with access to restorative justice programmes.

SUB-PROGRAMME: COMMUNITY REINTEGRATION					
Performance Indicator	Actual Achievement 2013/2014	Planned Target 2014/2015	Actual Achievement 2014/2015	Deviation from Planned Target to Actual Achievement for 2014/2015	Comment on Deviations
Number of parolees reintegrated through halfway house partnerships	Rollout of SLAs for six (6) halfway houses	80	81 parolees reintegrated through Halfway House partnership.	1	Continuous support and monitoring of Halfway Houses. More offenders without monitorable addresses and support were released to the Halfway Houses.
Number of victims and offenders who participated in restorative justice programmes (Victim Offender Mediation –VOM; Victim Offender Dialogues – VOD)	1 750 victims / 23 921 offenders 8 VOD sessions held	2 000 victims / 23 921 offenders	2 212 victims / 23 943 offenders	212 victims deviation / 22 offenders deviations	Regions committed to their planned sessions. Due to orientations and campaigns on victim's rights, more victims were willing to participate in parole hearings and dialogues. Offenders took responsibility for participating in restorative justice dialogues and mediations to restore and improve relations with people they offended.

Strategy to overcome areas of underperformance

- All targets under Community Reintegration were achieved.

Linking performance with budgets

Sub-programme expenditure

Sub-Programme Name	2014/2015			2013/2014		
	Final Appropriation	Actual Expenditure	(Over-) / Under expenditure	Final Appropriation	Actual Expenditure	(Over-) / Under-expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Community Reintegration	33 675	33 675	-	38 780	38 780	-
Total	33 675	33 675	-	38 780	38 780	-

Sub-programme: Office Accommodation: Community Corrections

Sub-programme Purpose: Facilitate the provision of community corrections offices to enhance community reintegration.

Strategic Objective: Offenders are provided with access to community corrections services.

SUB-PROGRAMME: OFFICE ACCOMMODATION: COMMUNITY CORRECTIONS					
Performance Indicator	Actual Achievement 2013/2014	Planned Target 2014/2015	Actual Achievement 2014/2015	Deviation from Planned Target to Actual Achievement for 2014/2015	Comment on Deviations
Decentralisation of Community Corrections Services	Approved concept document on the decentralisation of community corrections services.	Twelve (12) community correction service points established within existing community corrections offices.	237	225	Enthusiasm of stakeholders in formalising partnerships with the Department for the establishment and accessibility of service points.

Strategy to overcome areas of underperformance

- The target under Office Accommodation: Community Corrections was achieved.

Linking performance with budgets

Sub-programme expenditure

Sub-Programme Name	2014/2015			2013/2014		
	Final Appropriation	Actual Expenditure	(Over-) / Under expenditure	Final Appropriation	Actual Expenditure	(Over-) / Under-expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Office Accommodation	28 762	28 762	-	36 434	36 434	-
Total	28 762	28 762	-	36 434	36 434	-

5. TRANSFER PAYMENTS

5.1. TRANSFER PAYMENTS TO PUBLIC ENTITIES

In accordance with the Skills Development Act, 97 of 1998, R9.830 million was transferred to SASSETA in 2014/15 (2013/14: R6.752 million).

Name of Public Entity	Services rendered by the public entity	Amount transferred to the public entity R'000	Amount spent by the public entity R'000	Achievements of the public entity
SASSETA	Annual 1% transfer payment for Skills Development Levy for 2014/15 financial year	9 830	7 100	Amount was for the following training projects: <ul style="list-style-type: none"> • Handle and Use of Loading Carbine • Tactical Firearm • Paralegal Practice • Labour Relations • Advanced Diploma in Primary Health Care

5.2. TRANSFER PAYMENTS TO ALL ORGANISATIONS OTHER THAN PUBLIC ENTITIES

The table below reflects the transfer payments made for the period 1 April 2014 to 31 March 2015.

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the Dept. comply with s 38 (1) (j) of the PFMA?	Amount transferred (R'000)	Amount spent by the entity	Reasons for the funds unspent by the entity
SASSETA	Annual 1% transfer of skills for Development levy for 2014/2015	Annual 1% transfer of skills for Development levy for 2014/2015	Yes	9 830	9 830	NONE

There are no other organisations that the Department transferred monies to.

The table below reflects the transfer payments which were budgeted for in the period 1 April 2014 to 31 March 2015, but no transfer payments were made.

Name of transferee	Purpose for which the funds were to be used	Amount budgeted for (R'000)	Amount transferred (R'000)	Reasons why funds were not transferred
n/a	n/a	n/a	n/a	n/a

6. CONDITIONAL GRANTS

There were no conditional grants granted or received by the Department.

7. DONOR FUNDS

7.1. DONOR FUNDS RECEIVED

Donations in cash

During the 2014/15 financial year an amount of R194 000 was received in cash from Capitec Bank and R150 000 from Assupol Insurance.

Donations in kind

The value of donations received in kind during the 2014/15 financial year was R1.919 million. The Accounting Officer's report provides details of all donations received in kind.

8. CAPITAL INVESTMENT

8.1. CAPITAL INVESTMENT, MAINTENANCE AND ASSET MANAGEMENT PLAN

Infrastructure projects	2014/2015			2013/2014		
	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under-expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under-expenditure R'000
New and replacement assets	-	-	-	-	-	-
Existing infrastructure assets	-	-	-	-	-	-
Upgrades and additions	-	-	-	-	-	-
Rehabilitation, renovations and refurbishments	605 757	605 757	-	667 588	667 588	-
Maintenance and repairs	207 203	207 203	-	15 099	15 099	-
Infrastructure transfer	-	-	-	-	-	-
• Current	-	-	-	-	-	-
• Capital	-	-	-	-	-	-
Total	812 960	812 960	-	682 687	682 687	-

PART C: GOVERNANCE



1. INTRODUCTION

A commitment by the Department to maintain the highest standards of governance is fundamental to the management of public finances and resources. Users want the assurance that the Department has good governance structures in place to effectively, efficiently and economically utilize state resources, which are funded by the taxpayer.

2. RISK MANAGEMENT

Risk Management Framework

The Accounting Officer for the Department of Correctional Services is responsible for ensuring that the Department implements and maintains an effective, efficient and transparent system of risk management through the implementation of Enterprise Risk Management in accordance with the National Treasury Public Sector Risk Management Framework. Risk Management is a proactive discipline that is intended to provide reasonable assurance that the Department will achieve its goals, objectives and key performance indicators, enhance risk-informed decision-making and optimise compliance with applicable legislation. In compliance with the National Treasury Public Sector Risk Management Framework, the Risk Management Unit, which reports to the Chief Audit Executive, was established in October 2014. It currently comprises of three (3) staff members: the Acting Chief Risk Officer and two (2) assisting officials. The Department has reviewed the Departmental Risk Management Framework, which includes the risk management strategy, risk management policy and risk management implementation plan, setting out the Department's overall intention with regard to ERM.

Risk Assessments

During the period under review, a risk assessment workshop was conducted to allow the Department to assess the risks relative to its strategic and annual performance plan. The Risk Management Unit further conducted one on one meeting with the management team from different branches to facilitate the risk assessment with a view to identifying existing, new and emerging risks and to ultimately identify the risk response/treatment. Risk assessment was not adequately conducted as risks were not assessed in terms of the likelihood and impact; hence the risk register was not finalised. Strategic Risk assessments will be conducted annually and updated quarterly and operational Risk assessments (at programme and regional level) on an ongoing basis and monitored on a quarterly basis, with a view to reviewing and updating existing risks and identifying new and emerging risks.

Risk Management

Risk Management Committee was not appointed during the year under review and will be appointed in 2015/16 financial year to provide governance oversight in respect of its entire risk management system and to provide the Accounting Officer with the requisite reports pertaining to risk management performance in order to ensure that departmental strategic objectives are met.

Progress in the Management of Risks

The Department's Risk management function is at its infancy stage even though the interventions mentioned have no direct bearing on improving in departmental performance, they can be acknowledged as contributing factors enhancing governance systems, internal controls and risk management systems.

Plans

Table 1: The table below highlights challenges and correct measures in the management and risk.

No.	Challenges	Corrective Measures
1.	Insufficient capacity to cover the entire Department.	Build internal Risk Management capacity with the appointment of a Chief Risk Officer and other staff members. Regularly conduct risk assessments. Conduct Risk Maturity Gap Analysis.
2.	No Risk Management Committee in place.	Appoint a Risk Management Committee. Approve and implement the Risk Management Framework.
3.	Unavailability of Management for Risk Management support.	Develop a Risk Management plan to be communicated with Management team ahead of time. Market the risk management function.
4.	Understanding of Roles and Responsibilities.	Conduct Risk Management Awareness Workshops. Train key role-players. Appoint Risk Champions.
5.	Lack of IT system.	Resuscitate Risk Management system to be fully functional.

3. FRAUD AND CORRUPTION

The DCS Fraud Prevention Plan has been implemented and DCS members receive ongoing training in matters pertaining to the Corruption and Fraud Prevention Plan. In ensuring the implementation of its anti-corruption strategy and fraud prevention plan, the Department has a Whistle-blowing Policy to protect whistle blowers from occupational detriment (i.e. any form of work related victimization). Following the review of its current Anti-Corruption, Fraud Prevention and Whistle-blowing policies, these departmental policies are now in the process of approval.

In addition to the Department's anti-corruption strategy, with its focus on prevention, investigation and sanctioning, the Department has two dedicated units – established in terms of Sections 95A and B of the Correctional Services Act, 111 of 1998 as amended – that deal with fraud, corruption, theft and serious maladministration, i.e. the Departmental Investigation Unit (which conducts investigations) and the Code Enforcement Unit (which institutes disciplinary proceedings emanating from investigations conducted by the Departmental Investigation Unit). Both these units report to the Chief Director Legal Services, who in turn reports directly to the National Commissioner to ensure the operational activities of the Department are impartial.

Whistle blowers can either report incidents on the National Anti-Corruption Hotline (0800 701 701), which is managed by the Public Service Commission, or contact the Departmental Investigation Unit telephonically, in writing, as a “walk-in” or via line management. All reports received are recorded by the Departmental Investigation Unit. Twenty four (24) workshops on ethics, fraud and corruption prevention, including whistle blowing, were scheduled for the period 2014/15. As part of its anti-corruption campaign, the Department also distributed posters focusing on whistle blowing, reporting and prevention (addressing issues such as what is fraud and corruption and its consequences and Internal controls). Information on reporting and whistle blowing can also be found on the DCS intranet site.

Reported incidents are investigated by the Departmental Investigation Unit and if *prima facie* evidence of misconduct is found, the investigation report is forwarded to the Code Enforcement Unit to initiate disciplinary proceedings. During the financial year under review, the disciplinary hearing handled by the Code Enforcement Unit resulted in forty seven (47) DCS officials being found guilty (a 95.91% success rate, with two found not guilty) of charges of misconduct relating to fraud, corruption, theft and maladministration. Of these, nineteen (19) officials were dismissed, thirteen (13) were suspended without pay as an alternative to dismissal and eleven (11) officials received final written warnings.

4. MINIMISING CONFLICT OF INTEREST

As required by Public Service Commission, the Department of Correctional Services must ensure that all Senior Managers declare their financial status annually.

The status on the disclosure of financial interest as at 31 March 2015

Table 2: Highlight on the status on the disclosure of financial interest as at 31 March 2015.

Registered Employees Submitted Disclosure	119
Registered Employees Not Submitted Disclosure	46
Unregistered Employees and Not Submitted Disclosure	08
Total	173

5. CODE OF CONDUCT

The Department of Correctional Services' Code of Conduct stipulates the Department's expectations and guiding principles for appropriate workplace behaviour. It regulates relationships between employees, service users and clients. Organisational values outlined in the current Strategic Plan are integrated with those in the Code of Conduct. Furthermore, values in the Code of Conduct are aligned with those in the White Paper on Corrections and White Paper on Remand Detention. The Code of Conduct enumerates the standards and values that make an organisation and enable the Department to stand out from similar organisations in the JPCS cluster. In an effort to realise the goals of the Department's Code of Conduct, a total of 2 321 cases were finalised in favour of the Department through disciplinary processes.

6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

HEALTH-related issues that affect officials in the workplace

- Officials exposed to TB because offenders do not disclose their TB status on admission to DCS facilities.
- Officials exposed to TB and other diseases when guarding offenders at provincial hospitals, with over-exposure to volatile organic substances when handling pesticides leading to officials developing cancer.
- Artisans working at the production workshops and officials working at the shooting range are exposed to noise levels that are beyond the occupational exposure limits, and develop noise-induced hearing loss as a result.
- Poor hygiene practices at the food handling areas and hospital sections.
- Officials diagnosed with post-traumatic stress disorder as a result of the stressful environment they are exposed to.
- Overcrowding aggravates poor ventilation.
- Frail asbestos buildings cause officials to develop asbestosis.

SAFETY-related issues that affect officials in the workplace

- Their compromised safety when they are exposed to attacks and stabbings by violent offenders.
- When they are held hostage by offenders.
- Old and dilapidated buildings that threaten the safety of officials and offenders.
- Unavailability of Emergency Evacuation Plans at the workplace.

ENVIRONMENT-related issues, i.e. when the environment is negatively affected by the activities and operations of the Department

- Spillages and disposal of chemicals affecting the ground and water table.
- The illegal disposal of animal carcasses affecting the soil, ground and water table.
- The illegal disposal of waste contaminating the environment and breeding pests.
- Frail asbestos buildings polluting the environment.
- Poor lighting in the workplace.
- Poor ventilation in correctional facilities.

THE EFFECT OF THESE ISSUES ON THE DEPARTMENT

- Lost time due to injury-on-duty leave.
- Increased temporary incapacity leave and medical boarding due to injury on duty contribute to time lost.
- Money spent on the payment of injury-on-duty medical accounts.
- Litigations against the Department due to non-compliance with the COIDA Act.
- Contravention notices from the Department of Labour which could lead to the closure of the workplace due to non-compliance with OHS Act.
- Non-payment or delayed payment of medical accounts for injury on duty leading to a refusal by service providers to assist with IOD cases.
- Extended post-traumatic disorder leave leads to lost time as a result of IOD.

7. PORTFOLIO COMMITTEES

During the year under review the following Portfolio Committee meetings were held:

Table 3: List of all Portfolio Committee meetings and dates.

DATE	SUBJECT
2 July 2014.	Briefing by the DCS on its 2014/2015 budget and the annual performance plan.
16 September 2014.	Briefing by Inter-sectoral Committee on Sexual Offences, consolidated Annual Report on the intersect oral Implementation of the Criminal Law (sexual offences and related matters amendment Act, 2007.)
17 September 2014.	<p>Briefing on challenges experienced with the delivery of rehabilitation and reintegration programme/services.</p> <ul style="list-style-type: none"> • Report on the impact of the DCS's rehabilitation efforts during the period 2009-2014 and the rate of, and major reasons for, recidivism). • Obstacles to increasing rehabilitation budgets. • Measures in place to mitigate the negative impact of the shortage of professional staff (and lacking budget) on rehabilitation efforts. • The detail of partnerships entered into with community, religious and non-governmental organisations, as well as other organs of state so as to extend rehabilitation services to as many offenders as possible.
15 October 2014.	Briefing by DCS on First and Second Quarter Performance (2014) and 2013/2014 Annual Report.
05 November 2014.	Briefing on infrastructure (overview of all centres, offices, general maintenance needs), major infrastructure projects undertaken from 2009-2014, and infrastructure-related projects planned for the period 2014-2019.
12 November 2014.	Briefing on the status of security infrastructure and arrangements.
19 November 2014.	<p>Briefing by DCS on Human Resource-related challenges.</p> <ul style="list-style-type: none"> • Leadership (including reasons for high turnover at senior management level and progress made in the filling of senior management positions). • Turnaround strategy (including outcome of the organisational restructuring that commenced in 2010/2011). • Human Resource Management (including the outcome of the 2013 ministerial review which focused on human resource-related issues such as the implementation of the seven day establishment; implementation of the Occupational Specific Dispensation – particularly in relation to artisans and professional services; training of officials and new recruits.
25 February 2015.	Briefing by the DCS on its Third Quarter Performance Report.
04 March 2015.	Briefing by the DCS on the internal control environment and an update on the implementation of recommendations emanating from the 2013/2014 audit outcome.
10 March 2015.	Briefing by the Departments of Justice and Constitutional Development, Correctional Services and Public Works as well as the Independent Development Trust on challenges experienced in the management of major infrastructure/capital works projects.
11 March 2015.	Briefing by the DCS on its IT Infrastructure and ICT environment.
11 March 2015.	<p>Briefing by the DCS on the following matters:</p> <ul style="list-style-type: none"> • Incapacity leave. • Ill-health retirement.
25 March 2015.	Briefing by the DCS and Judicial Inspectorate for Correctional Services on the 2015/16 Budget and Strategic Plans.

Matters raised by the Portfolio Committee and the way in which the department addressed these matters

Table 4: Matters raised by Portfolio Committee and action taken.

	MATTER RAISED BY THE PORTFOLIO COMMITTEE	ACTION TAKEN
1.	Adherence to the latest Department of Performance Monitoring and Evaluation (DPME) reporting process, which requires that performance information be submitted within thirty (30) days of the end of the quarter.	The Department complied with the practice as declared by the DPME and National Treasury Regulations. Final versions of quarterly performance reports were submitted as required.
2.	<p>The Auditor-General's findings on the appropriateness, relevance and usefulness of strategic objectives, targets and performance information are of serious concern.</p> <p>The findings support persistent concerns about the integrity of DCS reporting. In addition, the instability of its internal audit unit and audit committee should be addressed with immediate effect, as weaknesses in this regard hinder all efforts to improve audit outcomes.</p>	<p>DCS Management reviewed objectives to ensure the SMART criteria are achieved when planning for 2015/2016-2019/2020.</p> <p>DCS Head Office visited all regions to assist them with the development of action plans focused on addressing the AGSA findings, with the emphasis on an audit qualification for 2013/2014. The action plans are being implemented and the Chief Audit Executive reviewed action plans on a monthly basis to monitor progress.</p> <p>Regions were re-trained in the monthly reconciliation of inter-store transfers, with emphasis made on the importance of noting any rectification in the comment column so that reference could be made to the adjustment column. This exercise has ensured that all transfers are correctly captured by the receiving store.</p>
	The Department received a qualified audit opinion on fixed assets in 2013/2014 as a result of the non-existence, incompleteness and valuation of the asset register.	<p>Head Office visited all regions to assist them with the development of action plans that focus on addressing AGSA findings.</p> <p>The values of the assets identified by AGSA as overstated or understated have been amended to the correct invoice amounts.</p> <p>The prices of assets received from manufacturing workshops are now captured according to job card instead of the average price on issue voucher. Management staff who were unfamiliar with the use of tariffs to capture area assets on the asset register were trained in this regard.</p>
3.	<p>The leadership instability with which the Department has been contending for several years now is of major concern as it has contributed to the Department's inability to successfully transform and improve its service delivery.</p> <p>The PC recommended that critical vacancies at senior management level be filled by candidates with the necessary expertise to develop and implement the turnaround strategy to fill critical vacancies at SMS level: National Commissioner, Chief Financial Officer, and the Chief Deputy Commissioner Strategic Management.</p>	The Department commenced with the process of appointing the National Commissioner, CDC: Strategic Management; Chief Financial Officer, and Regional Commissioner: Limpopo, Mpumalanga and North West (LMN). Interviews were conducted and it is expected that all the posts will be filled in the next financial year (2015/2016). The appointment of the CFO has been finalised and the candidate will assume duties on the 1st April 2015

4.	<p>A concern was raised on security issues within DCS correctional facilities.</p> <p>The Committee strongly recommends that due consideration be given to the use of technology such as closed circuit television cameras to improve monitoring and security, and that necessary funding should be prioritised.</p>	<p>The appropriate infrastructure is being beefed up with a rollout of a three-year plan to upgrade the security systems. The plan is to install electricity fencing and high definition cameras for surveillance, as well as to enhance cell phone and metal detection devices. Ebongweni Correctional centre could be cited as an example of those centres where high security standards are maintained.</p>
5.	<p>The negative impact of delays in the completion of construction projects was highlighted and it was noted that progress in respect of construction and renovation projects should be closely monitored and reported on quarterly.</p>	<p>On 5 November 2014 a presentation was made to the Committee on major infrastructure projects undertaken during 2009-2014 and infrastructure-related projects planned for 2014-2019.</p> <p>The following topics were discussed:-</p> <ul style="list-style-type: none"> • Partnerships with the Independent Development Trust (IDT), The Department of Public Works (DPW) and the private sector are managed, and challenges experienced in those relationships are addressed. • Correctional Centres have maintenance plans in place and reporting on projects will be done on a quarterly basis.
6.	<p>The Committee noted stakeholder concerns about the implementation of Section 38(1)(k) of the Correctional Services Act, as amended by the Correctional Matters Amendment Act in 2011, which requires that newly sentenced offenders should as soon as possible upon admission be assessed to determine their vulnerability to sexual violence and exploitation.</p> <p>The DCS should provide quarterly progress reports on the implementation of this and other provisions introduced by the Amendment Act.</p>	<p>The department has planned to increase the number of current staff to 66000 over a period of five years.</p> <p>Offenders with Correctional Sentence Plans (CSP's) are subjected to correctional programmes as part of their rehabilitation and preparation for re-entry into communities.</p> <p>Policy on Correctional Sentence Plans and programmes for offenders incarcerated for 24 months and less will be developed.</p>

8. SCOPA RESOLUTIONS

There are no new SCOPA Resolutions.

9. PRIOR MODIFICATIONS TO AUDIT REPORTS

Table 5: AGSA's report on matters in the previous financial year 2013/2014.

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
Movable tangible capital assets	2005/2006	<p>The Department is able to account for inter-store transfers of assets and did therefore not overstate the additions and disposals in the asset register.</p> <p>Asset management training was provided to 1 083 officials in 2013/2014 and to five hundred and five (505) officials in 2014/2015.</p> <p>Although all challenges have not been resolved, specific enhancements to LOGIS were implemented in cooperation with National Treasury on the following:</p> <p>Cash transactions that appear amongst non-cash transactions were corrected.</p> <p>Matched inter-store transactions were adjusted to be display correctly.</p> <p>System corrections were implemented on unique numbers of assets involved in inter-store transactions.</p> <p>Correcting of transactions classified with incorrect values.</p> <p>Differentiating of assets on suspense that appear on the closing balance.</p> <p>Internal controls for the safeguarding and maintenance of assets:</p> <ul style="list-style-type: none"> Asset management processes have been enhanced by way of making it mandatory to conduct asset verification of the entire asset register on a monthly basis. In this respect, asset controllers have been appointed to oversee this process at centre, management area, regional area and per directorate, where applicable. On a monthly basis, centre certifies to management area, who in turn certify to regional commissioner. Central Finance – SCM is responsible to consolidate and report on compliance to the enhanced internal controls. <p>LOGIS system enhancements:</p> <ul style="list-style-type: none"> DCS engaged National Treasury on the inadequate system functionality with respect to inter-store transfers. Thereafter LOGIS was enhanced with reports (downloads) to separate inter-store transactions from non-cash and disposals. There remains a system functionality problem with respect to internal transfers from inventory to asset register, which is currently conducted manually. <p>Training of staff:</p> <p>LOGIS training was conducted as follows:</p> <ul style="list-style-type: none"> 2013/2014 – 1 590 staff were trained. 2014/2015 – 1 483 staff were trained.

Movable tangible capital assets.	2005/ 2006	<p>Bottlenecks in respect of asset management processes; systems in progress.</p> <p>The Department has made significant progress with minimal resources that are currently in place, for instance:</p> <ol style="list-style-type: none"> 1. Where system functionality is inadequate, manual processes have been implemented to complement the system. 2. Policies, procedures and guidelines have been updated and communicated to asset controllers throughout the Department. <p>However, with respect to capacity at centre level, the following challenges remain:</p> <p>The Department does not have a dedicated asset management function at central, regional and management area.</p> <p>Furthermore, asset controllers who have been appointed in most cases to perform custodial duties are not necessarily dedicated to aspects of financial management.</p> <p>The above bottlenecks will be resolved by way of restructuring and reorganising financial functions across the Department.</p>
	2011/ 2012	<p>The Department is able to account for inter-store transfers of assets and did therefore not overstate the additions and disposals in the asset register.</p> <p>Asset management training was provided to 1 083 officials in 2013/2014 and to 505 officials in 2014/2015.</p> <p>Although all challenges have not been resolved, specific enhancements to LOGIS were implemented in cooperation with National Treasury on the following:</p> <p>Correcting of transactions classified with incorrect values.</p> <p>Differentiating of assets on suspense that are appearing on the closing balance.</p> <p>Monthly asset verification is conducted by asset controllers to ensure that all assets appearing in the asset register are physically there. All assets on the floor are captured in the asset register. Discrepancies are also corrected.</p>

Procurement and contract management

Some employees in the service of the Department whose close family members, partners or associates had a private business interest in contracts awarded by the Department, failed to disclose such interest, as required by TR 16A8.4.		<p>Two (2) cases amounting to R80 200 have been finalised as a result of the following:</p> <ul style="list-style-type: none"> • Case 1 (R70 600) – It was found that the supplier was paid before the official involved was employed by the DCS. • Case 2 (R9 600) –The investigation established that a supplier was only paid an amount of R2 400. R7 200 was therefore found not to be irregular and the amount of R2 400 was recovered from the official. <p>A checklist is included in all bid invitation documents to assist bidders in ensuring the completeness of bids to be submitted. A paragraph explicitly addressing the SBD 4 (Declaration of interest) is included in the checklist.</p>
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Awards were sometimes made to suppliers who are listed on the NT database as persons prohibited from doing business with the public sector, which is in contravention of TR 16A9.1(c).		<p>Two (2) cases amounting to R266 444-01 have been resolved as it could not be proved that D. Bishop is related to the following two (2) companies/institutions:</p> <ul style="list-style-type: none"> • Heidelberg Hospital (R189 491-93) • Kgwerano Asset Finance (R76 952-08) <p>A verification certificate was developed to be completed by the compiler of the bid recommendation and checked by two (2) other officials for certifying that the recommended company(ies) and director(s) was / were verified with the information available on the National Treasury website with regard to restricted suppliers/persons and tender defaulters.</p>
Governance		
Risk Assessment	2013/2014	The Risk Management strategy has been developed and tabled to the Audit Committee. However, it has not yet been recommended for approval by the Risk Management Committee to the Acting National Commissioner.
Internal Audit	2013/2014	An Internal Audit checklist was developed and will be presented to the Audit Committee to be used as a tool by Management to measure and assess Internal Audit. A client survey will also be conducted and produced as part of the evidence that Management used to assess the effectiveness of Internal Audit.
Audit Committee	2013/2014	The Audit Committee Charter for 2014/2015 has been reviewed and accepted by the Audit Committee. Internal Audit will ensure that the review and approving of the Audit Committee Charter is done towards the end of each financial year to ensure that during the next financial year, the Audit Committee will operate within the approved charter.

10. INTERNAL CONTROL UNIT

The Internal Control Unit manages the audit process between AGSA and the Department. Even though Internal Audit effort was geared towards internal control management of financial and performance information on a sampled basis and its related supporting documentation, such efforts could not sufficiently cover scope areas relating thereto due to capacity constraints.

11. INTERNAL AUDIT AND AUDIT COMMITTEES

Internal Audit and Audit Committees

The Internal Audit Activity of the Department of Correctional Services obtains its mandate from the Public Finance Management Act (PFMA), Act No. 1 of 1999, as amended and its Treasury Regulations, as amended. The Internal Audit Function was established in terms of Section 38(1)(a)(ii) of the PFMA, 1999.

Good governance defines the way an organisation is managed, its organisational culture, policies, strategies and the way it deals with its stakeholders. The Internal Audit Activity provides management with independent, objective assurance and consulting services designed to add value and improve the Department's operations. In addition it serves to assist the Department with the accomplishment of objectives by means of a systematic, disciplined approach to evaluating and improving the effectiveness of risk management, control, and governance processes.

In keeping with its mandate, the Internal Audit Activity supports the Accounting Officer in ensuring that efficient and effective controls are maintained. These controls are evaluated to determine their effectiveness and efficiency, and recommendations are made to enhance or improve them.

The Internal Audit Activity's scope of work includes the following sections in terms of the approved Annual Audit Plan:

- IT Governance General Controls
- Regional Projects I and II
- Review Performance information (quarterly and annually)
- Review Financial Statements
- Asset Management
- Supply Chain Management
- Inventory Management
- Leasing
- Follow-up on previous year's issues

The Department of Correctional Services has established an Audit Committee in accordance with section 38(1)(a) (ii) and section 76(4)(d) of the Public Finance Management Act no. 1 of 1999, as amended and 3.1.2 of the Treasury Regulations respectively. The Audit Committee comprised of two (2) members only for the period of six months. On the 23rd October 2014, four (4) additional members were appointed.

The Audit Committee was established as an oversight body to provide an independent oversight over departmental governance, risk management and control processes, including matters relating to:

- The effectiveness of internal control systems
- The effectiveness of the internal audit function
- The institution's operational risk areas that should be covered in the scope of internal and external audits
- Risk management
- The adequacy, reliability and accuracy of the financial information provided to management and other users of such information
- The quality of annual, monthly and quarterly management reports submitted in terms of the Public Finance Management Act and the Division of Revenue Act; and evaluation of the annual financial statements
- Any accounting and auditing concerns identified as a result of internal and external audits
- The institution's compliance with legal and regulatory provisions
- The activities of the internal audit function (including its annual work programme), coordination with external auditors, reports on significant investigations and management's response to specific recommendations
- The investigation of matters within its powers, as identified in the written terms of reference.

Attendance of Audit Committee meetings by Audit Committee members

Table 6: List of Audit Committee members and meetings attended.

No.	Name	Qualifications	Internal or external member	Date appointed	Date resigned	No. of meetings attended
1.	Mr L Majake	B.Com (Hons), CA (SA)	External	01/07/2011	N/A	5
2.	Ms M Maponya	B.Com (Hons), CA (SA)	External	19/07/2012	N/A	4
3.	Ms B Manzana*	B.luris, LLB, admitted Attorney	External	23/10/2014	N/A	2
4.	Ms T Njozela*	B.Com, B.Compt (Hons), MBA, EDP, CCSA, CRMA, CIA	External	23/10/2014	N/A	2
5.	Ms P Malebye*	B.Com (Information Systems), B.Com Hons (Informatics),	External	23/10/2014	N/A	1
6.	Mr Z le Roux*	CA (SA), ACMA (UK), CAIB (SA), CIA, CCSA	External	23/10/2014	10/03/2015	0

12. AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2015.

Audit Committee Responsibility

The Audit Committee reported that it has complied with its responsibilities as stipulated under Section 38 (1) (a) (ii) of the Public Finance Management Act and Treasury Regulation 3.1.13. It further reported to have adopted appropriate formal terms of reference as its Audit Committee Charter in addition to having regulated its affairs in compliance with this charter and having discharged all its responsibilities as contained therein, except for the changes in accounting policies and practices, which have not been reviewed.

The Audit Committee adopted its charter on 10 October 2014. In the period between the start of the financial year and the approval of the Audit Committee charter, the Audit Committee subscribed itself to the Audit Committee Charter approved in the financial year 2013/2014.

Members of the Audit Committee continue to meet with the Accounting Officer, the Department's Senior Management, Internal and External Audits (collectively and individually) to address departmental risks and challenges.

The Chairperson of the Audit Committee resigned in May 2014, leaving the Audit Committee with two (2) Audit Committee members. Of the four (4) new Audit Committee members who were appointed on 23 October 2014, two (2) resigned in April and June 2015 respectively.

Internal Audit

The Audit Committee is not satisfied with the capacity, skills and number of the Internal Audit Unit to adequately address the extensive and complex needs of the Department and believes the Unit should recruit staff with specialised skills in IT, Performance and GRAP. The committee recommended that the CAE use the National Treasury report to identify and refer to the issues surrounding the skills gap to motivate for additional staff

With the new Chief Audit Executive only appointed on 1 July 2014, the Internal Audit and Audit Committee could not realise its full mandate earlier. Crucial exercises, such as the review and update of the risk register and development of an Internal Audit plan, were postponed and only completed later in the year, with the Audit Committee's Internal Audit plan only approved on 10 October 2014.

The Department's Internal Audit is severely constrained. An internal audit was performed on a co-source mandate with a consortium consisting of PWC SekelaXabiso, which expired on 30 September 2014. A plan has to be developed and implemented to decentralise Internal Audit and ensure that it has the appropriate presence at regional and area level.

Internal Audit has further struggled to appoint candidates to the following positions, which have been vacant for a considerable time:

Table 7: List of vacant positions and period where positions were vacant.

No.	Position	Name and Surname	Period position vacant	Date position filled
1.	Director: Specialized Audits	Vacant	1 year, 11 months	N/A
2.	Deputy Director: Regularity Audits	Vacant	10 months	N/A
3.	Deputy Director: IT	Vacant	5 years, 6 months	N/A
4.	Internal Auditors	Vacant *2	1 year, 1 month	N/A

Internal Audit needs the continued support of the Executive Authority and Accounting Officer to decentralise its function and fill all vacancies. Furthermore, Internal Audit should use the services of external consultants where they do not have the skills and expertise to perform their functions.

The Internal Audit plan

Internal Audit was not fully functional and did not possess sufficient and appropriate leadership until the appointment of the Chief Audit Executive on 1 July 2014. The Internal Audit plan was tailored as per available time for the financial year. The Audit Committee will ensure that Internal Audit realises its full potential and meets its complete mandate in the 2015/2016 financial year.

Internal Audit performed work on the following sections:

- IT Governance General Controls
- Regional Project I and II
- Review Performance information (quarterly and annually)
- Review Reports (quarterly and annual reports)
- Assets
- Supply Chain
- Inventory Management
- Predetermined Objective
- Leasing
- Follow-up on previous year's issues

Audit Action Plan

The Audit Committee was not kept abreast of the progress of audit action plan to address issues raised by the Auditor General of South Africa (AGSA) during their conduct of the 2013/2014 audit.

Risk Management

The Audit Committee commends management on the appointment of Acting Chief Risk Officer on 13 October 2014. The Acting Chief Risk Officer has developed the necessary frameworks, guidelines and policies to address risk management and has set the Department on the right foot.

The establishment and appointment of risk committee members and capacitating of the Risk Unit is however still outstanding. Risk reports are yet to be presented to the Audit Committee. The Unit is not yet fully functional at this juncture.

The Effectiveness of Internal Control

Established Internal Controls need to be adhered to at all times by all employees. The Department needs to find mechanisms to ensure that employees are always on the appropriate side of developed and established internal controls. The Department further needs to take advantage of available solutions, innovations and technologies to ensure that controls are adhered to, as there is always an inherent risk of human error or override with manual controls. Reports from Internal Audit and External Audit show that Internal Controls are not being adhered to.

The following were areas of concern to the Audit Committee:

- Internal Audit
- Movable tangible capital assets
- Performance information
- Information Technology
- Compliance with laws and regulations
- Risk management

Management failed to maintain a legal report and present it to the Audit Committee during the current year. This has led to the Department having a qualified audit opinion.

In-Year Management and Monthly/Quarterly Report

The Department has reported to the Treasury monthly, quarterly and annually, as is required by the PFMA and treasury regulations. The Audit Committee is pleased that financial reports are submitted to Treasury by the Department.

The Audit Committee is however still not satisfied with the content and quality of Quarterly Performance Information reports prepared and issued by the Department. Both Internal Audit and External Audit reports indicate that performance reporting fails to meet the guidelines set by the National Treasury Framework. The Department has to ensure that Performance Information reports submitted are accurate, complete and reliable.

The Audit Committee recommends the following performance management:

- Ensure that Strategic Plan and Annual Performance Plan meet the requirements of National Treasury's Framework Guidelines
- Ensure that Strategic Plan and Annual Performance Plan specifically meet the requirements of National Treasury's Framework Guidelines for managing programme performance information
- Translate Strategic Plan and Annual Performance Plan into operational plans and departmental operational plans
- Translate Strategic Plan and Annual Performance Plan into job profiles and employee performance contracts
- Apply consequence management where performance is below indicated performance standards
- Immediately develop and implement an Information technology solution to record, manage and control performance management information

Evaluation of Financial Statements

We have reviewed the draft Annual Financial Statements, as submitted by Management and the Auditor General's Report. The Audit Committee concurs and accepts the conclusions of the Auditor General on the Annual Financial Statements.



Chairperson of the Audit Committee
Lehlohonolo Majake

PART D: HUMAN RESOURCE MANAGEMENT



1. INTRODUCTION

The information contained in this part of the annual report has been prescribed by the Minister of the Public Service and Administration for all departments in the public service.

2. OVERVIEW OF HUMAN RESOURCES

The status of human resources in the Department

The approved DCS staff establishment is 42 006, with 38 440 of these positions filled and 3 566 vacant. This translates as a vacancy rate of 8.1%, which is below the 10% average vacancy threshold as determined by the Department of Public Service and Administration. Due to operational imperatives, the Department further created an additional 2 189 posts, which were filled on a contract basis.

During the period under review, the Department made a total of 1 482 appointments. In the same period, 3 504 officials left the Department, with 1 695 (48.4%) and 494 (14.1%) of this number accounting for resignations and retirements respectively. These figures confirm our assessment that the relatively high reduction by attrition was attributable to a sense of panic relating to proposed pensions reform in the Public Service.

The Department continues to experience challenges in attracting and retaining critical and scarce skills, which has had a negative impact on its efforts to roll out rehabilitation and skills development programmes.

The following priorities were identified:

Maintain 2% vacancy rate of the funded post establishment

This target was not achieved due to poor turnaround time in the processing of applications for employment, ongoing challenges in attracting and retaining critical and scarce skills and a high rate of attrition.

The following measures were implemented as part of ongoing efforts to address the aforementioned challenges:

- Decentralised advertising of vacant positions to regions to improve on turnaround time in the filling of positions.
- The Department's registration with the Department of Health for the provision of Community Services for scarce skills and counter offers was granted to those who obtained employment offers from other organisations.
- A Memorandum of understanding was signed with the Tshwane University of Technology for the placement of artisans on experiential learning.
- Learners were absorbed into vacant entry level positions.
- Partnerships with institutions of higher learning, in particular FET Colleges, to facilitate the absorption of their graduates;
- Dedicated HR Practitioners were assigned in each branch to support the selection process.

Trained 16 500 officials in line with the Workplace Skills Plan (WSP)

The Department trained 24 617 officials in line with the WSP against a target of 16 500. This overachievement was largely due to the training requirement exceeding the training that was planned.

The WSP on training, which is aligned with the strategic objectives of the Department, is operational and priority is given to training in security, rehabilitation, community corrections and remand detention, as well as building management and leadership capacity. The focus is also on building capacity in the scarce and critical skills required to deliver on the Department's mandate. To this end, hundred and eighteen (118) bursaries were granted for the scarce and critical skills categories as identified in the 2014/2015 WSP for the 2015 academic year, and there are currently two hundred and fifty six (256) bursary holders in the system.

In terms of the Corrections Services Learnership four hundred and forty six (446), Section 18.1/employed learners (Group 1 of 2013/2014 - Control Room Operators – that commenced in April 2013) were certified in the Corrections Services Learnership in June 2014. The Department also continued to actively contribute to the Public Service Internship Programme. A total of eight hundred and ninety eight (898) interns who commenced in the financial year 2013/2014 participated in/completed the DCS Internship Programme in 2014/2015 and 1 088 were enrolled for 2014/2015.

Rollout of Integrated Employee Health and Wellness programme (IEHW) in ten (10) Management Areas

The Integrated Employee Health and Wellness (IEHW) programme has been successfully rolled out in ten (10) management areas, as planned to create awareness to employees and their families.

3. HUMAN RESOURCES OVERSIGHT STATISTICS

3.1. PERSONNEL RELATED EXPENDITURE

The following tables summarises the final audited personnel related expenditure according to programme and salary band. In particular, it provides an indication of the following:

- Amount spent on personnel.
- Amount spent on salaries, overtime, homeowner's allowances and medical aid.

Table 3.1.1 Personnel expenditure by programme for the period 1 April 2014 and 31 March 2015

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000) expenditure (R'000)	Professional and special services expenditure (R'000)	Personnel expenditure as a % of total expenditure	Average personnel cost per employee (R'000)
Administration	3 641 704	2 492 034	48 609	0	59.1	61
Incarceration	12 097 188	8 056 193	0	0	66.7	198
Rehabilitation	1 019 492	717 668	0	0	67.8	18
Care	1 940 182	642 454	0	0	33.2	16
Social reintegration	830 688	703 161	0	0	85.2	17
Z=Total as on Financial Systems (BAS)	19 529 254	12 611 511	48 609*	0	62.4	310

*Training expenditure reflects only the goods and services expenditure under the national HRD activity and does not include the amounts spent on the internship and learnership stipends which are expended under the compensation of employees. All training expenditure is incurred under the Administration programme although officials from different programmes are trained.

Table 3.1.2 Personnel costs by salary band for the period 1 April 2014 and 31 March 2015

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Lower skilled (Levels 1-2)	71	0	1	71
Skilled (level 3-5)	955 294	7.6	4 905	168
Highly skilled production (Levels 6-8)	9 143 446	72.5	29193	309
Highly skilled supervision (Levels 9-12)	2 075 242	16.5	4 179	497
Senior and Top management (Levels 13-16)	167 773	1.3	162	1 036
Contract (Levels 1-2)	45 861	0.4	1 017	45
Contract (Levels 3-5)	62 624	0.5	1 006	62

Contract (Levels 6-8)	4 486	0	13	345
Contract (Levels 9-12)	55 218	0.4	146	378
Contract (Levels 13-16)	7 929	0.1	7	1 133
Periodical Remuneration	61 646	0.5	1 767	35
Abnormal Appointment	31 921	0.3	901	35
Total	12 611 511	100	43 297	285

Table 3.1.3 Salaries, Overtime, Home Owner's Allowance and Medical Aid by programme for the period 1 April 2014 and 31 March 2015

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Administration	1 576 476	70.4	8 572	0.4	38 186	1.7	107 485	4.8
Incarceration	5 395 136	67.4	79 927	1	165 562	2.1	507 739	6.3
Rehabilitation	516 845	69.1	1 680	0.2	11 317	1.5	35 610	4.8
Care	476 049	65.6	56 151	7.7	10 163	1.4	31 720	4.4
Social reintegration	488 920	68.2	1 762	0.2	14 333	2	38 983	5.4
Total	8 453 426	67.9	148 092	1.2	239 561	1.9	721 537	5.8

Table 3.1.4 Salaries, Overtime, Home Owner's Allowance and Medical Aid by salary band for the period 1 April 2014 and 31 March 2015

Salary band	Salaries		Overtime		Home Owner's Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Lower skilled (Levels 1-2)	535	67.8	0	0	40	5.1	70	8.9
Skilled (Levels 3-5)	547 959	66.7	5 472	0.7	25 640	3.1	57 731	7
Highly skilled production (Levels 6-8)	6 094 824	67.5	93 451	1	189 426	2.1	584 888	6.5
Highly skilled supervision (Levels 9-12)	1 461 618	69.1	48 977	2.3	22 869	1.1	76 961	3.7
Senior management (Levels 13-16)	141 410	74.6	1	0	1 564	0.8	1 838	1
Contract (Levels 1-2)	44 419	97.6	8	0	0	0	0	0
Contract (Levels 3-5)	65 370	96.1	121	0.2	2	0	13	0
Contract (Levels 6-8)	4 366	97.2	39	0.9	0	0	0	0

Contract (Levels 9-12)	53 789	94	23	0	18	0	36	0.1
Contract (Levels 13-16)	7 295	89.5	0	0	2	0	0	0
Periodical remuneration	0	0	0	0	0	0	0	0
Abnormal appointment	31 841	99.7	0	0	0	0	0	0
Total	8 453 426	67.9	148 092	1.2	239 561	1.9	721 537	5.8

3.2. EMPLOYMENT AND VACANCIES

The tables in this section summarise the position with regard to employment and vacancies.

The following tables summarise the number of posts in the establishment, the number of employees, the vacancy rate and whether there are any staff that are additional to the establishment.

This information is presented in terms of three key variables:

- Programme
- Salary band
- Critical occupations (see definition in notes below).

The Department has identified critical occupations that need to be monitored. In terms of current regulations, it is possible to create a post on the establishment that can be occupied by more than one employee. Therefore, the vacancy rate reflects the percentage of posts that are not filled.

Table 3.2.1 Employment and vacancies by programme as on 31 March 2015

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy rate	Number of employees additional to the establishment
Administration	8 157	7 075	13.3	1 119
Incarceration	29 374	27 724	5.6	983
Rehabilitation	2 408	2 028	15.8	22
Care	2 037	1 769	13.2	34
Social reintegration	2 219	2 033	8.4	31
Total	44 195	40 629	8.1	2 189

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2015

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy rate	Number of employees additional to the establishment
Lower skilled (Levels 1-2)	1	1	0	0
Skilled (Levels 3-5)	5 407	4 905	9.3	0
Highly skilled production (Levels 6-8)	31 254	29 193	6.6	0
Highly skilled supervision (Levels 9-12)	5 129	4 179	18.5	0
Senior management (Levels 13-16)	215	162	24.7	1
Contract (Levels 1-2)	1 017	1 017	0	1 017

Contract (Levels 3-5)	1 006	1 006	0	1 006
Contract (Levels 6-8)	13	13	0	13
Contract (Levels 9-12)	146	146	0	146
Contract (Levels 13-16)	7	7	0	6
Total	44 195	40 629	8.1	2 189

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2015

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy rate	Number of employees additional to the establishment
Medical practitioners	18	11	38.8	0
Educationists	579	460	20.5	0
Professional nurses	1 018	834	18.1	0
Psychologists and vocational counsellors	94	62	34	20
Pharmacists	50	36	28	36
Social work and related professionals	622	516	17	0
Total	2 381	1 919	19.6	56

3.3. FILLING OF SMS POSTS

The tables in this section provide information on employment and vacancies, as it relates to members of the Senior Management Service by salary level. It also provides information on advertising and filling of SMS posts, reasons for not complying with prescribed timeframes and disciplinary steps taken.

Table 3.3.1 SMS post information as on 31 March 2015

SMS Level	Total Number of funded SMS posts	Total Number of SMS posts filled	% of SMS Posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/Head of Department	1	0	0%	1	100%
Salary Level 16	2	1	50%	1	50%
Salary Level 15	15	11	73%	4	27%
Salary Level 14	38	28	74%	10	26%
Salary Level 13	159	122	77%	37	23%
Total	215	162	75%	53	25%

Table 3.3.2 SMS post information as on 30 September 2014

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/Head of Department	1	0	0%	1	100%
Salary Level 16	2	1	50%	1	50%
Salary Level 15	15	11	73%	4	27%
Salary Level 14	38	31	82%	7	18%
Salary Level 13	159	124	78%	35	22%
Total	215	167	78%	48	22%

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2014 and 31 March 2015

SMS Level	Advertising	Filling of posts	
	Number of vacancies per level advertised in six months of becoming vacant	Number of vacancies per level filled in 6 months of becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months
Director-General/Head of Department	0	0	0
Salary Level 16	0	0	0
Salary Level 15	0	0	0
Salary Level 14	1	0	1
Salary Level 13	4	1	2
Total	5	1	3

Table 3.3.4 Reasons for not having complied with the filling of funded vacant SMS - Advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2014 and 31 March 2015

Reasons for vacancies not advertised within six months
<ul style="list-style-type: none"> Change in top leadership. Realignment of the organisational structure.

Reasons for vacancies not filled within twelve months
<ul style="list-style-type: none"> Poor turnaround time in the processing of applications for employment. Ongoing challenges in attracting and retaining critical and scarce skills. Shortage of HR staff to manage high volumes of applications on various levels.

Table 3.3.5 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2014 and 31 March 2015

Reasons for vacancies not advertised within six months
<ul style="list-style-type: none"> None

Reasons for vacancies not filled within twelve months
<ul style="list-style-type: none"> None

3.4 JOB EVALUATION

Within a nationally determined framework, executing authorities may evaluate or re-evaluate any job in his or her organisation. In terms of the Regulations all vacancies on salary levels 9 and higher must be evaluated before they are filled. The following table summarises the number of jobs that were evaluated during the year under review. The table also provides statistics on the number of posts that were upgraded or downgraded.

Table 3.4.1 Job Evaluation by Salary band for the period 1 April 2014 and 31 March 2015

Salary band	Number of posts approved establishment	Number of jobs evaluated	% of posts evaluated by salary bands	Posts upgraded / downgraded		Posts	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower skilled (Levels 1-2)	1	0	0	0	0	0	0

Skilled (Levels 3-5)	5 407	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	31 254	0	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	5 129	0	0	0	0	0	0
Senior Management Service B and A	159	0	0	0	0	0	0
Senior Management Service B and B	38	0	0	0	0	0	0
Senior Management Service Band C	15	0	0	0	0	0	0
Senior Management Service Band D	3	0	0	0	0	0	0
Total	42 006	0	0	0	0	0	0

The following table provides a summary of the number of employees whose positions were upgraded due to their post being upgraded. The number of employees might differ from the number of posts upgraded since not all employees are automatically absorbed into the new posts and some of the posts upgraded could also be vacant.

Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2014 and 31 March 2015

Gender	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
Total	0	0	0	0	0
Employees with a disability					0

The following table summarises the number of cases where remuneration bands exceeded the grade determined by job evaluation. Reasons for the deviation are provided in each case.

Table 3.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2014 and 31 March 2015

Total number of employees whose salaries exceeded the grades determined by job evaluation	None
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3.5 EMPLOYMENT CHANGES

This section provides information on changes in employment over the financial year. Turnover rates provide an indication of trends in the employment profile of the Department. The following tables provide a summary of turnover rates by salary band and critical occupations.

Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2014 and 31 March 2015

Salary band	Number of employees at beginning of period - 1 April 2014	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
Lower skilled (Levels 1-2)	2	0	1	50
Skilled (Levels 3-5)	3 959	84	71	1.8
Highly skilled production (Levels 6-8)	31 180	130	1 888	6.1
Highly skilled supervision (Levels 9-12)	4 282	58	449	10.5
Senior Management Service Bands A	127	4	11	8.7
Senior Management Service Bands B	32	1	4	12.5
Senior Management Service Bands C	12	0	1	8.3
Senior Management Service Bands D	3	0	1	33.3
Contract (Levels 1-2)	1 103	1 056	849	77
Contract (Levels 3-5)	971	612	144	14.8
Contract (Levels 6-8)	21	8	17	81
Contract (Levels 9-12),	122	68	65	53.3
Contract (Band A)	3	0	0	0
Contract (Band B)	2	1	1	50
Contract (Band C)	6	1	2	33.3
Total	41 825	2 023	3 504	8.4

Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2014 and 31 March 2015

Critical occupation	Number of employees at beginning of period - April 2014	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
Medical practitioners	11	3	1	9.1
Educationists	466	32	51	10.9
Professional nurses	851	63	93	10.9
Psychologists and vocational counsellors	77	26	23	29.9
Pharmacists	59	39	28	47.5
Social work and related professionals	489	28	26	5.3
Total	1 953	191	222	11.4

The table below identifies the major reasons why staff left the Department.

Table 3.5.3 Reasons why staff left the Department during the period 1 April 2014 and 31 March 2015

Termination Type	Number	% of Total Resignations
Death	219	6.2
Resignation	1695	48.4
Expiry of contract	915	26.1
Dismissal – misconduct	124	3.5
Discharged due to ill-health	50	1.4
Retirement	494	14.1
Transfer to other Public Service Departments	7	0.2
Total	3 504	100
Total number of employees who left as a % of total employment		8.5

Table 3.5.4 Promotions by critical occupation for the period 1 April 2014 and 31 March 2015

Occupation	Employees 1 April 2014	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Medical officers	11	0	0	1	9.1
Educationists	466	20	4.3	290	62.2
Professional nurses	851	37	4.3	90	10.6
Psychologists and vocational counsellors	77	0	0	25	32.5
Pharmacists	59	1	1.7	23	39
Social work and related professionals	489	13	2.7	235	48.1
Total	1 953	71	3.6	664	34

Table 3.5.5 Promotions by salary band for the period 1 April 2014 and 31 March 2015

Salary band	Employees 1 April 2014	Promotions to another salary level	Salary band promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by salary bands
Lower skilled (Levels 1-2)	2	0	0	1	50
Skilled (Levels 3-5)	3 959	169	4.3	1 935	48.9
Highly skilled production (Levels 6-8)	31 180	166	0.5	2 391	7.7
Highly skilled supervision (Levels 9-12)	4 282	354	8.3	634	14.8
Senior management (Levels 13-16)	174	4	2.3	4	2.3
Total	39 597	693	1.7	4 965	12.5

3.6 EMPLOYMENT EQUITY

Table 3.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2015

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	75	14	6	7	50	8	1	1	162
Professionals	450	53	7	53	895	143	29	108	1 738
Technicians and associate professionals	751	182	28	425	1 192	228	28	252	3 086
Clerks	1 810	225	34	230	1 828	126	25	88	4 366
Service and sales workers	15 662	3 085	377	2 912	7 028	1 150	132	350	30 696
Craft and related trade workers	220	103	9	195	43	0	0	0	570
Elementary occupations	4	1	0	0	6	0	0	0	11
Total	18 972	3 663	461	3 822	11 042	1 655	215	799	40 629
Employees with disabilities	113	16	0	28	74	7	2	7	247

Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2015

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1	0	0	0	0	0	0	0	1
Senior Management	73	7	5	7	53	14	1	1	161
Professionally qualified and experienced specialists and mid-management	1 479	273	55	625	1 326	189	34	198	4 179
Skilled technical and academically qualified workers, junior management, supervisors, foremen	14 470	3 067	360	3 120	6 411	1 113	127	525	29 193
Semi-skilled and discretionary decision-making	2 100	214	30	42	2 170	259	38	52	4 905

Unskilled and defined decision-making	1	0	0	0	0	0	0	0	1
Contract (Top Management)	0	0	0	0	0	0	0	0	0
Contract (Senior Management)	6	0	0	0	0	1	0	0	7
Contract (Professionally qualified)	47	13	3	15	39	4	9	16	146
Contract (Skilled technical)	6	0	0	1	5	1	0	0	13
Contract (Semi-skilled)	472	73	6	11	379	55	3	7	1 006
Contract (Unskilled)	317	9	2	1	658	27	3	0	1 017
Total	18 972	3 656	461	3 822	11 041	1 663	215	799	40 629

Table 3.6.3 Recruitment for the period 1 April 2014 to 31 March 2015

Occupational Band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Senior Management	2	0	0	0	3	0	0	0	5
Professionally qualified and experienced specialists and mid-management	14	1	0	3	37	3	0	0	58
Skilled technical and academically qualified workers, junior management, supervisors, foremen	47	2	0	4	72	4	0	1	130
Semi-skilled and discretionary decision-making	36	0	0	1	44	2	0	1	84
Contract (Top Management)	1	0	0	0	0	0	0	0	1
Contract (Senior Management)	1	0	0	0	0	0	0	0	1
Contract (Professionally qualified)	11	3	3	13	10	3	9	16	68

Contract (Skilled technical)	0	0	0	0	3	5	0	0	8
Contract (Semi-skilled)	266	61	5	11	217	42	3	7	612
Contract (Unskilled)	331	9	2	1	684	26	3	0	1 056
Total	709	76	10	33	1 070	85	15	25	2 023
Employees with disabilities	1	0	0	0	1	0	0	0	2

Table 3.6.4 Promotions for the period 1 April 2014 to 31 March 2015

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1	0	0	0	0	0	0	0	1
Senior Management	2	1	0	0	4	0	0	0	7
Professionally qualified and experienced specialists and mid-management	399	20	8	32	437	45	10	37	988
Skilled technical and academically qualified workers, junior management, supervisors, foremen	929	131	26	157	1 132	126	24	32	2 557
Semi-skilled and discretionary decision-making	824	109	12	15	979	120	18	27	2 104
Unskilled and defined decision-making	1	0	0	0	0	0	0	0	1
Total	2 156	261	46	204	2 552	291	52	96	5 658
Employees with disabilities	1	0	0	0	1	0	0	0	2

Table 3.6.5 Terminations for the period 1 April 2014 to 31 March 2015

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1	0	0	0	1	0	0	0	2
Senior Management	5	3	1	2	4	0	0	0	15

Professionally qualified and experienced specialists and mid-management	150	48	5	102	90	24	1	29	449
Skilled technical and academically qualified workers, junior management, supervisors, foremen	1 001	327	15	225	205	51	4	60	1 888
Semi-skilled and discretionary decision-making	39	5	0	1	19	3	1	3	71
Unskilled and defined decision-making	0	0	0	0	0	0	0	0	1
Contract (Top Management)	1	0	0	1	0	0	0	0	2
Contract (Senior Management)	1	0	0	0	0	0	0	0	1
Contract (Professionally qualified)	15	6	3	6	14	2	4	15	65
Contract (Skilled technical)	2	1	0	2	3	8	0	1	17
Contract (Semi-skilled)	40	8	0	0	89	6	0	1	144
Contract (Unskilled)	279	6	1	0	544	16	2	1	849
Total	1 534	404	25	339	969	110	12	111	3 504
Employees with Disabilities	5	0	0	2	3	1	0	1	12

Table 3.6.6 Disciplinary action for the period 1 April 2014 to 31 March 2015

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Corrective counselling	256	82	1	31	64	17	0	1	452
Verbal warning	401	109	8	54	88	17	0	2	679
Written warning	414	97	5	33	58	16	1	3	627
Final written warning	236	58	4	30	43	6	0	1	378
Dismissal	82	25	3	1	12	0	0	1	124
Demotion	2	0	0	0	0	0	0	0	2
Suspension without pay	51	22	1	3	8	1	0	0	86

Withdrawal	157	18	0	9	21	2	0	1	208
Not guilty	92	11	0	3	13	4	1	0	124
No outcome (Pending at end of March 2015)	82	18	1	7	10	4	0	2	124
Total	1 773	440	23	171	317	67	2	11	2 804

Table 3.6.7 Skills development for the period 1 April 2014 to 31 March 2015

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, Senior Officials and Managers	355	89	2	64	236	36	3	26	811
Professionals	583	100	15	58	886	169	12	85	1 908
Technicians and Associate Professionals	3 109	439	70	336	1 854	160	31	88	6 087
Clerks	1 833	317	41	146	2 311	327	30	107	5 112
Service and Sales Workers	6 169	1 401	95	716	3 563	512	39	115	12 610
Craft and Related Trade Workers	47	12	4	17	17	0	0	2	99
Plant and Machine operators and Assemblers	22	1	0	8	11	0	0	0	42
Total	12 118	2 359	227	1 345	8 878	1 204	115	423	26 669
Employees with disabilities	109	20	1	14	95	8	0	8	255

3.7 SIGNING OF PERFORMANCE AGREEMENTS BY SMS MEMBERS

All members of the SMS must conclude and sign performance agreements within specific timeframes. Information regarding the signing of performance agreements by SMS members, the reasons for not complying within the prescribed timeframes and disciplinary steps taken are presented here.

Table 3.7.1 Signing of Performance Agreements by SMS members as on 31 August 2014

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department	1	0	1*	100%
Salary Level 16	2	1	0	0%
Salary Level 15	15	11	10	91%
Salary Level 14	37	32	29	91%
Salary Level 13	160	124	104	84%
Total	215	168	144	85%

* Post of the head of department was vacant however the performance agreement was signed with a person acting in that post.

Table 3.7.2 Reasons for not having concluded Performance Agreements for all SMS members as on 31 July 2014

Reasons
Due to the elections which took place in May 2014, the submission date for signed performance agreements of SMS members was deferred to 31 August 2014.

Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance Agreements as on 31 August 2014

Reasons
Non-compliance letters were signed by the Acting DG (HoD) and issued to SMS members and their Supervisors.

3.8 PERFORMANCE REWARDS

To encourage good performance, the Department granted the following performance rewards during the year under review. The information is presented in terms of race, gender, disability, salary bands and critical occupations (see definition in notes below).

Table 3.8.1 Performance Rewards by race, gender and disability for the period 1 April 2014 to 31 March 2015

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African	6 712	30 014	22.4	64 313	9 582
• Male	4 246	18 972	22.4	41 196	9 700
• Female	2 466	11 042	22.3	23 117	9 370
Asian	179	676	26.5	1 998	11 160
• Male	121	461	26.2	1 453	12 000
• Female	58	215	27	545	9 396
Coloured	1 415	5 318	26.6	14 598	10 310
• Male	971	3 663	26.5	10 374	10 680
• Female	444	1 655	26.8	4 224	9 510
White	1 252	4 621	27.1	15 694	12 530
• Male	981	3 822	25.6	12 355	12 590
• Female	271	799	34	3 339	12 320
Total	9 619	40 629	23.7	97 142	10 099
Employees with disabilities	61	247	24.7	541	8870

Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2014 to 31 March 2015

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total cost (R'000)	Average cost per employee	
Lower skilled (Levels 1-2)	0	1	0	0	0	0
Skilled (Levels 3-5)	678	4 819	14.1	3 802	5 608	0.00
Highly skilled production (Levels 6-8)	7 785	29 279	26.6	74 005	9 506	0.01

Highly skilled supervision (Levels 9-12)	1 151	4 179	27.5	19 068	16 566	0.01
Contract (Levels 1-2)	0	1 017	0	0	0	0
Contract (Levels 3-5)	0	1 006	0	0	0	0
Contract (Levels 6-8)	0	13	0	0	0	0
Contract (Levels 9-12)	2	146	1.4	39	19 500	0
TOTAL	9 616	40 460	23.8	96 914	10 078	0.01

Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2014 to 31 March 2015

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total cost (R'000)	Average cost per employee
Medical practitioners	4	11	36.4	158	39 500
Educationists	121	461	26.2	1 448	11 967
Professional nurses	232	836	27.8	3 563	15 358
Psychologists and vocational counsellors	15	83	18.1	397	26 467
Pharmacists	7	70	10	147	21 000
Social work and related professionals	131	518	25.3	1 612	12 305
Total	510	1 979	25.8	7 325	14 363

Table 3.8.4 Performance related rewards (cash bonus) by salary band for Senior Management Service for the period 1 April 2014 to 31 March 2015

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total cost (R'000)	Average cost per employee	
Band A	2	122	1.6	122	61 000	0.1
Band B	1	28	3.6	106	106 000	0.3
Band C	0	11	0	0	0	0
Band D	0	1	0	0	0	0
Total	3	162	1.9	228	76 000	0.1

3.9 FOREIGN WORKERS

The tables below summarise the employment of foreign nationals in the Department in terms of salary band and major occupation.

Table 3.9.1 Foreign workers by salary band for the period 1 April 2014 and 31 March 2015

Salary band	01 April 2014		31 March 2015		Change	
	Number	% of total	Number	% of total	Number	% Change
Highly skilled production (Levels 6-8)	1	7.7	2	13.3	1	33.3
Contract (Levels 1-2)	0	0	1	6.7	1	33.3
Periodical remuneration	12	92.3	12	80	0	0
Total	13	100	15	100	2	66.6

Table 3.9.2 Foreign workers by major occupation for the period 1 April 2014 and 31 March 2015

Major occupation	01 April 2014		31 March 2015		Change	
	Number	% of total	Number	% of total	Number	% Change
Administrative office workers	0	0	0	0	0	0
Chaplains	10	76.9	9	60	1	25
Professionals and managers	3	23.1	6	40	3	75
Total	13	100	15	100	4	100

3.10. LEAVE UTILISATION

The Public Service Commission identified the need for the careful monitoring of sick leave within the Public Service. The following tables provide an indication of the use of sick leave and disability leave. In both cases, the estimated cost of the leave is also provided.

Table 3.10.1 Sick leave for the period 1 January 2014 to 31 December 2014

Salary band	Total days	% Days with medical certification	Number of employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated cost (R'000)
Lower skilled (Levels 1-2)	10	80	2	0	5	4
Skilled (Levels 3-5)	46 770.5	75.1	4 582	12	10	27 739
Highly skilled production (Levels 6-8)	273 454	74.5	28 245	74	10	277 121
Highly skilled supervision (Levels 9-12)	34 429	77.4	3 900	10.2	9	57 493
Senior management (Levels 13-16)	871	79.9	135	0.4	6	3 128
Contract (Levels 1-2)	3 945	54.7	876	2.3	5	880
Contract (Levels 3-5)	1 064	50.6	257	0.7	4	483

Contract (Levels 6-8)	86	34.9	18	0	5	69
Contract (Levels 9-12)	900	67.8	126	0.3	7	1743
Contract (Levels 13-16)	11	36.4	3	0	4	45
Total	361 540.5	74.5	38 144	100	9	368 705

Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2014 to 31 December 2014

Salary band	Total days	% Days with medical certification	Number of employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated cost (R'000)
Skilled (Levels 3-5)	4 563	100	148	6.9	31	2 816
Highly skilled production (Levels 6-8)	74 464	99.9	1 765	82.5	42	81 355
Highly skilled supervision (Levels 9-12)	10 071	100	216	10.1	47	16 516
Senior management (Levels 13-16)	160	100	5	0.2	32	580
Contract (Levels 1-2)	50	100	3	0.1	17	11
Contract (Levels 3-5)	24	100	2	0.1	12	14
Contract (Levels 9-12)	36	100	1	0	36	80
Total	89 368	99.9	2 140	100	42	101 372

The table below summarises the utilisation of annual leave. The wage agreement concluded with trade unions in the PSCBC in 2000 stipulates that annual leave be managed to such an extent that the payment of high levels of accrued leave at the time of termination of service is prevented.

Table 3.10.3 Annual leave for the period 1 January 2014 to 31 December 2014

Salary band	Total days taken	Number of employees using annual leave	Average per employee
Lower skilled (Levels 1-2)	47	24	2
Skilled (Levels 3-5)	94 976.9	20	4 868
Highly skilled production (Levels 6-8)	827 195.14	27	31 024
Highly skilled supervision (Levels 9-12)	127 693.59	28	4 579
Senior management (Levels 13-16)	4703	26	182
Contract (Levels 1-2)	11 988.52	10	1 204
Contract (Levels 3-5)	3218	9	371
Contract (Levels 6-8)	265	9	28
Contract (Levels 9-12)	2 300.88	17	137
Contract (Levels 13-16)	104	12	9
Total	1 072 492.03	25	42 404

Table 3.10.4 Capped leave for the period 1 January 2014 to 31 December 2014

Salary band	Total days of capped leave taken	Number of employees using capped leave	Average number of days taken per employee	Average capped leave per employee as at 31 December 2014	Number of Employees as at 31 December 2014	Total number of capped leave available as at 31 December 2014
Highly skilled production (Levels 6-8)	13 417	970	14	33	14 203	469 656
Highly skilled supervision (Levels 9-12)	2 870	178	16	53	3 031	161 961
Senior management (Levels 13-16)	20	5	4	59	122	7 154
Total	16 307	1 153	14	37	17 356	638 771

The following table summarises payments made to employees as a result of leave that was not taken.

Table 3.10.5 Leave payouts for the period 1 April 2014 and 31 March 2015

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Leave payout for 2014/15 due to non-utilisation of leave for the previous cycle	3 055	199	15 352
Capped leave payouts on termination of service for 2014/15	91 877	2 495	36 824
Current leave payout on termination of service for 2014/15	15 629	1 492	10 475
Total	110 561	4 186	62 651

3.11 HIV/AIDS & HEALTH PROMOTION PROGRAMMES

Table 3.11.1 Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
<ul style="list-style-type: none"> Healthcare professionals. Officials working with inmates that are infected. Officials that have TB. 	<ul style="list-style-type: none"> Wellness days held to inform and test officials. Officials tested as part of offender programme.
Units/categories of employees identified to be at high risk of contracting Hepatitis A & B	Key steps taken to reduce the risk
<ul style="list-style-type: none"> Healthcare professionals. Food handlers. Officials working on the sewerage purification plants. Officials working in hospitals and officials doing hospital duties. 	<ul style="list-style-type: none"> Officials vaccinated with Hepatitis A & B vaccination to boost their immune systems against Hepatitis A & B.
Units/categories of employees identified to be at high risk of contracting Rabies.	Key steps taken to reduce the risk

<ul style="list-style-type: none"> • Dog handlers and trainers. • Horse riders. 	<ul style="list-style-type: none"> • Officials vaccinated against rabies to boost their immune systems against rabies infection.
Units/categories of employees identified to be at high risk of contracting Flu.	Key steps taken to reduce the risk
<ul style="list-style-type: none"> • All officials in the Department of Correctional Services. 	<ul style="list-style-type: none"> • All officials who were willing to be vaccinated against flu were vaccinated.

Table 3.11.2 Details of Health Promotion and HIV/AIDS Programmes (tick the applicable boxes and provide the required information)

Question	Yes	No	Details, if yes
1. Has the Department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	X		<ul style="list-style-type: none"> • Mr M.J. Nkhabu, Acting Deputy Commissioner: Integrated Employee Health and Wellness. • HIV/AIDS is a sub-component within the Directorate: Employee Wellness.
2. Does the Department have a dedicated unit or have you designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	X		<ul style="list-style-type: none"> • There is one national HIV/AIDS Coordinator at ASD Level. • There is no dedicated budget for HIV/AIDS. • EAPs assist with counselling on HIV & AIDS. • There are thirty two (32) EAP posts filled nationally at salary level 8, eight EAP posts at salary level 9 and one EAP post at salary level 11. • In the Sub-directorate Gymnasiums and Biokinetic Centres there are three posts at Head Office only: one at salary level 8, one at salary level 9 and one at salary level 12. • In the Sub-directorate Sport and Recreation there are currently four sport officials and one administrator. • Six Regional Sports Coordinators at an ASD level are responsible for the promotion and management of sports and recreation programmes in the regions. • The annual budget is approximately R15 million for the compensation of employees and R3 650 000 for programmes. • The OHS Directorate has eighty two (82) employees from Head Office and six Regional Coordinators, and an annual budget of R8 292 000 (for Occupational Hygiene Surveys and Risk Assessment, Medical Surveillance and the vaccination of officials).
3. Has the Department introduced an Employee Assistance or Health Promotion programme for your employees? If so, indicate the key elements/services of the programme.	X		<ul style="list-style-type: none"> • The Employee Assistance programme within the Department is an on-site based programme which covers three fundamental areas serviced by forty one (41) trained professionals: • For the 2014/2015 financial year it offered: Therapeutic services emphasising short-term counselling and an effective referral system (number of employees seen: 1 624). • Wellness programmes reached 8 952 employees and focused on fatherhood and parenting, the celebration of youth days, HIV & financial wellness, women empowerment, a career exhibition, fatigue and risk management, pension funds and estate planning, tax returns, trauma awareness, emotional intelligence, health and legal affairs, breast cancer, etc. • Training programmes reached 3 811 employees and focused on child justice, aggressive behaviour, youth diversity, suicide prevention, sick leave management, absenteeism management, substance abuse management, sexual harassment, etc. • Marketing and Information sharing of the programme reached 22 282 employees. • Training programmes reached 1 511 employees and the wellness programmes reached 25 433 employees. • Marketing and Information sharing of the programme reached 13 511 employees.

4. Has the Department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.		X	<ul style="list-style-type: none"> There is no established committee. The terms of reference for the committee were developed and forwarded to the DC: IEHW in 2013.
5. Has the Department reviewed the employment policies and practices of your Department to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	X		<ul style="list-style-type: none"> An integrated Employee Health and Wellness Policy and procedure was reviewed and approved in 2012. Within this policy, principles 9 and 11 address unfair discrimination. Additional policies include the Equity and Gender Policy and the Recruitment, Transfers and Terminations policies.
6. Has the Department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	X		<ul style="list-style-type: none"> The measures are guided by the following codes and policies: the Code of Conduct, the Integrated Employee Health and Wellness Policy and Procedures, the Equity and Gender Policy, the Basic Conditions of Employment Act, the Constitution of South Africa. Any contravention of the above codes and policies is addressed through the DCS Disciplinary Policy and Procedure.
7. Does the Department encourage its employees to undergo Voluntary Counselling and Testing (VCT)? If so, list the results that you have achieved.	X		<ul style="list-style-type: none"> 873 employees participated in VCT. 967 employees were reached during HIV/AIDS awareness presentations in 10 Management Areas where the IEHW programme was rolled out.
8. Has the Department developed measures/indicators to monitor and evaluate the impact of your health promotion programme? If so, list these measures/indicators.	X		<ul style="list-style-type: none"> The Department developed and implemented an HIV/AIDS monitoring tool to measure the impact of HIV promotion programmes. The indicators are: number of officials who tested for HCT; number of officials who tested HIV-positive; number of officials who revealed their HIV status; number of HIV awareness sessions; number of DCS employees on ARVs; number of condoms distributed. The above indicators are reported on quarterly.

3.12 LABOUR RELATIONS

Table 3.12.1 Collective agreements for the period 1 April 2014 and 31 March 2015

Total number of collective agreements	None
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The following table summarises the outcome of disciplinary hearings conducted within the Department during the year under review.

Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2014 and 31 March 2015

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	452	16.12
Verbal warning	679	24.22
Written warning	627	22.36
Final written warning	378	13.48
Dismissal	124	4.42
Demotion	2	0.07
Suspended without pay	86	3.07

Case withdrawn	208	7.42
Not guilty	124	4.42
No outcome (pending as on 31 March)	124	4.42
Total	2 804	100.00

Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2014 and 31 March 2015

Type of misconduct	Number	% of total
Fails to comply with, or contravenes an act, regulation or legal obligation.	399	9.57
Mismanages the finances of the State.	4	0.27
Without permission, possesses or wrongfully uses the property of the State, another employees and/or a visitor.	10	0.23
Misuses/abuses movable/immovable property of the State.	31	0.74
Damages and/or causes loss of State property.	47	1.12
Endangers the lives of self or others by disregarding safety rules or regulations.	7	0.16
Prejudices the administration, discipline or efficiency of a department, office or institution of the State.	128	3.07
Misuses position in the DCS to promote or to prejudice the interest of any political party, organisation, company or individual.	0	0
Theft, bribery, fraud, corruption or any combination thereof.	210	5.03
Accepts any compensation in cash or otherwise from a member of the public, another employee or an offender for performing his/her duties without written approval from the Department.	1	0.02
Fails to carry out a lawful order or routine instruction without just or reasonable cause.	232	5.56
Absence or repeated absence from work without a valid reason or permission.	1 150	27.59
Commits an act of sexual harassment.	5	0.11
Discriminates on the basis of race, gender, disability, sexuality or other grounds outlawed by the Constitution.	0	0
Poor or inadequate performance for reasons other than incapacity.	33	0.79
Dereliction of duties.	371	8.9
Allowing a disciplinary hearing to fall away (Refer to clause 7.3.2 of the Procedure).	0	0
Performing of work for compensation in a private capacity for another person or organisation either during or outside working hours without written approval.	0	0
Breaching the conditions pertaining to authorized private work.	0	0
Sleeping on duty.	23	0.55
While on duty, is under the influence of an intoxicating, illegal, unauthorized, habit-forming and/or stupefying drug, including alcohol.	63	1.51
Being in possession of alcohol in the workplace.	2	0.04
Being in possession of illegal, unauthorized, habit-forming and/or stupefying drug on departmental premises.	45	1.07
Permitting an offender to take alcohol or any prohibited drug or to have these substances in his/her possession.	5	0.11
While on duty, conducts herself or himself in an improper, disgraceful and unacceptable manner.	94	2.25
Contravention of the DCS Code of Conduct.	170	4.07
Assault, attempt or threatens to assault, another employee or person while on duty.	458	10.99
Incites other personnel to un-procedural and unlawful conduct.	4	0.09
Displays disrespect towards others in the workplace or demonstrates abusive or insolent behaviour.	35	0.83
Intimidation or victimization of fellow employees or other persons.	8	0.19

Prevents/forces other employees from/to belong/not belong to any trade union or employee organisation.	0	0
Operates any money-lending scheme for employees for own benefit at the workplace during working hours.	0	0
Carries or keeps firearms or other dangerous weapons in the workplace without the written authorisation of the employer.	3	0.07
Misuses firearms and/or other dangerous weapons in the workplace.	5	0.11
Breaches security measures.	307	7.36
Furnishes false statements or evidence in the execution of his/her duties.	57	1.36
Falsification of records or any other documentation.	12	0.28
Participation in unprocedural, unprotected and/or unlawful industrial action.	243	5.83
Commitment of a common law or statutory offence whilst on duty and/or on State premises.	5	0.11
Total	4 167	100

Table 3.12.4 Grievances logged for the period 1 April 2014 and 31 March 2015

Grievances	Number	% of Total
Number of grievances resolved	455	47.19%
Number of grievances not resolved	294	30.49%
Grievances pending	215	22.30%
Total number of grievances lodged	964	100.00%

Table 3.12.5 Disputes logged with Councils for the period 1 April 2014 and 31 March 2015

Disputes	Number	% of Total
Disputes upheld	68	21.51%
Disputes dismissed	32	10.12%
Disputes withdrawn	38	12.02%
Disputes settled	30	9.49%
No jurisdiction - GPSSBC	10	3.16%
Arbitration awards pending	138	43.67%
Total number of disputes lodged	316	100.00%

Table 3.12.6 Strike actions for the period 1 April 2014 and 31 March 2015

Total number of persons working days lost	0
Total costs working days lost	0
Amount recovered as a result of no work no pay (R'000)	0

Table 3.12.7 Precautionary suspensions for the period 1 April 2014 and 31 March 2015

Number of people suspended	311
Number of people whose suspension exceeded 30 days	301
Average number of days suspended	101
Cost of suspension (R'000)	R 23 621

3.13 SKILLS DEVELOPMENT

This section highlights the efforts of the Department with regard to skills development.

Table 3.13.1 Training needs identified for the period 1 April 2014 and 31 March 2015

Occupational category	Gender	Number of employees as at 1 April 2014	Training needs identified at start of the reporting period			
			Learnerships	Skills programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	51		72	0	72
	Male	96		121	0	121
Professionals	Female	1 139		845	0	845
	Male	522		395	0	395
Technicians and associate professionals	Female	1 822		1 800	0	1 800
	Male	1 522		886	0	886
Clerks	Female	1 794		1 263	0	1 263
	Male	2 221		968	0	968
Service and sales workers	Female	8 715		3 945	0	3 945
	Male	23 298		5 813	0	5 813
Craft and related trade workers	Female	39		11	0	11
	Male	557		361	0	361
Plant and Machine operators and assemblers	Female	1		0	0	0
	Male	0		0	0	0
Elementary occupations	Female	30		12	0	12
	Male	18		8	0	8
Sub Total	Female	13 591	516	7 948	0	7 948
	Male	28 234	516	8 552	0	8 552
Total		41 825	1 032	16 500	0	16 500

Table 3.13.2 Training provided for the period 1 April 2014 and 31 March 2015

Occupational category	Gender	Number of employees as at 1 April 2014	Training provided within the reporting period			
			Learnerships	Skills programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	51		222	79	301
	Male	96		340	170	510
Professionals	Female	1 139		776	376	1 152
	Male	522		459	297	756
Technicians and associate professionals	Female	1 822		1 131	1 002	2 133
	Male	1 522		2 298	1 656	3 954
Clerks	Female	1 794		1 434	1 320	2 754
	Male	2 221		1 173	1 141	2 314

Services and sales workers	Female	8 715		2 760	1 469	4 229
	Male	23 298		5 925	2 456	8 381
Craft and related trade workers	Female	39		14	5	19
	Male	557		55	25	80
Plant and Machine operators and assemblers	Female	1		5	6	11
	Male	0		17	14	31
Elementary occupations	Female	30		15	5	20
	Male	18		20	4	24
Sub Total	Female	13 591	432	6 357	4262	10 619
	Male	28 234	564	10 287	5763	16 050
Grand Total		41 825	996	16 644	10 025	26 669

3.14 INJURY ON DUTY

The following tables provide basic information on injury on duty.

Table 3.14.1 Injury on duty for the period 1 April 2014 and 31 March 2015

Nature of injury on duty	Number	% of total
Required basic medical attention only	180	27.1%
Temporary total disablement	471	70.8%
Permanent disablement	10	1.5%
Fatal	04	0.6%
Total	665	100%

3.15 UTILISATION OF CONSULTANTS

The following tables relate information on the utilisation of consultants in the Department. In terms of the Public Service Regulations “consultant” means a natural or juristic person or a partnership who or which provides in terms of a specific contract on an ad hoc basis any of the following professional services to a department against remuneration received from any source:

- (a) The rendering of expert advice;
- (b) The drafting of proposals for the execution of specific tasks; and
- (c) The execution of a specific task which is of a technical or intellectual nature, but excludes an employee of a department.

Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2014 and 31 March 2015

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
Software Consulting Services	17	264	R17 610 577.50
Tech Mahindra	14	264	R7 468 975.50
Appointment of a service provider to assist the DCS Internal Audit Unit with internal audit related tasks in a co-sourced capacity	39	125 work days from 1 April 2014 – 30 September 2014 (expiry of contract)	R 3 338 586.33

Total number of projects	Total individual consultants	Total duration (work days)	Total contract value in Rand
3	70	653	R28 418 139.33

Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2014 and 31 March 2015

Project title	Per cent age ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
Software consulting services	100	100	17
Maintenance infrastructure management: Resources: Tech Mahindra	100	100	14
Appointment of a service provider to assist the DCS Internal Audit Unit with internal audit related tasks in a co-sourced capacity - Lead Consortium Partner – PwC – (60%)	27%	55%	23
Appointment of a service provider to assist the DCS Internal Audit Unit with internal audit related tasks in a co-sourced capacity - Consortium Partner – SekelaXabiso – (40%)	76%	77%	16

Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2014 and 31 March 2015

Project title	Total number of consultants that worked on project	Duration (work days)	Donor and contract value in Rand
None			

Total number of projects	Total individual consultants	Total duration (work days)	Total contract value in Rand
None			

Table 3.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2014 and 31 March 2015

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
None			

3.16 SEVERANCE PACKAGES

Table 3.16.1 Granting of employee initiated severance packages for the period 1 April 2014 and 31 March 2015

Salary band	Number of applications received	Number of applications referred to the MPSA	Number of applications supported by MPSA	Number of packages approved by department
Lower skilled (Levels 1-2)	0	0	0	0
Skilled (Levels 3-5)	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	0	0
Highly skilled supervision(Levels 9-12)	0	0	0	0
Senior management (Levels 13-16)	0	0	0	0
Total	0	0	0	0

PART E: FINANCIAL INFORMATION



1. REPORT OF THE AUDITOR GENERAL

This is the auditor's report as issued by AGSA.

Report of the Auditor-General to Parliament on Vote no. 21: Department of Correctional Service

Report on the financial statements

Introduction

1. I have audited the financial statements of the Department of Correctional Services set out on pages 110 to 171, which comprise the appropriation statement, the statement of financial position as at 31 March 2015, the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as the notes, comprising a summary of significant accounting policies and other explanatory information.

The accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with the Modified Cash Standard and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA), and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor-general's responsibility

3. My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with International Standards on Auditing. Those standards require that I comply with ethical requirements, and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified audit opinion.

Basis for qualified opinion

Contingent liabilities

6. I was unable to obtain sufficient appropriate audit evidence for claims against the department because it did not have adequate systems and processes to record and maintain a register for claims against the department. I could not confirm claims against the department by alternative means. Consequently, I was unable to determine whether any adjustment to claims against the department stated at R791,3 million (2013-14: R801,2 million) in the financial statements was necessary.

Qualified opinion

7. In my opinion, except for the possible effects of the matter described in the basis for qualified opinion paragraph, the financial statements present fairly, in all material respects, the financial position of the Department of Correctional Services as at 31 March 2015 and its financial performance and cash flows for the year then ended, in accordance with the Modified Cash Standard and the requirements of the PFMA.

Emphasis of matters

8. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Restatement of corresponding figures

9. As disclosed in note 35 to the financial statements, the corresponding figures for 31 March 2014 have been restated as a result of errors discovered during 2015 in the financial statements of the department at, and for the year ended, 31 March 2014.

Payables

10. Payables which exceed the payment term of 30 days as required in Treasury Regulation 8.2.3 amount to R198,6 million. This amount, in turn, exceeds the voted funds to be surrendered of R192,6 million as per the statement of financial performance by R6 million. The amount of R6 million would therefore have constituted unauthorised expenditure had the amounts due been paid in a timely manner.

Impairments

11. As disclosed in note 12.5 to the financial statements, material impairments to the amount of R60,5 million (2013-14: R44 million) were provided for as a result of irrecoverable receivables.

Additional matter

12. I draw attention to the matter below. My opinion is not modified in respect of this matter.

Unaudited supplementary schedules

13. The supplementary information set out on pages 172 to 181 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion thereon.

Report on other legal and regulatory requirements

14. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report, compliance with legislation and internal control. The objective of my tests was to identify reportable findings as described under each subheading but not to gather evidence to express assurance on these matters. Accordingly, I do not express an opinion or conclusion on these matters.

Predetermined objectives

15. I performed procedures to obtain evidence about the usefulness and reliability of the reported performance information for the following selected programmes presented in the annual performance report of the department for the year ended 31 March 2015:
- Programme 2: Incarceration on pages 47 to 52.
 - Programme 3: Rehabilitation on pages 52 to 54.
16. I evaluated the reported performance information against the overall criteria of usefulness and reliability.
17. I evaluated the usefulness of the reported performance information to determine whether it was presented in accordance with the National Treasury's annual reporting principles and whether the reported performance was consistent with the planned programmes. I further performed tests to determine whether indicators and targets were well defined, verifiable, specific, measurable, time bound and relevant, as required by the National Treasury's Framework for managing programme performance information (FMPPI).
18. I assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
19. The material findings in respect of the selected programmes are as follows:

Programme 2: Incarceration

Reliability of reported performance information

20. The FMPPI requires auditees to have appropriate systems to collect, collate, verify and store performance information to ensure valid, accurate and complete reporting of actual achievements against planned objectives, indicators and targets. Significantly important targets were not reliable when compared to the source information or evidence provided. This was due to incorrect recording of reported actual achievements and inadequate review of the validity and completeness of reported achievements against source documentation.

Programme 3: Rehabilitation

Usefulness of reported performance information

Measurability of indicators

21. The processes and systems that produced the indicator should be verifiable, as required by the FMPPI. A total of 60% of the indicators in relation to rehabilitation were not verifiable. This was due to inconsistent implementation of the technical indicator description.

Reliability of reported performance information

22. The FMPPI requires auditees to have appropriate systems to collect, collate, verify and store performance information to ensure valid, accurate and complete reporting of actual achievements against planned objectives, indicators and targets. Significantly important targets were not reliable when compared to the source information or evidence provided. This was due to incorrect and inconsistent implementation of standard operating procedures, technical indicator descriptions and documented system descriptions for the accurate recording of actual achievements and inadequate review of the validity and completeness of reported achievements against source documentation.

Additional matter

23. I draw attention to the following matter:

Achievement of planned targets

24. Refer to the annual performance report on pages 47 to 54 for information on the achievement of planned targets for the year. This information should be considered in the context of the findings reported in paragraphs 20 and 22 above.

Compliance with legislation

25. I performed procedures to obtain evidence that the department had complied with applicable legislation regarding financial matters, financial management and other related matters. My findings on material non-compliance with specific matters in key legislation, as set out in the general notice issued in terms of the PAA, are as follows:

Financial statements

26. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework and supported by full and proper records as required by section 40(1)(a) and (b) of the PFMA. Material misstatements of the appropriation statement, receivables, goods and services, commitments and irregular expenditure identified by the auditors in the submitted financial statements were subsequently corrected, but the supporting records that could not be provided resulted in the financial statements receiving a qualified audit opinion.

Strategic planning and performance management

27. The accounting officer did not ensure that the department had and maintained effective, efficient and transparent systems of risk management and internal control with respect to performance information and management as required by section 38(1)(a)(i) of the PFMA.

28. Specific and appropriate information systems to enable the department to monitor the progress made towards achieving the goals, targets and core objectives as indicated in the strategic/annual performance plan were not adequately implemented and operational as required by Public Service Regulation Part IIIB.1(f)(i)(ii).

Internal audit

29. The internal audit function did not assess the operational procedure and monitoring mechanisms over all transfers made and received as required by Treasury Regulation 3.2.8.

Audit committee

30. The audit committee did not review the institution's compliance with legal and regulatory provisions, as required by Treasury Regulation 3.1.10(f).
31. The audit committee was not constituted, as required by section 77(a) of the PFMA and Treasury Regulation 3.1.6, as it comprised only two members for six months of the financial year.

Expenditure management

32. Effective steps were not taken to prevent irregular expenditure, as required by section 38(1)(c)(ii) of the PFMA and Treasury Regulation 9.1.1.

Revenue management

33. Effective and appropriate steps were not always taken to collect all money due, as required by section 38(1)(c)(i) of the PFMA and Treasury Regulations 11.2.1, 15.10.1.2(a) and 15.10.1.2(e).

Human resource management and compensation

34. Funded vacant posts were not filled within 12 months as required by Public Service Regulation 1/VII/C.1A.2.

Contract and procurement management

35. Persons in service of the department whose close family members, partners or associates had a private or business interest in contracts awarded by the department failed to disclose such interest, as required by Treasury Regulation 16A8.4.

Internal control

36. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with legislation. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for a qualified opinion, the findings on the annual performance report and the findings on non-compliance with legislation included in this report.

Leadership

37. The accounting officer did not exercise adequate oversight over financial and performance reporting and compliance with laws and regulations. The performance and financial reports of the department were not adequately reviewed; therefore the reports submitted for audit contained various material misstatements.

Financial and performance management

38. Information was not always readily available on request, especially information relating to predetermined objectives.
39. The department did not always implement controls over daily and monthly processing and reconciling of transactions.
40. The department did not always prepare regular, accurate and complete financial and performance reports that were supported and evidenced by reliable information.

41. The financial statements and other information to be included in the annual report were not adequately reviewed for accuracy and completeness by management, while monitoring of compliance with laws and regulations was inadequate.

Governance

42. Risk assessment procedures were not implemented adequately, with the result that management was not able to identify and respond to risks relating to misstatements in financial statements, performance information and compliance with laws and regulations.
43. The department has an internal audit function, however the internal audit unit was not fully effective.
44. The audit committee was not fully effective during the year under review.

Other reports

Investigations

45. An investigation is being conducted by the Departmental Investigation Unit with regard to possible irregular expenditure of a contract. The amount paid up to date is R158,9 million.
46. An investigation by an independent firm requested by the Minister is currently on going regarding possible fraud in the awarding of a specific contract to an amount of R296,7 million with regard to the electronic monitoring system of offenders.

Auditor-General.

Pretoria

Date: 31 July 2015



2. ANNUAL FINANCIAL STATEMENTS

DEPARTMENT OF CORRECTIONAL SERVICES - VOTE NO. 21 APPROPRIATION STATEMENT For the year ended 31 March 2015

APPROPRIATION PER PROGRAMME									
2014/15								2013/14	
Programme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1.Administration	3,623,746	-	38,909	3,662,655	3,641,704	20,951	99.4%	5,153,497	5,152,997
2.Incarceration	12,299,765	-	(121,017)	12,178,748	12,097,188	81,560	99.3%	10,046,507	9,997,094
3.Rehabilitation	1,166,292	-	(56,726)	1,109,566	1,019,492	90,074	91.9%	998,027	950,045
4.Care	1,745,777	-	194,405	1,940,182	1,940,182	-	100.0%	1,799,173	1,799,173
5.Social Reintegration	886,259	-	(55,571)	830,688	830,688	-	100.0%	751,289	751,289
TOTAL	19,721,839	-	-	19,721,839	19,529,254	192,585	99.0%	18,748,493	18,650,598

2014/15					2013/14	
	Final Appropriation	Actual Expenditure			Final Appropriation	Actual Expenditure
TOTAL (brought forward)	19,721,839	19,529,254			18,748,493	18,650,598
ADD						
Departmental receipts	139,752				117,129	
NRF Receipts						
Actual amounts per statement of financial performance (total revenue)	19,861,591	7,185			18,865,622	
ADD						
Actual amounts per statement of financial performance (total expenditure)		19,536,439				18,650,598

DEPARTMENT OF CORRECTIONAL SERVICES - VOTE NO. 21
APPROPRIATION STATEMENT
For the year ended 31 March 2015

APPROPRIATION PER ECONOMIC CLASSIFICATION									
	2014/15						2013/14		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	18,583,861	-	(50,466)	18,533,395	18,382,061	151,334	99.2%	17,535,050	17,437,155
Compensation of employees	13,315,604	-	(614,019)	12,701,585	12,611,511	90,074	99.3%	12,238,049	12,190,067
Salaries and wages	10,566,775	-	(234,298)	10,332,477	10,242,403	90,074	99.1%	10,088,043	9,829,765
Social contributions	2,748,829	-	(379,721)	2,369,108	2,369,108	-	100.0%	2,150,006	2,360,302
Goods and services	5,268,257	-	563,159	5,831,416	5,770,156	61,260	98.9%	5,296,111	5,246,198
Administrative fees	6,204	-	862	7,066	7,066	-	100.0%	6,057	5,859
Advertising	13,318	-	12,315	25,633	25,633	-	100.0%	92,764	12,745
Minor assets	62,664	-	(40,554)	22,110	22,110	-	100.0%	23,528	22,040
Audit costs: External	62,158	-	(14,613)	47,545	47,545	-	100.0%	53,906	47,347
Bursaries: Employees	3,135	-	467	3,602	3,602	-	100.0%	2,800	2,820
Catering: Departmental activities	14,781	-	24,247	39,028	39,028	-	100.0%	33,470	34,990
Communication (G&S)	79,191	-	10,480	89,671	89,671	-	100.0%	87,892	99,931
Computer services	123,320	-	(46,955)	76,365	76,365	-	100.0%	90,910	93,596
Consultants: Business and advisory services	64,344	-	135,061	199,405	199,405	-	100.0%	40,616	43,614
Infrastructure and planning services	1,213	-	1,246	2,459	2,459	-	100.0%	3,278	3,497
Laboratory services	15,636	-	(4,384)	11,252	11,252	-	100.0%	14,711	14,105
Legal services	21,989	-	20,849	42,838	42,838	-	100.0%	12,470	29,667
Contractors	288,128	-	(160,621)	127,507	127,507	-	100.0%	102,717	103,483
Agency and support / outsourced services	466,355	-	211,084	677,439	677,439	-	100.0%	622,223	625,071
Entertainment	382	-	(157)	225	225	-	100.0%	530	258
Fleet services (including government motor transport)	87,468	-	164,276	251,744	251,744	-	100.0%	234,889	244,226

DEPARTMENT OF CORRECTIONAL SERVICES - VOTE NO. 21
APPROPRIATION STATEMENT
For the year ended 31 March 2015

APPROPRIATION PER ECONOMIC CLASSIFICATION									
	2014/15						2013/14		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Inventory: Clothing material and accessories	64,387	-	(22,011)	42,376	35,925	6,451	84.8%	60,032	41,522
Inventory: Farming supplies	63,426	-	105,701	169,127	175,578	(6,451)	103.8%	121,756	166,139
Inventory: Food and food supplies	351,953	-	11,030	362,983	362,983	-	100.0%	382,617	349,372
Inventory: Fuel, oil and gas	20,775	-	5,519	26,294	26,294	-	100.0%	25,013	24,058
Inventory: Learner and teacher support material	6,296	-	120	6,416	5,677	739	88.5%	6,105	5,091
Inventory: Materials and supplies	89,056	-	(12,767)	76,289	77,028	(739)	101.0%	75,364	64,265
Inventory: Medical supplies	3,827	-	(1,984)	1,843	1,843	-	100.0%	2,031	1,463
Inventory: Medicine	85,638	-	(15,012)	70,626	71,451	(825)	101.2%	89,636	84,703
Inventory: Other supplies	142,719	-	(135,558)	7,161	6,336	825	88.5%	23	211
Consumable supplies	137,251	-	141,420	278,699	278,699	-	100.0%	278,846	285,683
Consumable: Stationery, printing and office supplies	105,476	-	(43,739)	61,737	61,737	-	100.0%	67,319	56,345
Operating leases	1,785,456	-	61,111	1,846,567	1,785,307	61,260	96.7%	1,743,805	1,655,005
Property payments	785,901	-	135,074	920,975	920,975	-	100.0%	746,794	845,871
Transport provided: Departmental activity	4,574	-	582	5,156	5,156	-	100.0%	5,503	5,959
Travel and subsistence	269,933	-	7,194	277,127	277,127	-	100.0%	224,469	242,305

DEPARTMENT OF CORRECTIONAL SERVICES - VOTE NO. 21
APPROPRIATION STATEMENT
For the year ended 31 March 2015

APPROPRIATION PER ECONOMIC CLASSIFICATION									
	2014/15					2013/14			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Training and development	18,146	-	(10,176)	7,970	7,970	-	100.0%	6,431	5,570
Operating payments	13,543	-	10,356	23,899	23,899	-	100.0%	14,983	13,386
Venues and facilities	8,521	-	6,450	14,971	14,971	-	100.0%	18,122	9,909
Rental and hiring	1,093	-	6,218	7,311	7,311	-	100.0%	4,501	6,092
Interest and rent on land	-	-	394	394	394	-	100.0%	890	890
Interest (Incl. interest on unitary payments (PPP))	-	-	223	223	223	-	100.0%	890	890
Rent on land	-	-	171	171	171	-	100.0%	-	-
Transfers and subsidies	82,620	-	45,026	127,646	127,646	-	100.0%	112,102	112,102
Provinces and municipalities	6,487	-	(1,670)	4,817	4,817	-	100.0%	4,180	4,180
Provinces	-	-	945	945	945	-	100.0%	830	824
Provincial Revenue Funds	-	-	-	-	-	-	-	830	824
Provincial agencies and funds	-	-	945	945	945	-	100.0%	-	-
Municipalities	6,487	-	(2,615)	3,872	3,872	-	100.0%	3,350	3,356
Municipal bank accounts	6,002	-	(2,130)	3,872	3,872	-	100.0%	3,350	3,356
Municipal agencies and funds	485	-	(485)	-	-	-	-	-	-
Departmental agencies and accounts	8,910	-	920	9,830	9,830	-	100.0%	8,455	8,455
Departmental agencies (non-business entities)	8,910	-	920	9,830	9,830	-	100.0%	8,455	8,455
Households	67,223	-	45,776	112,999	112,999	-	100.0%	99,467	99,467
Social benefits	49,426	-	40,847	90,273	90,273	-	100.0%	85,513	76,543
Other transfers to households	17,797	-	4,929	22,726	22,726	-	100.0%	13,954	22,924

DEPARTMENT OF CORRECTIONAL SERVICES - VOTE NO. 21
APPROPRIATION STATEMENT
For the year ended 31 March 2015

APPROPRIATION PER ECONOMIC CLASSIFICATION									
	2014/15						2013/14		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Payments for capital assets	1,055,358	-	(1,476)	1,053,882	1 012,631	41 251	96.1%	1 097,671	1,097,671
Buildings and other fixed structures	800,737	-	45,362	846,099	846,099	-	100.0%	862,354	862,354
Buildings	800,737	-	(800,737)	-	-	-	-	646,011	667,623
Other fixed structures	-	-	846,099	846,099	846,099	-	100.0%	216,343	194,731
Machinery and equipment	253,015	-	(48,385)	204,630	163,379	41,251	79.8%	205,330	205,330
Transport equipment	36,020	-	35,679	71,699	71,699	-	100.0%	46,813	47,260
Other machinery and equipment	216,995	-	(84,064)	132,931	91,680	41,251	69.0%	158,517	158,070
Biological assets	1,606	-	1,547	3,153	3,153	-	100.0%	2,951	2,951
Software and other intangible assets	-	-	-	-	-	-	-	27,036	27,036
Payment for financial assets	-	-	6,916	6,916	6,916	-	100.0%	3,670	3,670
Total	19,721,839	-	-	19,721,839	19,529,254	192,585	99.0%	18,748,493	18,650,598

DEPARTMENT OF CORRECTIONAL SERVICES - VOTE NO. 21
APPROPRIATION STATEMENT
For the year ended 31 March 2015

APPROPRIATION PER ECONOMIC CLASSIFICATION									
Economic classification	2014/15					2013/14			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	18,583,861	-	(50,465)	18,533,395	18,382,061	151,334	99.2%	17,535,050	17,437,155
Compensation of employees	13,315,604	-	(614,019)	12,701,585	12,611,511	90,074	99.3%	12,238,049	12,190,067
Goods and services	5,268,257	-	563,160	5,831,416	5,770,156	61,260	99.0%	5,296,111	5,246,187
Interest and rent on land	-	-	394	394	394	-	100.0%	890	890
Transfers and subsidies	82,620	-	45,026	127,646	127,646	-	100.0%	112,102	112,102
Provinces and municipalities	6,487	-	(1,671)	4,816	4,816	-	100.0%	4,180	4,180
Departmental agencies and accounts	8,910	-	920	9,830	9,830	-	100.0%	8,455	8,455
Households	67,223	-	45,776	112,999	112,999	-	100.0%	99,467	99,467
Payments for capital assets	1,055,358	-	(1,476)	1,053,882	1,012,631	41,251	96.1%	1,097,672	1,097,672
Buildings and other fixed structures	800,737	-	45,362	846,099	846,099	-	100.0%	862,354	862,354
Machinery and equipment	253,015	-	(48,385)	204,630	163,378	41,251	79.8%	205,332	205,331
Biological assets	1,606	-	1,547	3,153	3,153	-	100.0%	2,950	2,951
Intangible assets	-	-	-	-	-	-	-	27,036	27,036
Payment for financial assets	-	-	6,916	6,916	6,916	-	100.0%	3,670	3,670

DEPARTMENT OF CORRECTIONAL SERVICES - VOTE NO. 21
APPROPRIATION STATEMENT
For the year ended 31 March 2015

PROGRAMME 1: ADMINISTRATION									
	2014/15					2013/14			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Ministry	30,940	-	262	31,202	31,202	-	100.0%	34,382	34,382
2. Management	1,025,689	-	(126,171)	899,518	878,567	20,951	97.7%	908,599	908,099
3. Corporate Services	1,476,335	-	32,484	1,508,819	1,508,819	-	100.0%	1,355,278	1,355,278
4. Finance	939,914	-	145,841	1,085,755	1,085,755	-	100.0%	1,026,568	1,026,568
5. Internal Audit	95,115	-	(27,723)	67,392	67,392	-	100.0%	65,082	65,082
6. Office Accommodation	55,753	-	14,216	69,969	69,969	-	100.0%	1,763,588	1,763,588
Total for sub programmes	3,623,746	-	38,909	3,662,655	3,641,704	20,951	99.4%	5,153,497	5,152,997
Economic classification									
Current payments	3,435,565	-	64,110	3,499,675	3,499,676	-	100.0%	4,942,894	4,942,394
Compensation of employees	2,613,154	-	(121,120)	2,492,034	2,492,034	-	100.0%	2,253,266	2,253,266
Salaries and wages	1,649,518	-	147,670	1,797,188	1,797,188	-	100.0%	1,752,731	1,602,602
Social contributions	963,636	-	(268,790)	694,846	694,846	-	100.0%	500,535	650,664
Goods and services	822,411	-	185,212	1,007,623	1,007,623	-	100.0%	2,688,818	2,688,318
Administrative fees	4,491	-	585	5,076	5,076	-	100.0%	4,930	4,930
Advertising	11,796	-	12,511	24,307	24,307	-	100.0%	92,032	12,021
Minor assets	12,083	-	(7,863)	4,220	4,220	-	100.0%	4,800	4,795
Audit costs: External	62,063	-	(14,518)	47,545	47,545	-	100.0%	53,906	47,347
Bursaries: Employees	3,135	-	467	3,602	3,602	-	100.0%	2,800	2,820
Catering: Departmental activities	9,970	-	11,952	21,922	21,922	-	100.0%	22,598	22,598
Communication (G&S)	41,820	-	9,651	51,471	51,471	-	100.0%	55,292	61,912
Computer services	122,400	-	(46,121)	76,279	76,279	-	100.0%	90,413	93,149
Consultants: Business and advisory services	60,700	-	(21,045)	39,655	39,655	-	100.0%	34,005	43,489

DEPARTMENT OF CORRECTIONAL SERVICES - VOTE NO. 21
APPROPRIATION STATEMENT
For the year ended 31 March 2015

PROGRAMME 1: ADMINISTRATION									
	2014/15					2013/14			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Infrastructure and planning services	-	-	-	-	-	-	-	-	(16)
Laboratory services	110	-	(65)	45	45	-	100.0%	78	21
Legal services	21,989	-	20,849	42,838	42,838	-	100.0%	12,470	29,667
Contractors	2,846	-	8,546	11,392	11,392	-	100.0%	6,800	9,698
Agency and support / outsourced services	13,282	-	4,424	17,706	17,706	-	100.0%	14,842	13,047
Entertainment	378	-	(185)	193	193	-	100.0%	512	224
Fleet services (including government motor transport)	47,958	-	108,877	156,835	156,835	-	100.0%	133,495	138,168
Inventory: Clothing material and accessories	22,529	-	(22,529)	-	(6,451)	6,451	-	-	(12,774)
Inventory: Farming supplies	1	-	48,757	48,758	55,209	(6,451)	113.2%	32,754	37,645
Inventory: Food and food supplies	54,335	-	(36,241)	18,094	18,094	-	100.0%	118,472	56,203
Inventory: Fuel, oil and gas	1,598	-	8,491	10,089	10,089	-	100.0%	9,048	7,944
Inventory: Learner and teacher support material	53	-	(50)	3	(736)	739	24533.3%	-	(1,009)
Inventory: Materials and supplies	1,541	-	28,517	30,058	30,797	(739)	102.5%	10,255	24,603
Inventory: Medical supplies	994	-	(744)	250	250	-	100.0%	83	132
Inventory: Medicine	7,272	-	7,848	15,120	15,945	(825)	105.5%	40,259	35,951
Inventory: Other supplies	16,806	-	(16,626)	180	(645)	825	358.3%	-	-
Consumable supplies	5,704	-	57,498	63,202	63,202	-	100.0%	16,139	63,356
Consumable: Stationery, printing and office supplies	37,045	-	72	37,117	37,117	-	100.0%	42,370	35,020
Operating leases	53,550	-	19,147	72,697	72,697	-	100.0%	965,532	931,426
Property payments	22,906	-	(15,553)	7,353	7,353	-	100.0%	741,798	841,564
Transport provided: Departmental activity	4,216	-	494	4,710	4,710	-	100.0%	5,375	5,710

DEPARTMENT OF CORRECTIONAL SERVICES - VOTE NO. 21
APPROPRIATION STATEMENT
For the year ended 31 March 2015

PROGRAMME 1: ADMINISTRATION									
	2014/15					2013/14			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Travel and subsistence	150,292	-	1,132	151,424	151,424	-	100.0%	141,817	152,259
Training and development	10,443	-	(3,567)	6,876	6,876	-	100.0%	4,705	4,551
Operating payments	12,219	-	8,923	21,142	21,142	-	100.0%	14,185	12,243
Venues and facilities	5,438	-	8,744	14,182	14,182	-	100.0%	14,485	6,641
Rental and hiring	448	-	2,834	3,282	3,282	-	100.0%	2,568	2,983
Interest and rent on land	-	-	18	18	18	-	100.0%	810	810
Interest (Incl. interest on unitary payments (PPP))	-	-	18	18	18	-	100.0%	810	810
Transfers and subsidies	17,099	-	14,718	31,817	31,817	-	100.0%	36,966	36,966
Provinces and municipalities	6,487	-	(1,670)	4,817	4,817	-	100.0%	4,173	4,173
Provinces	-	-	945	945	945	-	100.0%	830	824
Provincial Revenue Funds	-	-	-	-	-	-	-	830	824
Provincial agencies and funds	-	-	945	945	945	-	100.0%	-	-
Municipalities	6,487	-	(2,615)	3,872	3,872	-	100.0%	3,343	3,349
Municipal bank accounts	6,002	-	(2,130)	3,872	3,872	-	100.0%	3,343	3,349
Municipal agencies and funds	485	-	(485)	-	-	-	-	-	-
Departmental agencies and accounts	8,910	-	920	9,830	9,830	-	100.0%	8,455	8,455
Departmental agencies (non-business entities)	8,910	-	920	9,830	9,830	-	100.0%	8,455	8,455
Households	1,702	-	15,468	17,170	17,170	-	100.0%	24,338	24,338
Social benefits	1,702	-	14,865	16,567	16,567	-	100.0%	24,338	15,323
Other transfers to households	-	-	603	603	603	-	100.0%	-	9,015
Payments for capital assets	171,082	-	(44,126)	126,956	106,005	20,951	83.5%	170,977	170,977
Machinery and equipment	171,082	-	(44,126)	126,956	106,005	20,951	83.5%	143,941	143,941

DEPARTMENT OF CORRECTIONAL SERVICES - VOTE NO. 21
APPROPRIATION STATEMENT
For the year ended 31 March 2015

PROGRAMME 1: ADMINISTRATION									
2014/15									
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transport equipment	36,020	-	33,903	69,923	69,923	-	100.0%	46,561	47,008
Other machinery and equipment	135,062	-	(78,029)	57,033	36,082	20,951	63.3%	97,380	96,933
Software and other intangible assets	-	-	-	-	-	-	-	27,036	27,036
Payment for financial assets	-	-	4,207	4,207	4,207	-	100.0%	2,660	2,660
Total for programme 1	3,623,746	-	38,909	3,662,655	3,641,704	20,951	99.4%	5,153,497	5,152,997

1.1 SUB PROGRAMME 1: MINISTRY									
2014/15									
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	30,840	-	(4,824)	26,016	26,016	-	100.0%	33,861	33,861
Compensation of employees	13,200	-	(855)	12,345	12,345	-	100.0%	13,613	13,613
Goods and services	17,640	-	(3,969)	13,671	13,671	-	100.0%	20,248	20,248
Transfers and subsidies	-	-	1,570	1,570	1,570	-	100.0%	3	3
Provinces and municipalities	-	-	1	1	1	-	100.0%	3	3
Households	-	-	1,569	1,569	1,569	-	100.0%	-	-
Payments for capital assets	100	-	3,117	3,217	3,217	-	100.0%	518	518
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	100	-	3,117	3,217	3,217	-	100.0%	518	518
Payments for financial assets	-	-	399	399	399	-	100.0%	-	-

DEPARTMENT OF CORRECTIONAL SERVICES - VOTE NO. 21
APPROPRIATION STATEMENT
For the year ended 31 March 2015

1.2 SUB PROGRAMME 2: MANAGEMENT									
	2014/15						2013/14		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	895,505	-	(46,404)	849,101	849,101	-	100.0%	791,696	791,196
Compensation of employees	602,180	-	(39,803)	562,377	562,377	-	100.0%	518,878	516,322
Goods and services	293,325	-	(6,601)	286,724	286,724	-	100.0%	272,818	274,874
Transfers and subsidies	1,405	-	4,440	5,845	5,845	-	100.0%	16,225	16,225
Provinces and municipalities	741	-	(732)	9	9	-	100.0%	10	10
Departmental agencies and accounts	-	-	-	-	-	-	-	46	46
Households	664	-	5,173	5,837	5,837	-	100.0%	16,169	16,169
Payments for capital assets	128,779	-	(84,558)	44,221	23,270	20,951	52.6%	100,343	100,343
Machinery and equipment	128,779	-	(84,558)	44,221	23,270	20,951	52.6%	73,307	73,307
Intangible assets	-	-	-	-	-	-	-	27,036	27,036
Payments for financial assets	-	-	350	350	350	-	100.0%	335	335

1.3 SUB PROGRAMME 3 .CORPORATE SERVICES									
	2014/15						2013/14		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	1,464,216	-	21,886	1,486,102	1,486,102	-	100.0%	1,330,221	1,330,221
Compensation of employees	1,281,247	-	(22,660)	1,258,587	1,258,587	-	100.0%	1,127,625	1,115,060
Goods and services	182,969	-	44,528	227,497	227,497	-	100.0%	201,786	214,351
Interest and rent on land	-	-	18	18	18	-	100.0%	810	810

DEPARTMENT OF CORRECTIONAL SERVICES - VOTE NO. 21
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1.3 SUB PROGRAMME 3: CORPORATE SERVICES									
2014/15								2013/14	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers and subsidies	10,261	-	5,145	15,406	15,406	-	100.0%	13,452	13,452
Provinces and municipalities	485	-	(485)	-	-	-	-	-	-
Departmental agencies and accounts	8,910	-	920	9,830	9,830	-	100.0%	8,409	8,409
Households	866	-	4,710	5,576	5,576	-	100.0%	5,043	5,043
Payments for capital assets	1,858	-	5,150	7,008	7,008	-	100.0%	11,288	11,288
Machinery and equipment	1,858	-	5,150	7,008	7,008	-	100.0%	11,288	11,288
Payments for financial assets	-	-	303	303	303	-	100.0%	317	317

1.4 SUB PROGRAMME 4: FINANCE									
2014/15								2013/14	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	894,522	-	107,490	1,002,012	1,002,012	-	100.0%	959,354	959,354
Compensation of employees	649,485	-	(39,367)	610,118	610,118	-	100.0%	551,932	564,497
Goods and services	245,037	-	146,857	391,894	391,894	-	100.0%	407,422	394,857
Transfers and subsidies	5,267	-	3,678	8,945	8,945	-	100.0%	6,593	6,593
Provinces and municipalities	5,260	-	(454)	4,806	4,806	-	100.0%	4,160	4,160
Households	7	-	4,132	4,139	4,139	-	100.0%	2,433	2,433
Payments for capital assets	40,125	-	31,518	71,643	71,643	-	100.0%	58,613	58,613
Machinery and equipment	40,125	-	31,518	71,643	71,643	-	100.0%	58,613	58,613
Payments for financial assets	-	-	3,155	3,155	3,155	-	100.0%	2,008	2,008

DEPARTMENT OF CORRECTIONAL SERVICES - VOTE NO. 21
APPROPRIATION STATEMENT
For the year ended 31 March 2015

1.5 SUB PROGRAMME 5: INTERNAL AUDIT									
2014/15								2013/14	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	94,729	-	(28,254)	66,475	66,475	-	100.0%	64,174	64,174
Compensation of employees	67,042	-	(18,435)	48,607	48,607	-	100.0%	41,218	43,774
Goods and services	27,687	-	(9,819)	17,868	17,868	-	100.0%	22,956	20,400
Transfers and subsidies	166	-	(116)	50	50	-	100.0%	693	693
Provinces and municipalities	1	-	-	1	1	-	100.0%	-	-
Households	165	-	(116)	49	49	-	100.0%	693	693
Payments for capital assets	220	-	647	867	867	-	100.0%	215	215
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	220	-	647	867	867	-	100.0%	215	215

1.6 SUB PROGRAMME 6: OFFICE ACCOMMODATION									
2014/15								2013/14	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	55,753	-	14,216	69,969	69,969	-	100.0%	1,763,588	1,763,588
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	55,753	-	14,216	69,969	69,969	-	100.0%	1,763,588	1,763,588
Payments for financial assets	-	-	-	-	-	-	-	-	-

DEPARTMENT OF CORRECTIONAL SERVICES - VOTE NO. 21
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For the year ended 31 March 2015

PROGRAMME 2: INCARCERATION									
	2014/15					2013/14			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Security operations	6,230,783	-	(379,846)	5,850,937	5,830,637	20,300	99.7%	5,942,403	5,942,403
2. Facilities	3,677,664	-	262,556	3,940,220	3,878,960	61,260	98.4%	1,882,603	1,833,190
3. Remand detention	741,141	-	(166,260)	574,881	574,881	-	100.0%	507,384	507,384
4. Offender management	1,650,177	-	162,533	1,812,710	1,812,710	-	100.0%	1,714,117	1,714,117
Total for sub programmes	12,299,765	-	(121,017)	12,178,748	12,097,188	81,560	99.3%	10,046,507	9,997,094
Economic classification									
Current payments	11,404,092	-	(181,763)	11,222,329	11,161,069	61,260	99.5%	9,108,887	9,059,474
Compensation of employees	8,465,592	-	(409,399)	8,056,193	8,056,193	-	100.0%	8,045,951	8,045,951
Salaries and wages	7,019,379	-	(311,513)	6,707,866	6,707,866	-	100.0%	6,694,209	6,646,385
Social contributions	1,446,213	-	(97,886)	1,348,327	1,348,327	-	100.0%	1,351,742	1,399,566
Goods and services	2,938,500	-	227,431	3,165,931	3,104,671	61,260	98.1%	1,062,856	1,013,443
Administrative fees	41	-	1,104	1,145	1,145	-	100.0%	225	29
Advertising	11	-	23	34	34	-	100.0%	70	61
Minor assets	35,221	-	(28,244)	6,977	6,977	-	100.0%	6,935	8,750
Catering: Departmental activities	841	-	6,752	7,593	7,593	-	100.0%	2,273	4,550
Communication	21,481	-	(5,517)	15,964	15,964	-	100.0%	17,161	18,085
Computer services	116	-	(115)	1	1	-	100.0%	1	1
Consultants: Business and advisory services	214	-	158,727	158,941	158,941	-	100.0%	5,181	70
Contractors	220,157	-	(150,721)	69,436	69,436	-	100.0%	50,164	48,280
Agency and support / outsourced services	1,359	-	623	1,982	1,982	-	100.0%	2,357	2,352
Entertainment	3	-	(2)	1	1	-	100.0%	5	-
Fleet services	18,873	-	31,872	50,745	50,745	-	100.0%	55,993	57,455

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APPROPRIATION STATEMENT
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PROGRAMME 2: INCARCERATION									
	2014/15					2013/14			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Inventory: Clothing material and supplies	21,988	-	6,397	28,385	28,385	-	100.0%	36,310	35,170
Inventory: Farming supplies	683	-	2,581	3,264	3,264	-	100.0%	2,463	2,254
Inventory: Food and food supplies	792	-	(512)	280	280	-	100.0%	305	336
Inventory: Fuel, oil and gas	7,297	-	1,526	8,823	8,823	-	100.0%	8,885	8,575
Inventory: Materials and supplies	37,638	-	(11,201)	26,437	26,437	-	100.0%	25,825	25,077
Inventory: Medical supplies	87	-	175	262	262	-	100.0%	183	136
Inventory: Medicine	329	-	(198)	131	131	-	100.0%	226	130
Inventory: Other supplies	27,962	-	(21,095)	6,867	6,867	-	100.0%	11	187
Consumable supplies	29,829	-	28,870	58,699	58,699	-	100.0%	59,413	59,574
Consumable: Stationery, printing and office supplies	13,731	-	(2,895)	10,836	10,836	-	100.0%	10,547	8,607
Operating leases	1,684,486	-	33,083	1,717,569	1,656,309	61,260	96.4%	740,329	686,615
Property payments	761,371	-	149,413	910,784	910,784	-	100.0%	1,999	2,460
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	1
Travel and subsistence	52,921	-	25,911	78,832	78,832	-	100.0%	34,372	43,254
Training and development	97	-	(27)	70	70	-	100.0%	66	6
Operating payments	318	-	622	940	940	-	100.0%	277	594
Venues and facilities	579	-	(547)	32	32	-	100.0%	580	144
Rental and hiring	75	-	826	901	901	-	100.0%	700	690
Interest and rent on land	-	-	205	205	205	-	100.0%	80	80
Interest	-	-	205	205	205	-	100.0%	80	80
Transfers and subsidies	64,839	-	15,634	80,473	80,473	-	100.0%	65,661	65,661
Households	64,839	-	15,634	80,473	80,473	-	100.0%	65,661	65,661
Social benefits	47,042	-	11,976	59,018	59,018	-	100.0%	51,749	51,793
Other transfers to households	17,797	-	3,658	21,455	21,455	-	100.0%	13,912	13,868

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PROGRAMME 2: INCARCERATION									
2014/15							2013/14		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Payments for capital assets	830,834	-	42,846	873,680	853,380	20,300	97.7%	871,214	871,214
Buildings and other fixed structures	800,626	-	45,473	846,099	846,099	-	100.0%	862,354	862,354
Buildings	800,626	-	(800,626)	-	-	-	-	646,011	667,623
Other fixed structures	-	-	846,099	846,099	846,099	-	100.0%	216,343	194,731
Machinery and equipment	29,008	-	(2,243)	26,765	6,465	20,300	24.2%	7,956	7,956
Transport equipment	-	-	858	858	858	-	100.0%	228	228
Other machinery and equipment	29,008	-	(3,101)	25,907	5,607	20,300	21.6%	7,728	7,728
Biological assets	1,200	-	(384)	816	816	-	100.0%	904	904
Payments for financial assets	-	-	2,266	2,266	2,266	-	100.0%	745	745
Total for programme 2	12,299,765	-	(121,017)	12,178,748	12,097,188	81,560	99.3%	10,046,507	9,997,094

2.1 SUB PROGRAMME 1: SECURITY OPERATIONS									
2014/15							2013/14		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	6,158,680	-	(375,520)	5,783,160	5,783,160	-	100.0%	5,902,418	5,902,418
Compensation of employees	6,029,093	-	(407,974)	5,621,119	5,621,119	-	100.0%	5,767,278	5,767,278
Goods and services	129,587	-	32,331	161,918	161,918	-	100.0%	135,060	135,060
Interest and rent on land	-	-	123	123	123	-	100.0%	80	80
Transfers and subsidies	44,793	-	(3,746)	41,047	41,047	-	100.0%	35,065	35,065
Households	44,793	-	(3,746)	41,047	41,047	-	100.0%	35,065	35,065

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2.1 SUB PROGRAMME 1: SECURITY OPERATIONS									
2014/15							2013/14		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Payments for capital assets	27,310	-	(2,585)	24,725	4,425	20,300	17.9%	4,255	4,255
Buildings and other fixed structures	-	-	195	195	195	-	100.0%	-	-
Machinery and equipment	26,110	-	(2,396)	23,714	3,414	20,300	14.4%	3,351	3,351
Biological assets	1,200	-	(384)	816	816	-	100.0%	904	904
Payment for financial assets	-	-	2,005	2,005	2,005	-	100.0%	665	665

2.2 SUB PROGRAMME 2: FACILITIES									
2014/15							2013/14		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	2,873,370	-	218,224	3,091,594	3,030,334	61,260	98.0%	1,017,637	968,213
Compensation of employees	120,233	-	24,944	145,177	145,177	-	100.0%	151,000	151,000
Goods and services	2,753,137	-	193,280	2,946,417	2,885,157	61,260	97.9%	866,637	817,213
Transfers and subsidies	2,249	-	(1,184)	1,065	1,065	-	100.0%	1,453	1,453
Households	2,249	-	(1,184)	1,065	1,065	-	100.0%	1,453	1,453
Payments for capital assets	802,045	-	45,271	847,316	847,316	-	100.0%	863,444	863,444
Buildings and other fixed structures	800,626	-	45,278	845,904	845,904	-	100.0%	862,354	862,354
Machinery and equipment	1,419	-	(7)	1,412	1,412	-	100.0%	1,090	1,090
Payments for financial assets	-	-	245	245	245	-	100.0%	69	69

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2.3 SUB PROGRAMME 3: REMAND DETENTION									
2014/15							2013/14		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	741,050	-	(170,997)	570,053	570,053	-	100.0%	504,250	504,250
Compensation of employees	711,819	-	(165,024)	546,795	546,795	-	100.0%	472,701	472,701
Goods and services	29,231	-	(5,973)	23,258	23,258	-	100.0%	31,549	31,549
Transfers and subsidies	-	-	4,575	4,575	4,575	-	100.0%	2,904	2,904
Households	-	-	4,575	4,575	4,575	-	100.0%	2,904	2,904
Payments for capital assets	91	-	162	253	253	-	100.0%	230	230
Machinery and equipment	91	-	162	253	253	-	100.0%	230	230

2.4 SUB PROGRAMME 4: OFFENDER MANAGEMENT									
2014/15							2013/14		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	1,630,992	-	146,530	1,777,522	1,777,522	-	100.0%	1,684,582	1,684,582
Compensation of employees	1,604,447	-	138,655	1,743,102	1,743,102	-	100.0%	1,654,972	1,654,972
Goods and services	26,545	-	7,793	34,338	34,338	-	100.0%	29,610	29,610
Interest and rent on land	-	-	82	82	82	-	100.0%	-	-
Transfers and subsidies	17,797	-	15,989	33,786	33,786	-	100.0%	26,239	26,239
Households	17,797	-	15,989	33,786	33,786	-	100.0%	26,239	26,239
Payments for capital assets	1,388	-	(2)	1,386	1,386	-	100.0%	3,285	3,285
Machinery and equipment	1,388	-	(2)	1,386	1,386	-	100.0%	3,285	3,285
Payments for financial assets	-	-	16	16	16	-	100.0%	11	11

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PROGRAMME 3: REHABILITATION									
	2014/15					2013/14			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Correctional programmes	57,758	-	(30,011)	27,747	27,747	-	100.0%	29,235	29,235
2. Offender development	739,270	-	1,492	740,762	650,688	90,074	87.8%	686,714	638,732
3. Psychological, social and spiritual services	369,264	-	(28,207)	341,057	341,057	-	100.0%	282,078	282,078
Total for sub programmes	1,166,292	-	(56,726)	1,109,566	1,019,492	90,074	91.9%	998,027	950,045
Economic classification									
Current payments	1,120,988	-	(58,823)	1,062,165	972,091	90,074	91.5%	948,281	900,299
Compensation of employees	829,294	-	(21,552)	807,742	717,668	90,074	88.8%	699,294	651,312
Salaries and wages	709,420	-	(13,214)	696,206	606,132	90,074	87.1%	596,794	544,443
Social contributions	119,874	-	(8,338)	111,536	111,536	-	100.0%	102,500	106,869
Goods and services	291,694	-	(37,438)	254,256	254,256	-	100.0%	248,987	248,987
Administrative fees	863	-	(304)	559	559	-	100.0%	465	465
Advertising	266	-	(122)	144	144	-	100.0%	116	116
Minor assets	9,687	-	(3,355)	6,302	6,302	-	100.0%	6,206	5,065
Catering: Departmental activities	1,736	-	3,107	4,843	4,843	-	100.0%	3,595	3,101
Communication	4,528	-	285	4,813	4,813	-	100.0%	3,164	4,863
Computer services	-	-	4	4	4	-	100.0%	445	446
Consultants: Business and advisory services	276	-	516	792	792	-	100.0%	1,430	58
Infrastructure and planning services	1,198	-	1,261	2,459	2,459	-	100.0%	3,278	3,513
Laboratory services	115	-	(38)	77	77	-	100.0%	153	192

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PROGRAMME 3: REHABILITATION									
	2014/15						2013/14		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Contractors	10,133	-	4,923	15,056	15,056	-	100.0%	15,165	15,004
Agency and support / outsourced services	3,115	-	(748)	2,367	2,367	-	100.0%	2,824	2,715
Entertainment	1	-	(1)	-	-	-	-	6	-
Fleet services	7,061	-	2,173	9,234	9,234	-	100.0%	10,093	9,838
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and supplies	12,879	-	(10,854)	2,025	2,025	-	100.0%	2,699	2,152
Inventory: Farming supplies	62,187	-	54,522	116,709	116,709	-	100.0%	86,087	125,741
Inventory: Food and food supplies	378	-	3,069	3,447	3,447	-	100.0%	2,314	2,547
Inventory: Fuel, oil and gas	11,215	-	(4,249)	6,966	6,966	-	100.0%	6,599	7,352
Inventory: Learner and teacher support material	6,238	-	175	6,413	6,413	-	100.0%	6,100	6,100
Inventory: Materials and supplies	47,036	-	(29,958)	17,078	17,078	-	100.0%	36,906	12,751
Inventory: Medical supplies	772	-	(729)	43	43	-	100.0%	19	14
Inventory: Medicine	2,368	-	528	2,896	2,896	-	100.0%	2,757	3,085
Inventory: Other supplies	34,742	-	(34,735)	7	7	-	100.0%	10	9
Consumable supplies	18,988	-	(5,038)	13,950	13,950	-	100.0%	27,405	10,599
Consumable: Stationery, printing and office supplies	25,637	-	(19,351)	6,286	6,286	-	100.0%	6,631	5,769
Operating leases	901	-	(785)	116	116	-	100.0%	611	54
Property payments	559	-	1,091	1,650	1,650	-	100.0%	761	921
Transport provided: Departmental activity	206	-	(206)	-	-	-	-	-	-
Travel and subsistence	22,351	-	4,426	26,777	26,777	-	100.0%	18,046	21,663
Training and development	3,154	-	(2,477)	677	677	-	100.0%	1,342	942
Operating payments	650	-	207	857	857	-	100.0%	376	417
Venues and facilities	1,921	-	(1,436)	485	485	-	100.0%	2,453	2,453
Rental and hiring	533	-	691	1,224	1,224	-	100.0%	931	1,042

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PROGRAMME 3: REHABILITATION									
	2014/15						2013/14		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Interest and rent on land	-	-	167	167	167	-	100.0%	-	-
Rent on land	-	-	167	167	167	-	100.0%	-	-
Transfers and subsidies	53	-	3,718	3,771	3,771	-	100.0%	2,208	2,208
Provinces and municipalities	-	-	-	-	-	-	-	7	7
Municipalities	-	-	-	-	-	-	-	7	7
Municipal bank accounts	-	-	-	-	-	-	-	7	7
Households	53	-	3,718	3,771	3,771	-	100.0%	2,201	2,201
Social benefits	53	-	3,651	3,704	3,704	-	100.0%	2,201	2,201
Other transfers to households	-	-	67	67	67	-	100.0%	-	-
Payments for capital assets	45,251	-	(1,791)	43,460	43,460	-	100.0%	47,424	47,424
Buildings and other fixed structures	111	-	(111)	-	-	-	-	-	-
Buildings	111	-	(111)	-	-	-	-	-	-
Machinery and equipment	44,734	-	(3,611)	41,123	41,123	-	100.0%	45,377	45,377
Transport equipment	-	-	919	918	918	-	100.0%	24	24
Other machinery and equipment	44,734	-	(4,529)	40,205	40,205	-	100.0%	45,353	45,353
Biological assets	406	-	1,931	2,337	2,337	-	100.0%	2,047	2,047
Payments for financial assets	-	-	170	170	170	-	100.0%	114	114
Total for programme 3	1,166,292	-	(56,726)	1,109,566	1,019,492	90,074	91.9%	998,027	950,045

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3.1 SUB PROGRAMME 1: CORRECTIONAL PROGRAMMES									
2014/15								2013/14	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	57,591	-	(29,955)	27,636	27,636	-	100.0%	29,106	29,106
Compensation of employees	52,889	-	(28,221)	24,668	24,668	-	100.0%	26,521	26,521
Goods and services	4,702	-	(1,734)	2,968	2,968	-	100.0%	2,585	2,585
Transfers and subsidies	-	-	29	29	29	-	100.0%	5	5
Households	-	-	29	29	29	-	100.0%	5	5
Payments for capital assets	167	-	(85)	82	82	-	100.0%	124	124
Machinery and equipment	167	-	(85)	82	82	-	100.0%	124	124

3.2 SUB PROGRAMME 2: OFFENDER DEVELOPMENT									
2014/15								2013/14	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	694,658	-	631	695,289	605,215	90,074	87.0%	638,882	590,900
Compensation of employees	424,297	-	38,620	460,917	372,843	90,074	80.5%	409,576	361,594
Goods and services	270,361	-	(38,156)	232,205	232,205	-	100.0%	229,306	229,306
Interest and rent on land	-	-	167	167	167	-	100.0%	-	-
Transfers and subsidies	52	-	2,400	2,452	2,452	-	100.0%	963	963
Households	52	-	2,400	2,452	2,452	-	100.0%	956	956

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3.2 SUB PROGRAMME 2: OFFENDER DEVELOPMENT									
2014/15								2013/14	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Payments for capital assets	44,560	-	(1,643)	42,917	42,917	-	100.0%	46,766	46,766
Buildings and other fixed structures	111	-	(111)	-	-	-	-	-	-
Machinery and equipment	44,043	-	(3,463)	40,580	40,580	-	100.0%	44,719	44,719
Biological assets	406	-	1,931	2,337	2,337	-	100.0%	2,047	2,047
Payments for financial assets	-	-	104	104	104	-	100.0%	103	103

3.3 SUB PROGRAMME 3: PSYCHOLOGICAL, SOCIAL AND SPIRITUAL SERVICES									
2014/15								2013/14	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	368,739	-	(29,499)	339,240	339,240	-	100.0%	280,293	280,293
Compensation of employees	352,108	-	(31,951)	320,157	320,157	-	100.0%	263,197	263,197
Goods and services	16,631	-	2,452	19,083	19,083	-	100.0%	17,096	17,096
Transfers and subsidies	1	-	1,289	1,290	1,290	-	100.0%	1,240	1,240
Households	1	-	1,289	1,290	1,290	-	100.0%	1,240	1,240
Payments for capital assets	524	-	(63)	461	461	-	100.0%	534	534
Machinery and equipment	524	-	(63)	461	461	-	100.0%	534	534
Payments for financial assets	-	-	66	66	66	-	100.0%	11	11

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PROGRAMME 4: CARE									
	2014/15					2013/14			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Nutritional Services	923,981	-	253,511	1,177,492	1,177,492	-	100.0%	1,072,665	1,072,665
2. Health Services	691,711	-	(34,158)	657,553	657,553	-	100.0%	627,797	627,797
3. Hygienic Services	130,085	-	(24,948)	105,137	105,137	-	100.0%	98,711	98,711
Total for sub programmes	1,745,777	-	194,405	1,940,182	1,940,182	-	100.0%	1,799,173	1,799,173
Economic classification									
Current payments	1,738,420	-	191,125	1,929,545	1,929,545	-	100.0%	1,792,868	1,792,868
Compensation of employees	657,692	-	(15,238)	642,454	642,454	-	100.0%	600,281	600,281
Salaries and wages	552,251	-	(13,149)	539,102	539,102	-	100.0%	505,844	501,397
Social contributions	105,441	-	(2,089)	103,352	103,352	-	100.0%	94,437	98,884
Goods and services	1,080,728	-	206,363	1,287,091	1,287,091	-	100.0%	1,192,587	1,192,587
Administrative fees	210	-	38	248	248	-	100.0%	390	388
Advertising	1,035	-	(3)	1,032	1,032	-	100.0%	63	63
Minor assets	3,680	-	(112)	3,568	3,568	-	100.0%	4,450	2,754
Audit costs: External	95	-	(95)	-	-	-	-	-	-
Catering: Departmental activities	1,376	-	653	2,029	2,029	-	100.0%	2,045	1,493
Communication	2,031	-	4,665	6,696	6,696	-	100.0%	1,515	4,295
Computer services	794	-	(794)	-	-	-	-	51	-
Consultants: Business and advisory services	3,154	-	(3,143)	11	11	-	100.0%	-	(3)
Infrastructure and planning services	15	-	(15)	-	-	-	-	-	-
Laboratory services	15,411	-	(4,281)	11,130	11,130	-	100.0%	14,480	13,892
Contractors	26,629	-	4,788	31,417	31,417	-	100.0%	30,408	30,323

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PROGRAMME 4: CARE									
2014/15							2013/14		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Agency and support / outsourced services	443,381	-	210,057	653,438	653,438	-	100.0%	598,432	603,094
Fleet services	3,545	-	6,547	10,092	10,092	-	100.0%	8,708	9,871
Inventory: Clothing material and supplies	6,810	-	4,954	11,764	11,764	-	100.0%	20,709	16,715
Inventory: Farming supplies	546	-	(159)	387	387	-	100.0%	440	491
Inventory: Food and food supplies	296,446	-	44,715	341,161	341,161	-	100.0%	261,516	290,275
Inventory: Fuel, oil and gas	657	-	(243)	414	414	-	100.0%	477	185
Inventory: Learner and teacher support material	5	-	(5)	-	-	-	-	5	-
Inventory: Materials and supplies	2,547	-	(75)	2,472	2,472	-	100.0%	2,127	1,642
Inventory: Medical supplies	1,926	-	(648)	1,278	1,278	-	100.0%	1,730	1,158
Inventory: Medicine	75,669	-	(23,198)	52,471	52,471	-	100.0%	46,381	45,524
Inventory: Other supplies	62,477	-	(62,372)	105	105	-	100.0%	2	8
Consumable supplies	81,529	-	60,437	141,965	141,965	-	100.0%	175,260	151,202
Consumable: Stationery, printing and office supplies	24,171	-	(20,325)	3,846	3,846	-	100.0%	4,395	4,204
Operating leases	642	-	(493)	149	149	-	100.0%	535	154
Property payments	1,059	-	94	1,153	1,153	-	100.0%	770	858
Transport provided: Departmental activity	104	-	342	446	446	-	100.0%	113	248
Travel and subsistence	23,621	-	(15,157)	8,464	8,464	-	100.0%	16,795	13,433
Training and development	775	-	(702)	73	73	-	100.0%	290	71
Operating payments	131	-	230	361	361	-	100.0%	76	78
Venues and facilities	247	-	(220)	27	27	-	100.0%	363	142
Rental and hiring	10	-	884	894	894	-	100.0%	61	29
Transfers and subsidies	535	-	4,063	4,598	4,598	-	100.0%	2,333	2,333
Households	535	-	4,063	4,598	4,598	-	100.0%	2,333	2,333

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PROGRAMME 4: CARE									
2014/15							2013/14		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Social benefits	535	-	3,652	4,187	4,187	-	100.0%	2,292	2,292
Other transfers to households	-	-	411	411	411	-	100.0%	41	41
Payments for capital assets	6,822	-	(788)	6,034	6,034	-	100.0%	3,957	3,957
Machinery and equipment	6,822	-	(788)	6,034	6,034	-	100.0%	3,957	3,957
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	6,822	-	(788)	6,034	6,034	-	100.0%	3,957	3,957
Payments for financial assets	-	-	5	5	5	-	100.0%	15	15
Total for programme 4	1,745,777	-	194,405	1,940,182	1,940,182	-	100.0%	1,799,173	1,799,173

SUB PROGRAMME 1: NUTRITIONAL SERVICES									
2014/15							2013/14		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	920,948	-	252,497	1,173,445	1,173,445	-	100.0%	1,070,241	1,070,241
Compensation of employees	202,391	-	(4,160)	198,231	198,231	-	100.0%	179,856	179,856
Goods and services	718,557	-	256,657	975,214	975,214	-	100.0%	890,385	890,385
Transfers and subsidies	390	-	1,335	1,725	1,725	-	100.0%	635	635
Households	390	-	1,335	1,725	1,725	-	100.0%	635	635
Payments for capital assets	2,643	-	(325)	2,318	2,318	-	100.0%	1,776	1,776
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	2,643	-	(325)	2,318	2,318	-	100.0%	1,776	1,776
Payments for financial assets	-	-	4	4	4	-	100.0%	13	13

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4.2 SUB PROGRAMME 2: HEALTH SERVICES									
2014/15							2013/14		
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	688,040	-	(36,271)	651,769	651,769	-	100.0%	624,038	624,038
Compensation of employees	449,507	-	(14,061)	435,446	435,446	-	100.0%	417,658	417,658
Goods and services	238,533	-	(22,210)	216,323	216,323	-	100.0%	206,380	206,380
Transfers and subsidies	145	-	2,312	2,457	2,457	-	100.0%	1,698	1,698
Households	145	-	2,312	2,457	2,457	-	100.0%	1,698	1,698
Payments for capital assets	3,526	-	(200)	3,326	3,326	-	100.0%	2,059	2,059
Machinery and equipment	3,526	-	(200)	3,326	3,326	-	100.0%	2,059	2,059
Payments for financial assets	-	-	1	1	1	-	100.0%	2	2

4.3 SUB PROGRAMME 3: HYGIENIC SERVICES									
2014/15							2013/14		
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	129,432	-	(25,101)	104,331	104,331	-	100.0%	98,589	98,589
Compensation of employees	5,794	-	2,983	8,777	8,777	-	100.0%	2,767	2,767
Goods and services	123,638	-	(28,084)	95,554	95,554	-	100.0%	95,822	95,822
Transfers and subsidies	-	-	416	416	416	-	100.0%	-	-
Households	-	-	416	416	416	-	100.0%	-	-
Payments for capital assets	653	-	(263)	390	390	-	100.0%	122	122
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	653	-	(263)	390	390	-	100.0%	122	122

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PROGRAMME 5: SOCIAL REINTEGRATION									
2014/15							2013/14		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Parole Administration	111,143	-	(27,816)	83,327	83,327	-	100.0%	66,864	66,864
2. Supervision	693,317	-	(8,393)	684,924	684,924	-	100.0%	609,211	609,211
3. Community Reintegration	39,759	-	(6,084)	33,675	33,675	-	100.0%	38,780	38,780
4. Office Accommodation: Community Corrections	42,040	-	(13,278)	28,762	28,762	-	100.0%	36,434	36,434
Total for sub programmes	886,259	-	(55,571)	830,688	830,688	-	100.0%	751,289	751,289
Economic classification									
Current payments	884,796	-	(65,115)	819,681	819,681	-	100.0%	742,120	742,120
Compensation of employees	749,872	-	(46,710)	703,162	703,162	-	100.0%	639,257	639,257
Salaries and wages	636,207	-	(44,092)	592,115	592,115	-	100.0%	538,465	538,938
Social contributions	113,665	-	(2,618)	111,047	111,047	-	100.0%	100,792	104,319
Goods and services	134,924	-	(18,409)	116,515	116,515	-	100.0%	102,863	102,863
Administrative fees	599	-	(561)	38	38	-	100.0%	47	47
Advertising	210	-	(94)	116	116	-	100.0%	483	484
Minor assets	1,993	-	(950)	1,043	1,043	-	100.0%	1,137	676
Catering: Departmental activities	858	-	1,783	2,641	2,641	-	100.0%	2,959	3,248
Communication	9,331	-	1,396	10,727	10,727	-	100.0%	10,760	10,776
Computer services	10	-	71	81	81	-	100.0%	-	-
Consultants: Business and advisory services	-	-	6	6	6	-	100.0%	-	-
Contractors	28,363	-	(28,157)	206	206	-	100.0%	180	178
Agency and support / outsourced services	5,218	-	(3,272)	1,946	1,946	-	100.0%	3,768	3,863

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PROGRAMME 5: SOCIAL REINTEGRATION									
	2014/15					2013/14			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Entertainment	-	-	31	31	31	-	100.0%	7	34
Fleet services	10,031	-	14,807	24,838	24,838	-	100.0%	26,600	28,894
Inventory: Clothing material and supplies	181	-	21	202	202	-	100.0%	314	259
Inventory: Farming supplies	9	-	-	9	9	-	100.0%	12	8
Inventory: Food and food supplies	2	-	(1)	1	1	-	100.0%	10	11
Inventory: Fuel, oil and gas	8	-	(6)	2	2	-	100.0%	4	2
Inventory: Materials and supplies	294	-	(50)	244	244	-	100.0%	251	192
Inventory: Medical supplies	48	-	(38)	10	10	-	100.0%	16	23
Inventory: Medicine	-	-	8	8	8	-	100.0%	13	13
Inventory: Other supplies	732	-	(730)	2	2	-	100.0%	-	7
Consumable supplies	1,201	-	(318)	883	883	-	100.0%	629	952
Consumable: Stationery, printing and office supplies	4,892	-	(1,240)	3,652	3,652	-	100.0%	3,376	2,745
Operating leases	45,877	-	10,159	56,036	56,036	-	100.0%	36,798	36,756
Property payments	6	-	29	35	35	-	100.0%	1,466	68
Transport provided: Departmental activity	48	-	(48)	-	-	-	-	15	-
Travel and subsistence	20,748	-	(9,118)	11,630	11,630	-	100.0%	13,430	11,696
Training and development	3,677	-	(3,403)	274	274	-	100.0%	28	-
Operating payments	225	-	374	599	599	-	100.0%	69	54
Venues and facilities	336	-	(91)	245	245	-	100.0%	241	529
Rental and hiring	27	-	983	1,010	1,010	-	100.0%	241	1,348
Rent on land	-	-	4	4	4	-	100.0%	-	-
Transfers and subsidies	94	-	6,893	6,987	6,987	-	100.0%	4,934	4,934
Households	94	-	6,893	6,987	6,987	-	100.0%	4,934	4,934
Social benefits	94	-	6,703	6,797	6,797	-	100.0%	4,934	4,934
Other transfers to households	-	-	190	190	190	-	100.0%	-	-

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PROGRAMME 5: SOCIAL REINTEGRATION									
2014/15							2013/14		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Payments for capital assets	1,369	-	2,383	3,752	3,752	-	100.0%	4,099	4,099
Machinery and equipment	1,369	-	2,383	3,752	3,752	-	100.0%	4,099	4,099
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	1,369	-	2,383	3,752	3,752	-	100.0%	4,099	4,099
Payments for financial assets	-	-	268	268	268	-	100.0%	136	136
Total for programme 5	886,259	-	(55,571)	830,688	830,688	-	100.0%	751,289	751,289

5.1 SUB PROGRAMME 1: PAROLE ADMINISTRATION									
2014/15							2013/14		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	110,879	-	(29,103)	81,776	81,776	-	100.0%	66,320	66,320
Compensation of employees	103,607	-	(29,581)	74,026	74,026	-	100.0%	59,783	59,783
Goods and services	7,272	-	474	7,746	7,746	-	100.0%	6,537	6,537
Interest and rent on land	-	-	4	4	4	-	100.0%	-	-
Transfers and subsidies	-	-	364	364	364	-	100.0%	97	97
Households	-	-	364	364	364	-	100.0%	97	97
Payments for capital assets	264	-	920	1,184	1,184	-	100.0%	447	447
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	264	-	1,943	2,207	2,207	-	100.0%	447	447
Payments for financial assets	-	-	3	3	3	-	100.0%	-	-

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5.2 SUB PROGRAMME 2: SUPERVISION									
2014/15								2013/14	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	692,264	-	(16,531)	675,733	675,733	-	100.0%	600,863	600,863
Compensation of employees	618,039	-	(11,670)	606,369	606,369	-	100.0%	554,138	554,138
Goods and services	74,225	-	(4,861)	69,364	69,364	-	100.0%	46,725	46,725
Transfers and subsidies	94	-	6,529	6,623	6,623	-	100.0%	4,813	4,813
Households	94	-	6,529	6,623	6,623	-	100.0%	4,813	4,813
Payments for capital assets	959	-	1,344	2,303	2,303	-	100.0%	3,999	3,999
Machinery and equipment	959	-	1,344	2,303	2,303	-	100.0%	3,400	3,999
Payments for financial assets	-	-	265	265	265	-	100.0%	136	136

5.3 SUB PROGRAMME 3: COMMUNITY REINTEGRATION									
2014/15								2013/14	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	39,613	-	(6,203)	33,410	33,410	-	100.0%	38,503	38,503
Compensation of employees	28,226	-	(5,459)	22,767	22,767	-	100.0%	25,336	25,336
Goods and services	11,387	-	(744)	10,643	10,643	-	100.0%	13,167	13,167
Transfers and subsidies	-	-	-	-	-	-	-	24	24
Households	-	-	-	-	-	-	-	24	24
Payments for capital assets	146	-	119	265	265	-	100.0%	253	253
Machinery and equipment	146	-	119	265	265	-	100.0%	253	253

DEPARTMENT OF CORRECTIONAL SERVICES - VOTE NO. 21
APPROPRIATION STATEMENT
For the year ended 31 March 2015

5.4 SUB PROGRAMME 4: OFFICE ACCOMMODATION:COMMUNITY CORRECTIONS								
2014/15						2013/14		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	
	R'000	R'000	R'000	R'000	R'000	R'000	%	
Economic classification								R'000
Current payments	42,040	-	(13,278)	28,762	28,762	-	100.0%	36,434
Compensation of employees	-	-	-	-	-	-	-	-
Goods and services	42,040	-	(13,278)	28,762	28,762	-	100.0%	36,434

**DEPARTMENT OF CORRECTIONAL SERVICES
VOTE 21**

**NOTES TO THE APPROPRIATION STATEMENT
For the year ended 31 March 2015**

1. Detail of transfers and subsidies as per Appropriation Act (after Virement):

Detail of these transactions can be viewed in the note on Transfers and subsidies, disclosure notes and Annexure 1 (A-C) to the Annual Financial Statements.

2. Detail of specifically and exclusively appropriated amounts voted (after Virement):

Detail of these transactions can be viewed in note 1 (Annual Appropriation) to the Annual Financial Statements.

3. Detail on payments for financial assets

Detail of these transactions per programme can be viewed in the note on Payments for financial assets to the Annual Financial Statements.

4. Explanations of material variances from Amounts Voted (after Virement):

4.1	Per programme	Final Appropriation	Actual Expenditure	Variance R'000	Variance as a % of Final Appropriation
	Programme: Administration	3,662,655	3,641,704	20,951	0.6%

Explanation of variance: The actual spending of R3,642 billion (99.4%) against the adjusted budget of R3,663 billion (100%) (Underspending) was mainly under Payments for Capital Assets under the item: Machinery and Equipment, due to delays in the procurement process for V-Block sever upgrades to be installed in Head Office and SITA offices in Centurion.

Note to explain the negative actual expenditure in the detailed goods and services for the 2013/14 and 2014/15 financial years:

Within the department, the supplier programmes (Administration: Stores and Rehabilitation: Processable Materials) budgets for the cost of buying the required bulk supplies, while the client programmes budget for the cost of buying from the supplier programmes. Bulk materials are procured externally, kept in stock and issued internally across departmental cost centres in line with internal requisitions. Internal charges are a fund on BAS and is allocated negative budget.

4.2	Per programme	Final Appropriation	Actual Expenditure	Variance R'000	Variance as a % of Final Appropriation
	Programme: Incarceration	12,178,748	12,097,188	81,560	0.7%

Explanation of variance: The actual spending of R12,097 billion (99.3%) against the adjusted budget allocation of R12,179 billion (underspending) was mainly under Goods and Services as the department adjusted actual expenditure with the debt raised against Bloemfontein Correctional Contracts for the costs incurred during the temporary management of Mangaung PPP Correctional Centre.

Payments for Capital Assets under item: Other Machinery and Equipment also underspent due to delays in the procurement of Body Scanning Equipment. A request for roll-over has been made.

4.3	Per programme	Final Appropriation	Actual Expenditure	Variance R'000	Variance as a % of Final Appropriation
	Programme: Rehabilitation	1,109,566	1,019,492	90,074	8.1%

Explanation of variance: The actual spending of R1, 019 billion (91.9%) against the adjusted budget allocation of R1,109 billion (100%) (Underspending) was mainly on Compensation of Employees due to funded vacancies. The vacancy rate as at 31 March 2015 was 8.43%.

**DEPARTMENT OF CORRECTIONAL SERVICES
VOTE 21**

**NOTES TO THE APPROPRIATION STATEMENT
For the year ended 31 March 2015**

4.4 Per economic classification	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	R'000
Current payments	18,533,395	18,382,061	151,334	99.2%
Compensation of employees	12,701,585	12,611,511	90,074	99.3%
Goods and services	5,831,416	5,770,156	61,260	98.9%
Interest and rent on land	394	394	0	100%
Transfers and subsidies	127,646	127,646	0	100%
Provinces and municipalities	4,817	4,817	0	100%
Departmental agencies and accounts	9,830	9,830	0	100%
Higher education institutions	0	0	0	0
Public corporations and private enterprises	0	0	0	0
Foreign governments and international organisations	0	0	0	0
Non-profit institutions	0	0	0	0
Households	112,999	112,999	0	100%
	R'000	R'000	R'000	R'000
Payments for capital assets	1,053,882	1,012,631	41,251	96.1%
Buildings and other fixed structures	846,099	846,099	0	100%
Machinery and equipment	204,630	163,379	41,251	79.8%
Heritage assets	0	0	0	0
Specialised military assets	0	0	0	0
Biological assets	3,153	3,153	0	100%
Land and subsoil assets	0	0	0	0
Intangible assets	0	0	0	0
Payments for financial assets	6,916	6,916	0	100%

Explanation of variance

Compensation of Employees

The actual spending of R12, 612 billion (99.3%) against the adjusted budget allocation of R12, 702 billion (100%) (Underspending) was mainly due to funded vacancies. PERSAL reported a funded permanent establishment of 42 006, of which 38 462 are funded filled posts, 2 161 posts are filled additional to the funded establishment, mostly on entry level, resulting in a total PERSAL head count of 40 623, but leaving 3 544 vacant funded posts (8.43%)

Goods and Services:

The underspending was mainly under item: Operating Leases as the department adjusted actual expenditure with the debt raised against Bloemfontein Correctional Contracts for the costs incurred during the temporary management of Mangaung PPP Correctional Centre.

Payments for Capital Assets.

The actual spending of R1, 013 billion (96.1%) against the adjusted budget allocation of R1, 054 billion (100%) (Underspending) was mainly under item: Other Machinery and Equipment due to the delays in the procurement process for V-Block server upgrades as well as the late deliveries of body scanning Security Equipment.

**DEPARTMENT OF CORRECTIONAL SERVICES
VOTE 21**

**STATEMENT OF FINANCIAL PERFORMANCE
For the year ended 31 March 2015**

	Note	2014/15 R'000	2013/14 R'000
REVENUE			
Annual appropriation	1	19,721,839	18,748,493
Departmental revenue	2	139,752	117,129
TOTAL REVENUE		19,861,591	18,865,622
EXPENDITURE			
Current expenditure			
Compensation of employees	4	12,611,511	12,190,067
Goods and services	5	5,770,156	5,246,198
Interest and rent on land	6	394	890
Aid assistance	3	7,185	-
Total current expenditure		18,389,246	17,437,155
Transfers and subsidies			
Transfers and subsidies	8	127,646	112,102
Total transfers and subsidies		127,646	112,102
Expenditure for capital assets			
Tangible assets	9	1,012,631	1,070,635
Intangible assets	9	-	27,036
Total expenditure for capital assets		1,012,631	1,097,671
Payments for financial assets	7	6,916	3,670
TOTAL EXPENDITURE		19,536,439	18,650,598
SURPLUS FOR THE YEAR		325,152	215,024
Reconciliation of Net Surplus for the year			
Voted funds		192,585	97,895
Annual appropriation		192,585	97,895
Departmental revenue and NRF Receipts	2	139,752	117,129
Aid assistance	3	(7,185)	-
SURPLUS FOR THE YEAR		325,152	215,024

**DEPARTMENT OF CORRECTIONAL SERVICES
VOTE 21**

**STATEMENT OF FINANCIAL POSITION
For the year ended 31 March 2015**

	Note	2014/15 R'000	2013/14 R'000
ASSETS			
Current assets		278,677	175,538
Cash and cash equivalents	10	59,305	1,559
Prepayments and advances	11	1,778	17,381
Receivables	12	217,594	156,598
TOTAL ASSETS		278,677	175,538
LIABILITIES			
Current liabilities		253,821	144,221
Voted funds to be surrendered to the Revenue Fund	13	241,998	97,895
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	14	5,711	3,546
Bank overdraft	15	-	37,473
Payables	16	6,112	5,307
TOTAL LIABILITIES		253,821	144,221
NET ASSETS		24,856	31,317
Represented by:			
Recoverable revenue		21,858	21,134
Retained funds		2,998	10,183
TOTAL		24,856	31,317

Statement of Changes in Net Assets for the year ended 31 March 2015

	Note	2014/15 R'000	2013/14 R'000
Recoverable revenue			
Opening balance		21,134	22,895
Transfers:		-	-
Debts recovered (included in departmental receipts)		724	(1,761)
Closing balance		21,858	21,134
Retained funds			
Opening balance		10,183	22,800
Surrendered to CARA Fund		-	(12,617)
Utilised during the year		(7,185)	-
Closing balance		2,998	10,183
TOTAL		24,856	31,317

**DEPARTMENT OF CORRECTIONAL SERVICES
VOTE 21**

**CASH FLOW STATEMENT
For the year ended 31 March 2015**

	Note	2014/15 R'000	2013/14 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		19,854,168	18,862,376
Annual appropriated funds received	1	19,721,839	18,748,493
Departmental revenue received	2	131,605	113 564
Interest received		724	319
Net decrease in working capital		(44,588)	11,940
Surrendered to Revenue Fund		(186,069)	(503,832)
Current payments		(18,388,852)	(17,436,265)
Interest paid	6	(394)	(890)
Payments for financial assets		(6,916)	(3,670)
Transfers and subsidies paid		(127,646)	(124,719)
Net cash flow available from operating activities	17	<u>1,099,703</u>	<u>804,940</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	9	(1,012,631)	(1,097,671)
Proceeds from sale of capital assets	2.4	7,423	3,246
Net cash flows from investing activities		<u>(1,005,208)</u>	<u>(1,094,425)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		724	(1,761)
Net cash flows from financing activities		<u>724</u>	<u>(1,761)</u>
Net increase/(decrease) in cash and cash equivalents		95,219	(291,246)
Cash and cash equivalents at beginning of period		(35,914)	255,332
Cash and cash equivalents at end of period	10	<u>59,305</u>	<u>(35,914)</u>

**DEPARTMENT OF CORRECTIONAL SERVICES
VOTE 21**

**ACCOUNTING POLICIES
For the year ended 31 March 2015**

<p>Summary of significant accounting policies</p> <p>The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated.</p> <p>The historical cost convention has been used, except where otherwise indicated. Management has used assessments and estimates in preparing the annual financial statements. These are based on the best information available at the time of preparation.</p> <p>Where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the financial statements and to comply with the statutory requirements of the Public Finance Management Act (PFMA), Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the PFMA.</p>	
1	<p>Basis of preparation</p> <p>The financial statements have been prepared on the Modified Cash Standard, except where stated otherwise. The Modified Cash Standard constitutes the cash basis of accounting supplemented with additional disclosure items. Under the cash basis of accounting, transactions and other events are recognised when cash is received or paid.</p> <p>Management has concluded that the financial statements present fairly the department's primary and secondary information.</p>
2	<p>Going concern</p> <p>The financial statements have been prepared on a going concern basis.</p>
3	<p>Presentation currency</p> <p>Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.</p>
4	<p>Rounding</p> <p>Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).</p>
5	<p>Comparative information</p>
5.1	<p>Prior period comparative information</p> <p>Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.</p>
5.2	<p>Current year comparison with budget</p> <p>A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the Appropriation Statement.</p>
6	<p>Revenue</p>
6.1	<p>Appropriated funds</p> <p>Appropriated funds comprises of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation).</p> <p>Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective.</p> <p>The net amount of any appropriated funds due to / from the relevant revenue fund at the reporting date is recognised as a payable / receivable in the statement of financial position.</p>
6.2	<p>Departmental revenue</p> <p>Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise.</p> <p>Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.</p>
6.3	<p>Accrued departmental revenue</p> <p>Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when:</p> <ul style="list-style-type: none"> • it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and • the amount of revenue can be measured reliably. <p>The accrued revenue is measured at the fair value of the consideration receivable.</p> <p>Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents.</p>
7	<p>Expenditure</p>
7.1	<p>Compensation of employees</p>
7.1.1	<p>Salaries and wages</p> <p>Salaries and wages are recognised in the statement of financial performance on the date of payment.</p>
7.1.2	<p>Social contributions</p> <p>Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment.</p> <p>Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.</p>

**DEPARTMENT OF CORRECTIONAL SERVICES
VOTE 21**

**ACCOUNTING POLICIES
For the year ended 31 March 2015**

8.	Other expenditure Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.
8.1	Accrued expenditure payable Accrued expenditure payable is recorded in the notes to the financial statements when the goods are received or, in the case of services, when they are rendered to the department. Accrued expenditure payable is measured at cost.
8.2	Leases
8.2.1	Operating leases Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment. The operating lease commitments are recorded in the notes to the financial statements.
8.2.2	Finance leases Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment. The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions. Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of: <ul style="list-style-type: none"> • cost, being the fair value of the asset; or • the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.
9	Aid Assistance
9.1	Aid assistance received Aid assistance received in cash is recognised in the statement of financial performance when received-in-kind aid assistance is recorded in the notes to the financial statements on the date of receipt and is measured at fair value. Aid assistance received in cash is recognised in the statement of financial performance when received-in-kind aid assistance is recorded in the notes to the financial statements on the date of receipt and is measured at fair value. Aid assistance not spent for the intended purpose and any unutilised funds from aid assistance that are required to be refunded to the donor are recognised as a payable in the statement of financial position.
9.2	Aid assistance paid Aid assistance paid is recognised in the statement of financial performance on the date of payment. Aid assistance payments made prior to the receipt of funds are recognised as a receivable in the statement of financial position.
10	Cash and cash equivalents Cash and cash equivalents are stated at cost in the statement of financial position. Bank overdrafts are shown separately on the face of the statement of financial position. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.
11	Prepayments and advances Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash. Prepayments and advances are initially and subsequently measured at cost. Prepayments/advances are expensed when goods/services have been received/rendered and expenditure incurred on behalf of the department.
12	Receivables Receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.
13	Impairment of financial assets Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.
14	Payables Payables are recognised in the statement of financial position at cost.
15	Capital Assets

**DEPARTMENT OF CORRECTIONAL SERVICES
VOTE 21**

**ACCOUNTING POLICIES
For the year ended 31 March 2015**

15.1	<p>Immovable capital assets Immovable capital assets are initially recorded in the notes to the financial statements at cost. Immovable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition.</p> <p>Where the cost of immovable capital assets cannot be determined accurately, the immovable capital assets are measured at R1 unless the fair value of the asset has been reliably estimated, in which case the fair value is used.</p> <p>All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>Immovable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the immovable asset is recorded by another department in which case the completed project costs are transferred to that department.</p>
15.2	<p>Movable capital assets Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition.</p> <p>Where the cost of movable capital assets cannot be determined accurately, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1.</p> <p>All orchards are reported at deemed cost of R1.</p> <p>All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Biological assets are subsequently carried at fair value.</p> <p>Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the movable asset is recorded by another department/entity in which case the completed project costs are transferred to that department.</p>
15.3	<p>Intangible assets Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition.</p> <p>Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project.</p> <p>Where the cost of intangible assets cannot be determined accurately, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1.</p> <p>All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the intangible asset is recorded by another department/entity in which case the completed project costs are transferred to that department.</p>
16	Provisions and Contingents
16.1	<p>Provisions Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.</p>
16.2	<p>Contingent liabilities Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably</p>
16.3	<p>Contingent assets Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department</p>
16.4	<p>Commitments Commitments are recorded at cost in the notes to the financial statements when there is a contractual arrangement or an approval by management in a manner that raises a valid expectation that the department will discharge its responsibilities thereby incurring future expenditure that will result in the outflow of cash</p>

**DEPARTMENT OF CORRECTIONAL SERVICES
VOTE 21**

**ACCOUNTING POLICIES
For the year ended 31 March 2015**

17	<p>Unauthorised expenditure Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either:</p> <ul style="list-style-type: none"> • approved by Parliament or the Provincial Legislature with funding and the related funds are received; or • approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or • transferred to receivables for recovery. <p>Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.</p>
18	<p>Fruitless and wasteful expenditure Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and / or wasteful expenditure incurred.</p> <p>Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables for recovery.</p> <p>Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.</p>
19	<p>Irregular expenditure Irregular expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the value of the irregular expenditure incurred unless it is impracticable to determine, in which case reasons therefore are provided in the note.</p> <p>Irregular expenditure is removed from the note when it is either condoned by the relevant authority, transferred to receivables for recovery or not condoned and is not recoverable.</p> <p>Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.</p>
20	<p>Changes in accounting policies, accounting estimates and errors Changes in accounting policies that are effected by management have been applied retrospectively in accordance with the Modified Cash Standard , except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the change in policy. In such instances the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.</p> <p>Changes in accounting estimates are applied prospectively in accordance with Modified Cash Standard .</p> <p>Correction of errors is applied retrospectively in the period in which the error has occurred, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.</p>
21	<p>Events after the reporting date Events after the reporting date that are classified as adjusting events are accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date are disclosed in the notes to the financial statements.</p>
22	<p>Agent-Principal arrangements Where department acts as a principal it discloses as part of the primary financial information, the following in the notes to the financial statements:</p> <ul style="list-style-type: none"> • the total payments made to its agents during the period, and • an explanation on the nature, circumstances and terms relating to the arrangements <p>Where department acts as an agent for another department or public entity it discloses the following in the notes to the financial statements:</p> <ul style="list-style-type: none"> • a reconciliation between total agency funds received and disbursements made in executing the agency services • an explanation of the variance between amounts received and disbursed • a narrative description and explanation of assets belonging to other entities that are in custody of the department • an explanation on the nature, circumstances and terms to the arrangements
23	<p>Recoverable revenue Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.</p>
24	<p>Related party transactions A related party transaction is a transfer of resources, services or obligations between the reporting Department and a related party, regardless of whether a price is charged or not. Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operating decisions or if the related party and another party are subject to common control. Except for transactions made at arm's length or in the ordinary course of executing the Department's legal mandate, related party transactions are recorded in the notes to the financial statements as and when the transaction takes place. Such disclosures include:</p> <ul style="list-style-type: none"> • Full compensation paid to key management personnel per category • Number of individuals in each category of key management personnel
25	<p>Public Private Partnerships (PPP) A description of PPP arrangements, contract fees, current and capital expenditure relating the PPP arrangement are disclosed in the notes to the financial statements.</p>

**DEPARTMENT OF CORRECTIONAL SERVICES
VOTE 21**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
For the year ended 31 March 2015**

1. Annual Appropriation

		2014/15		2013/14
	Final Appropriation	Actual Funds Received	Funds not requested/ not received	Appropriation received
	R'000	R'000	R'000	R'000
Programme				
Administration	3,662,655	3,662,655	-	5,153,497
Incarceration	12,178,748	12,178,748	-	10,046,507
Rehabilitation	1,109,566	1,109,566	-	998,027
Care	1,940,182	1,940,182	-	1,799,173
Social Reintegration	830,688	830,688	-	751,289
Total	19,721,839	19,721,839	-	18,748,493

2. Departmental revenue

	Note	2014/15 R'000	2013/14 R'000
Sale of goods and services other than capital assets	2.1	57,347	54,134
Fines, penalties and forfeits	2.2	18,159	16,484
Interest, dividends and rent on land	2.3	724	319
Sale of capital assets	2.4	7,423	3,246
Transactions in financial assets and liabilities	2.5	56,099	42,941
Transfer received	2.6	-	5
Departmental revenue collected		139,752	117,129

2.1 Sale of goods and services other than capital assets

	Note 2	2014/15 R'000	2013/14 R'000
Sale of goods and services produced by the department		55,239	51,842
Sale by market establishment		30,619	29,568
Other sales		24,620	22,274
Sale of scrap, waste and other used current goods		2,108	2,292
Total		57,347	54,134

2.2 Fines, penalties and forfeits

	Note 2	2014/15 R'000	2013/14 R'000
Fines		17,258	15,727
Forfeits		901	757
Total		18,159	16,484

2.3 Interest, dividends and rent on land

	Note 2	2014/15 R'000	2013/14 R'000
Interest received		724	319
Total		724	319

2.4 Sale of capital assets

	Note 2	2014/15 R'000	2013/14 R'000
Tangible assets		7,423	3,246
Machinery and equipment	30.2	7,423	3,246
Total		7,423	3,246

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2.5	Transactions in financial assets and liabilities	Note	2014/15	2013/14
		2	R'000	R'000
	Receivables		32,303	34,278
	Stale cheques written back		(30)	(134)
	Other Receipts including Recoverable Revenue		23,826	8,797
	Total		56,099	42,941
2.6	Transfers received	Note	2014/15	2013/14
		2	R'000	R'000
	Public corporations and private enterprises		-	5
	Total		-	5
3.	Aid assistance		2014/15	2013/14
			R'000	R'000
	Opening Balance		-	-
	Prior period error		-	-
	As restated		-	-
	Transferred from statement of financial performance		(7,185)	-
	Transferred to/from retained funds		7,185	-
	Closing Balance		-	-
4.	Compensation of employees			
4.1	Salaries and Wages		2014/15	2013/14
			R'000	R'000
	Basic salary		8,212,002	7,966,847
	Performance award		97,240	83,333
	Service Based		25,976	19,210
	Compensative/circumstantial		705,206	412,980
	Periodic payments		61,814	46,140
	Other non-pensionable allowances		1,140,166	1,301,256
	Total		10,242,404	9,829,766
4.2	Social contributions		2014/15	2013/14
			R'000	R'000
	Employer contributions			
	Pension		1,309,241	1,267,208
	Medical		1,057,187	1,090,573
	UIF		61	82
	Bargaining council		2,618	2,438
	Total		2,369,107	2,360,301
	Total compensation of employees		12,611,511	12,190,067
	Average number of employees		39,220	41,366

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5. Goods and services	Note	2014/15	2013/14
		R'000	R'000
Administrative fees		7,065	5,859
Advertising		25,633	12,743
Minor assets	5.1	22,108	22,037
Bursaries (employees)		3,602	2,819
Catering		39,028	34,990
Communication		89,671	99,930
Computer services	5.2	76,366	93,595
Consultants: Business and advisory services		199,405	43,616
Infrastructure and planning services		2,460	3,498
Laboratory services		11,253	14,105
Legal services		42,838	29,667
Contractors		127,507	103,484
Agency and support / outsourced services		677,442	625,072
Entertainment		226	257
Audit cost – external	5.3	47,546	47,347
Fleet services		251,743	244,225
Inventory	5.4	763,109	736,824
Consumables	5.5	340,439	342,031
Operating leases		1,785,308	1,655,006
Property payments	5.6	920,813	845,870
Rental and hiring		7,311	6,096
Transport provided as part of the departmental activities		5,156	5,960
Travel and subsistence	5.7	277,126	242,305
Venues and facilities		14,971	9,907
Training and development		7,970	5,569
Other operating expenditure	5.8	23,898	13,386
Total		5,770,156	5,246,198

5.1 Minor assets	Note	2014/15	2013/14
	5	R'000	R'000
Tangible assets			
Buildings and other fixed structures		-	1
Biological assets		593	774
Machinery and equipment		21,515	21,262
Total		22,108	22,037

5.2 Computer services	Note	2014/15	2013/14
	5	R'000	R'000
SITA computer services		70,439	69,296
External computer service providers		5,927	24,299
Total		76,366	93,595

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5.3	Audit cost – External	Note	2014/15	2013/14
		5	R'000	R'000
	Regularity audits		43,698	45,429
	Investigations		2,428	40
	Computer audits		1,420	1,878
	Total		47,546	47,347
5.4	Inventory	Note	2014/15	2013/14
		5	R'000	R'000
	Clothing material and accessories		35,924	41,523
	Farming supplies		175,577	166,140
	Food and food supplies		362,983	349,372
	Fuel, oil and gas		26,293	24,058
	Learning, and teaching support material		5,678	5,090
	Materials and supplies		83,363	64,474
	Medical supplies		1,841	1,463
	Medicine		71,450	84,704
	Total		763,109	736,824
5.5	Consumables	Note	2014/15	2013/14
		5	R'000	R'000
	Consumable supplies		278,703	285,685
	Uniform and clothing		5,330	7,008
	Household supplies		229,335	225,390
	Building material and supplies		27,896	29,106
	Communication accessories		26	24
	IT consumables		6,130	14,093
	Other consumables		9,986	10,064
	Stationery, printing and office supplies		61,736	56,346
	Total		340,439	342,031
5.6	Property payments	Note	2014/15	2013/14
		5	R'000	R'000
	Municipal services		908,567	834,952
	Property maintenance and repairs		657	1,858
	Other		11,751	9,060
	Total		920,975	845,870
5.7	Travel and subsistence	Note	2014/15	2013/14
		5	R'000	R'000
	Local		272,993	236,911
	Foreign		4,133	5,394
	Total		277,126	242,305
5.8	Other operating expenditure	Note	2014/15	2013/14
		5	R'000	R'000
	Professional bodies, membership and subscription fees		1,030	381
	Resettlement costs		12,642	7,248
	Other		10,226	5,757
	Total		23,898	13,386

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6.	Interest and rent on land		2014/15	2013/14
			R'000	R'000
	Interest paid		394	890
	Total		394	890
7.	Payments for financial assets	Note	2014/15	2013/14
			R'000	R'000
	Material losses through criminal conduct		97	103
	Theft	7.3	97	103
	Other material losses written off	7.1	4,651	2,990
	Debts written off	7.2	2,168	577
	Total		6,916	3,670
7.1	Other material losses written off	Note	2014/15	2013/14
		7	R'000	R'000
	Nature of losses (Group major categories, but list material items)			
	State Vehicle		4,238	2,295
	Claims		50	68
	Other		363	627
	Total		4,651	2,990
7.2	Debts written off	Note	2014/15	2013/14
		7	R'000	R'000
	Overpaid salaries		739	159
	Leave without pay		422	79
	Tax debt		78	49
	State guarantee		200	37
	Other debts written-off		729	253
	Total		2,168	577
	Total debt written off		2,168	577
7.3	Details of theft	Note	2014/15	2013/14
		7	R'000	R'000
	Nature of theft			
	Theft		97	103
	Total		97	103
8.	Transfers and subsidies	Note	2014/15	2013/14
			R'000	R'000
	Provinces and municipalities	Annex1A	4,817	4,180
	Departmental agencies and accounts	Annex 1B	9,830	8,455
	Households	Annex 1C	112,999	99,467
	Total		127,646	112,102

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9. Expenditure for capital assets	Note	2014/15 R'000	2013/14 R'000
Tangible assets		1,012,631	1,070,635
Buildings and other fixed structures	31	846,099	862,354
Machinery and equipment	30	163,379	205,330
Biological assets	30.2	3,153	2,951
Intangible assets		-	27,036
Software		-	27,036
Total		1,012,631	1,097,671

9.1 Analysis of funds utilised to acquire capital assets – 2014/15	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
Tangible assets	1,012,631	-	1,012,631
Buildings and other fixed structures	846,099	-	846,099
Machinery and equipment	163,379	-	163,379
Biological assets	3,153	-	3,153
Total	1,012,631	-	1,012,631

9.2 Analysis of funds utilised to acquire capital assets – 2013/14	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
Tangible assets	1,070,635		1,070,635
Buildings and other fixed structures	862,354	-	862,354
Machinery and equipment	205,330	-	205,330
Biological assets	2,951	-	2,951
Intangible assets	27,036	-	27,036
Software	27,036	-	27,036
Total	1,097,671	-	1,097,671

9.3 Finance lease expenditure included in Expenditure for capital assets	2014/15 R'000	2013/14 R'000
Tangible assets		
Machinery and equipment	11,505	16,218
Total	11,505	16,218

10. Cash and cash equivalents	2014/15 R'000	2013/14 R'000
Consolidated Paymaster General Account	57,738	-
Cash on hand	1,567	1,559
Total	59,305	1,559

The department holds cash belonging to inmates in custody on their behalf, for purposes of use by inmates on personal items that are allowable at correctional centres in terms of laws and regulations. Private inmates' cash does not form part of funds of the State; consequently such cash is not disclosed in cash and cash equivalents. At the end of period, inmates' private cash amounted to R11,285 million (R10,502 million - 2013/2014).

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11.	Prepayments and advances				2014/15 R'000	2013/14 R'000
	Advances paid				1,778	17,381
	Total				1,778	17,381
11.1	Advances paid			Note	2014/15 R'000	2013/14 R'000
	National departments			Annex 7	1,778	17,381
	Total				1,778	17,381
12.	Receivables	Note			2014/15 R'000	2013/14 R'000
			R'000 Less than one year	R'000 One to three years	R'000 Older than three years	Total Total
	Claims recoverable	12.1 Annex 3	2,761	-	-	2,761 3,242
	Recoverable expenditure	12.2	10,338	11,723	22,580	45,297 47,713
	Staff debt	12.3	10,414	10,521	37,929	58,864 52,586
	Other debtors	12.4	61,259	49,413	-	110,672 53,057
	Total		84,772	71,657	60,509	217,594 156,598
12.1	Claims recoverable			Note	2014/15 R'000	2013/14 R'000
	National departments			Annex 3	2,761	3,244
	Provincial departments				-	(2)
	Total				2,761	3,242
12.2	Recoverable expenditure (disallowance accounts)			Note	2014/15 R'000	2013/14 R'000
				12		
	Disallowance Miscellaneous				46	25
	Disallowance Damages and Losses				25,257	22,935
	Disallowance Payment fraud				5,354	4,963
	Damage Vehicle				9,374	11,486
	Private Telephone				-	1,079
	Salary Disallowance Account				4,742	7,225
	Telephone Control				112	-
	Telephone Erroneous				45	-
	Others				367	-
	Total				45,297	47,713
12.3	Staff debt			Note	2014/15 R'000	2013/14 R'000
				12		
	Debt account				58,864	52,586
	Total				58,864	52,586
12.4	Other debtors			Note	2014/15 R'000	2013/14 R'000
				12		
	National Skills Fund				-	3,644
	Bloemfontein Correctional Contract				110,672	49,413
	Total				110,672	53,057

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12.5 Impairment of receivables	2014/15 R'000	2013/14 R'000
Estimate of impairment of receivables	60,509	44,048
Total	60,509	44,048

13. Voted funds to be surrendered to the Revenue Fund	Note	2014/15 R'000	2013/14 R'000
Opening balance		97,895	386,729
As restated		97,895	386,729
Transfer from statement of financial performance		192,585	97,985
Paid during the year		(48,482)	(386,729)
Closing balance		241,998	97,895
Prior period error			

13.1 Nature of prior period error	Note	2013/14 R'000
	13	
Relating to 2013/14		49, 413
Debt raised against Bloemfontein Correctional Contracts		49, 413
Total		49, 413

As indicated in the 2013/14 Accounting Officer's Report, on 09 October 2013, the Department temporarily took over the management and the operations of Mangaung Correctional Centre in accordance with section 112 of the Correctional Services Act 111 of 1998 as amended. The 2013/14 costs incurred for the deployed officials were not raised as a debt against the contractor, Bloemfontein Correctional Contract.

14. Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	2014/15 R'000	2013/14 R'000
Opening balance	3,546	3,520
Transfer from Statement of Financial Performance	139,752	117,129
Paid during the year	(137,587)	(117,103)
Closing balance	5,711	3,546

15. Bank Overdraft	2014/15 R'000	2013/14 R'000
Consolidated Paymaster General Account	-	37,473
Total	-	37,473

16. Payables – current	Note	2014/15 R'000	2013/14 R'000
Clearing accounts	16.1	3,602	5,264
Other payables	16.2	2,510	43
Total		6,112	5,307

16.1 Clearing accounts	Note	2014/15 R'000	2013/14 R'000
Salary Accounts	16	3,602	5,264
Total		3,602	5,264

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16.2 Other payables	Note	2014/15 R'000	2013/14 R'000
	16		
Rental deposit		11	43
National Skills Fund		2,499	-
Total		2,510	43

17. Net cash flow available from operating activities	Note	2014/15 R'000	2013/14 R'000
Net surplus/(deficit) as per Statement of Financial Performance		325,152	215,024
Add back non cash/cash movements not deemed operating activities		774,551	589,916
(Increase)/decrease in receivables – current		(60,996)	(58,964)
(Increase)/decrease in prepayments and advances		15,603	72,828
Increase/(decrease) in payables – current		805	(1,924)
Proceeds from sale of capital assets		(7,423)	(3,246)
Expenditure on capital assets		1,012,631	1,097,671
Surrenders to Revenue Fund		(186,069)	(503,832)
Surrenders to RDP Fund/Donor		-	(12,617)
Net cash flow generated by operating activities		1,099,703	804,940

18. Reconciliation of cash and cash equivalents for cash flow purposes	2014/15 R'000	2013/14 R'000
Consolidated Paymaster General account	57,738	(37,473)
Cash on hand	1,567	1,559
Total	59,305	(35,914)

19. Contingent liabilities	Note	2014/15 R'000	2013/14 R'000
Nature			
Housing loan guarantees	Annex 2A	1,019	1,454
Claims against the department	Annex 2B	791,283	801,203
Intergovernmental payables (unconfirmed balances)	Annex 4	33,440	30,419
Total		825,742	833,076

Prior year figure adjusted due to prescribed letters of demand.

20. Commitments	Note	2014/15 R'000	2013/14 R'000
Current expenditure			
Approved and contracted		775,792	1,378,217
Approved but not yet contracted		193,865	500,312
		969,657	1,878,529
Capital expenditure			
Approved and contracted		35,096	10,783
Approved but not yet contracted		905,753	11,980
		940,849	22,763
Total Commitments		1,910,506	1,901,292

Included above are some approved and contracted commitments that are longer than a year. The 2013/14 approved and contracted current and capital expenditure commitments have been restated to exclude the PPP commitments which are now disclosed under the PPP note

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21. Accruals and payables not recognised			2014/15	2013/14
Listed by economic classification			R'000	R'000
	30 Days	30+ Days	Total	Total
Compensation of employees	102	-	102	4,950
Goods and services	123,684	198,563	322,247	192,459
Capital assets	19,730	-	19,730	16,539
Other	-	-	-	-
Total	143,516	198,563	342,079	213,948

			2014/15	2013/14
			R'000	R'000
Listed by programme level				
Administration			323,961	127,002
Incarceration			2,464	82,046
Rehabilitation			6,336	564
Care			7,333	4,237
Social Reintegration			1,985	99
Total			342,079	213,948

	Note	2014/15	2013/14
		R'000	R'000
Confirmed balances with other departments	Annex 4	2,938	9,368
Total		2,938	9,368

22. Employee benefits	Note	2014/15	2013/14
		R'000	R'000
Leave entitlement		397,786	406,935
Service bonus (Thirteenth cheque)		350,369	341,548
Performance awards		16	-
Capped leave commitments		665,999	719,715
Total		1,414,170	1,468,198

The negative leave credit balances are mainly due to annual leave credits that were taken for the 2015 leave cycle exceeding the relevant employees' pro-rata leave credits as at 31 March 2015 and disapproved temporary/permanent incapacity leave. The total amount of the negative leave as at 31 March 2015 for both normal leave and capped leave is R22,943 million and R68 thousand, respectively .

23. Lease commitments

23.1 Operating leases expenditure

2014/15	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000
Not later than 1 year	451	1,062,945	59,756	1,123,152
Later than 1 year and not later than 5 years	52	1,129,253	192,908	1,322,213
Later than five years	-	5,671	-	5,671
Total lease commitments	503	2,197,869	252,664	2,451,036

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2013/14	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000
Not later than 1 year	8	1,005,834	128	1,005,970
Later than 1 year and not later than 5 years	25	1,054,921	61	1,055,007
Later than five years	-	5,199	-	5,199
Total lease commitments	33	2,065,954	189	2,066,176

Building and other fixed Structures. As 31 March 2015 the Department had 137 operating leases and all had renewal option.

23.2 Finance leases expenditure**

2014/15	Machinery and equipment	Total
	R'000	R'000
Not later than 1 year	14,581	14,581
Later than 1 year and not later than 5 years	11,133	11,133
Total lease commitments	25,714	25,714

2013/14	Machinery and equipment	Total
	R'000	R'000
Not later than 1 year		
Later than 1 year and not later than 5 years	14,985	14,985
Later than five years	12,760	12,760
Total lease commitments	27,745	27,745

**This note excludes leases relating to public private partnership as they are separately disclosed in note no.28

The Department entered into finance lease agreements for photocopiers for a 36 months period with the option to extend the contract for a maximum period of twenty four months should a need arise.

24. Irregular expenditure

24.1 Reconciliation of irregular expenditure	Note	2014/15	2013/14
		R'000	R'000
Opening balance		187,076	579,329
Add: Irregular expenditure – relating to current year		164,007	43,241
Less: Current year amounts condoned		(2,814)	(4,151)
Less: Amounts not condoned and recoverable		(11)	-
Less: Amounts not condoned and not recoverable		(60,744)	(431,343)
Closing balance		287,514	187,076

Analysis of awaiting condonation per age classification

Current year	164,007	42,990
Prior years	123,507	144,086
Total	287,514	187,076

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24.2 Details of irregular expenditure – current year

Incident	Disciplinary steps taken/criminal proceedings	2014/15 R'000
Proper procurement/logistical procedure not followed	Investigation Pending	163,342
Payment of medical accounts	Investigation Pending	32
Official who failed to declare interest	Investigation Pending	633
Total		164,007

24.3 Details of irregular expenditure condoned

Incident	Condoned by (condoning authority)	2014/15 R'000
Proper procurement process not followed	National Treasury/Accounting Officer	(2,723)
No valid tax clearance certificate	Accounting Officer	(91)
Total		(2,814)

24.4 Details of irregular expenditure recoverable (not condoned)

Incident	2014/15 R'000
Official failed to declare interest	(11)
Total	(11)

24.5 Details of irregular expenditure not recoverable (not condoned) (Irregular expenditure proven not to be irregular)

Incident	Not condoned by (condoning authority)	2014/15 R'000
Official who failed to declare interest	Expenditure proven to be valid	(78)
No service level agreement	Expenditure proven to be valid	(38,898)
Contracts and lease agreement not signed	Expenditure proven to be valid	(288)
Doing business with prohibited suppliers	Expenditure proven to be valid	(266)
Proper procurement/Logistics	Expenditure proven to be valid	(21,214)
Total		(60,744)

24.6 Details of irregular expenditures under investigation

Incident	2014/15 R'000
No Declaration of interest	4 299
Contract	27,185
No service level agreement	14,490
Prohibited Suppliers	55
Proper procurement/Logistical procedures not followed	216,014
Payment of medical accounts	18,359
Incorrect application of emergency clause	895
Extension of contract not approved by delegated official	5,472
Payment not in accordance with Correctional Services Act	745
Total	287,514

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25. Fruitless and wasteful expenditure

25.1 Reconciliation of fruitless and wasteful expenditure

	2014/15 R'000	2013/14 R'000
Opening balance	8,058	34,754
Fruitless and wasteful expenditure – relating to prior year		2
Fruitless and wasteful expenditure – relating to current year	27,710	1,162
Less: Amounts resolved	(140)	(27,860)
Fruitless and wasteful expenditure awaiting resolution	<u>35,628</u>	<u>8,058</u>

25.2 Analysis of awaiting resolution per economic classification

	2014/15 R'000	2013/14 R'000
Current	35,628	8,058
Total	<u>35,628</u>	<u>8,058</u>

25.3 Analysis of current year's fruitless and wasteful expenditure

Incident	Disciplinary steps taken/criminal proceedings	2014/15 R'000
Cancellation of trips and meetings	Pending	62
Interest charged for late payment	Pending	26
Payments for sub- standard work	Pending	503
Training not attended	Pending	9
Intangible asset not completed	Pending	27,036
Purchase of bread for inmates	Pending	34
Other	Pending	40
Total		<u>27,710</u>

26. In kind goods and services provided/received

	Note	2014/15 R'000	2013/14 R'000
Furniture donated to the Department of Justice and Constitutional Development		47	14
Total		<u>47</u>	<u>14</u>

Department of Correctional Services is related to the Department of Justice and Constitutional Development since they are subject to the same control of the Minister of Justice and Correctional Services.

27. Key management personnel

	No. of Individuals	2014/15 R'000	2013/14 R'000
Political office bearers	3	2,132	2,693
Officials:			
Level 15 to 16	11	13,877	16,507
Level 14 (incl. CFO if at a lower level)	48	42,457	35,647
Family members of key management personnel	23	7,728	7,905
Total		<u>66,194</u>	<u>62,752</u>

**DEPARTMENT OF CORRECTIONAL SERVICES
VOTE 21**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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28. Public Private Partnership	Note	2014/15 R'000	2013/14 R'000
Contract fee paid		990,238	930,557
Fixed component		194,731	194,731
Indexed component		795,507	735,826
Analysis of indexed component		795,507	735,826
Goods and services		795,507	735,826
Capital/(Liabilities)		194,731	194,731
Property		194,731	194,731

28.1 Public Private Partnerships (PPP)

28.1.1 A description of the arrangement

To design, finance, build and manage a maximum security correctional centre for a contract period of 25 years. The contractor Bloemfontein Correctional Services Contracts is currently operating Mangaung Maximum Security Correctional Centre (MCC) in the Free State Province and the contractor South African Custodial Services is currently operating Kutama-Sinthumule Maximum Security Correctional Centre (KSCC) in the Limpopo Province. The PPP contracts for MCC and KSCC will end on 30 June 2026 and 15 February 2027, respectively.

28.1.2 Significant terms of the arrangement that may affect the amount, timing and certainty of future cash flows

The cash flow models for the two PPP projects were created. The cash flow models enable the Department to determine the estimated costs of the two projects over their 25 year contract period.

The contract fee is based on the daily available inmate places. This fee is split into components, the fixed component and the indexed component for each year.

The indexed component is escalated on each review date (every six months) as stipulated in the contract. The fixed components will however remain the same for a period of 15 years (Bloemfontein) and 17 years (Limpopo) where after the fixed fee will fall away.

28.1.3 The nature and extent of:

Rights to use specified assets:

Assets must be managed and maintained by the contractor for the whole contract period.

Intellectual Property Rights:

All rights in data, reports, drawings, models, specifications and/or other material produced by or on behalf of the department shall vest in and be the property of the state and the contractor is granted an irrevocable non-exclusive and royalty-free license to use such material for the purpose of the project.

Obligations to provide or rights to expect provisions of services.

The Contractor

- Construction of the correctional centre:
- Maintenance and operation of the correctional centre for the contract period of 25 years.
- Keep inmates in safe custody.
- Maintaining order, discipline, control and a safe environment.
- Providing decent conditions and meeting inmates' needs.
- Providing structured day programmes.
- Preparing inmates for reintegration to the community.
- Delivering correctional centre services.
- Involvement with the community.

Department of Correctional Services:

- To ensure that there are always inmates placed in available inmate spaces.
- To pay the contractor on a monthly basis.
- To manage the contract on a monthly basis.
- To release offenders

Obligations to acquire or build items of property, plant and equipment.

Original buildings constructed according to DCS specifications. Any further changes/alterations and additions to be negotiated.

Obligations to deliver or rights to receive specified assets at the end of the concession period.

All assets including equipment become the property of the State after expiry of the contract period.

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Renewal and termination options.

Can be negotiated if so directed by Government.

Other rights and obligations.

All maintenance obligations are the responsibility of the contractor for the entire contract period.

Changes in the arrangement occurring during the period.

May be done by means of negotiations between both parties.

Commitments

The Department is committed for the remainder of the two PPP contracts for fixed and index fees until 2026 (MCC) and 2027 (KSCC)

Approved and contracted

	2014/15 R'000	2013/14 R'000
Current Expenditure (Index fee)	11,222,777	13,304,701
Capital Expenditure (Fixed fee)	488,417	683,149
Total	11,711,194	13,987,850

29. Impairment: other

	2014/15 R'000	2013/14 R'000
Debtors	37,929	20,468
Other	22,580	23,580
Total	60,509	44,048

30. Provisions

Note	2014/15 R'000	2013/14 R'000
Long service awards	19,758	21,872
	19,758	21,872

30.1 Reconciliation of movement in provisions – 2014/15

	Long service awards R'000	Total provisions R'000
Opening balance	21, 872	21, 872
Increase in provision	19, 758	19, 758
Settlement of provision	(21, 872)	(21, 872)
Closing balance	19, 758	19, 758

Reconciliation of movement in provisions-2013/14

	Long service awards R'000	Total provisions R'000
Opening balance	14,878	14,878
Increase in provision	21,872	21,872
Settlement of provision	(14,878)	(14,878)
Closing balance	21,872	21,872

The provision is for the estimated cash awards that will be paid to the recognised employees for reaching their long service in public sector. For the prior year figure actual cash awards paid during the 2014/2015 financial year has been used. The requirement to reflect long service awards as provision was specified in the year ending 31 March 2015.

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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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31. Movable Tangible Capital Assets

31.1 Movement in movable tangible capital asset register for the year ended 31 March 2015

	Opening balance	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	1,583,397	184,046	87,772	1,679,671
Transport assets	772,779	82,798	29,804	825,773
Computer equipment	358,026	18,903	34,809	342,120
Furniture and office equipment	57,671	10,452	4,889	63,234
Other machinery and equipment	394,921	71,893	18,270	448,544
BIOLOGICAL ASSETS	17,316	10,029	5,709	21,636
Biological assets	17,316	10,029	5,709	21,636
Total movable tangible capital assets	1,600,713	194,075	93,481	1,701,307

Included in major movable tangible capital assets are items that are under investigation, awaiting disposal, and subsequent removal from the asset register. As at the end of the period the items amount to R56,840 million and R61,918 million (2013/14).

31.2 Additions

ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2015

	Cash*	Non-cash**	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	151 873	30,588	-	1,585	184,046
Transport assets	71,700	4,360	-	6,738	82,798
Computer equipment	23,410	768	-	(5,275)	18,903
Furniture and office equipment	4,508	5,889	-	55	10,452
Other machinery and equipment	52,255	19,571	-	67	71,893
BIOLOGICAL ASSETS	3,153	6,876	-	-	10,029
Biological assets	3,153	6,876	-	-	10,029
Total additions to movable tangible capital assets	155,026	37,464	-	1,585	194,075

31.3 Disposals

DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2015

	Sold for cash	Transfer out or destroyed or scrapped	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	24,186	63,586	87,772	7,423
Transport assets	23,765	6,039	29,804	-
Computer equipment		34,809	34,809	7,423
Furniture and office equipment		4,889	4,889	-
Other machinery and equipment	421	17,849	18,270	-
BIOLOGICAL ASSETS	-	5,709	5,709	-
Biological assets	-	5,709	5,709	-
Total	24,186	69,295	93,481	7,423

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31.4 Movement for 2013/14

MOVEMENT IN TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	1,403,500	31,923	195,986	48,012	1,583,397
Transport assets	736,787	2,556	47,414	13,978	772,779
Computer equipment	258,842	23,525	91,161	15,502	358,026
Furniture and office equipment	57,347	(4,016)	6,256	1,916	57,671
Other machinery and equipment	350,524	9,858	51,155	16,616	394,921
BIOLOGICAL ASSETS	12,973	4,040	3,348	3,045	17,316
Biological assets	12,973	4,040	3,348	3,045	17,316
Total movable tangible capital assets	1,416,473	35,963	199,334	51,057	1,600,713

31.4.1 Prior period error

	Note 31.4	2013/14 R'000
Relating to periods before 2013/14		(9,839)
Other machinery and equipment		(7,742)
Biological assets		(2,097)
Nature of prior period error		
Relating to 2013/14		(140)
Additions: Machinery and Equipment		(6)
Disposals: Transport Equipment		(134)
Total		(9,979)

The error is due to corrections of non-cash prior period prices.

31.5 Minor assets

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2015

	Intangible assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000
Opening balance	-	595,961	5,543	601,504
Additions	-	39,337	2,281	41,618
Disposals	-	39,212	2,388	41,600
Total minor assets	-	596,086	5,436	601,522

Included in minor movable tangible capital assets are items that are under investigation, awaiting disposal, and subsequent removal from the asset register. As at the end of the period the items amount to R14,414 million and R22, 852 million (2013/14).

Orchards are reported at R1 value until professional valuers are engaged to determine the fair value of the orchards in the next financial reporting period.

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	Intangible assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000
Number of R1 minor assets	28	2,822	386	3,236
Number of minor assets at cost	-	596,009	2,917	598,926
Total number of minor assets	28	598,831	3,303	602,162

Minor assets

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014

	Intangible assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000
Opening balance	-	595,907	8,474	604,381
Prior period error	-	7,535	(1,050)	6,485
Additions	-	24,533	439	24,972
Disposals	-	32,014	2,320	34,334
Total minor assets	-	595,961	5,543	601,504

	Intangible assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000
Number of R1 minor assets	28	654	25	707
Number of minor assets at cost	-	606,713	2,787	609,500
Total number of minor assets	28	607,367	2,812	610,207

	Note	2013/14 R'000
Nature of prior period error	31.5	
Relating to 2013/14		2,063
Other machinery and equipment		1,921
Biological assets		142
Total		2,063

The error is due to corrections of non-cash prior period prices.

31.6 Movable assets written off

MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2015

	Intangible assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000
Assets written off	-	61,970	5,703	67,673
Total movable assets written off	-	61,970	5,703	67,673

MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2014

	Intangible assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000
Assets written off	-	34,130	3,031	37,161
Total movable assets written off	-	34,130	3,031	37,161

**DEPARTMENT OF CORRECTIONAL SERVICES
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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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32. Immovable Tangible Capital Assets

32.1 MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2015

	Opening balance R'000	Additions R'000	Disposals R'000	Closing Balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	691	-	-	691
Dwellings	691	-	-	691
Total immovable tangible capital assets	691	-	-	691

32.2 Additions

ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2015

	Cash R'000	Non-cash R'000	(Capital Work in Progress current costs and finance lease payments) R'000	Received current, not paid (Paid current year, received prior year) R'000	Total R'000
BUILDING AND OTHER FIXED STRUCTURES	846,099		(846 099)	-	-
Dwellings	420 056		(420 056)	-	-
Non-residential buildings	45,749		(45 749)	-	-
Other fixed structures	380,294		(380 294)	-	-
Total additions to immovable tangible capital assets	846,099		(846 099)	-	-

Movement for 2013/14

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing Balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	691	-	-	-	691
Non-residential buildings	691	-	-	-	691
Total immovable tangible capital assets	691	-	-	-	691

33. Agent-principal arrangements

33.1 Department acting as the principal

	2014/15 R'000	2013/14 R'000
Independent Development Trust (IDT)	364,567	300,925
Total	364,567	300,925

DCS is acting as a principal in its relationship with IDT. For 2014/2015 financial year the payments made to IDT were for security fencing.

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33.2 Department acting as the agent

33.2.1 Revenue received for agency activities

	2014/15 R'000	2013/14 R'000
Funds received from NSF	18,316	17,958
Total	18,316	17,958

The Department of Higher Education (DHET) is responsible for The National Skills Fund (NSF). The Department of Correctional Services is responsible for the implementation of the project for training of offenders.

During the 2014/2015 financial year 1 732 offenders were trained in various skills development programmes.

There are no assets belonging to NSF which are held by the department. No revenue was earned in rendering agency services.

33.2.2 Reconciliation of agency funds and disbursements – 2014/15

Name of principal entity	Total agency funds received	Expenditure incurred against funds	Amount remitted to the principal	Variance between amounts received and amounts remitted	Explanation of variance
	R'000	R'000	R'000	R'000	R'000
National Skills Fund	18,316	12,173	-	6,143	Included in the variance of 6,143 is the amount of 3,644 which was payable by NSF to the department in 2013/14. Also included in the variance is the retainer fees for outstanding contractual obligations which will only be released once the obligations have been fulfilled
Total	18,316	12,173	-	6,143	

34. Non-adjusting events after reporting date

There were no events after reporting date

35 Prior period errors

35.1 Correction of prior period errors

	Note	2013/14 R'000
Expenditure:	5	
Goods and Services		
Operating Lease expenditure		49,413
Net effect		49,413

As indicated in the 2013/14 Accounting Officer's Report, on 09 October 2013, the Department temporarily took over the management and the operations of Mangaung Correctional Centre in accordance with section 112 of the Correctional Services Act 111 of 1998 as amended. The 2013/14 costs incurred for the deployed officials were not adjusted against operating lease expenditure as the debt was not raised

	Note	2013/14 R'000
Assets:		
Receivables	12.4	49,413

As indicated in the 2013/14 Accounting Officer's Report, on 09 October 2013, the Department temporarily took over the management and the operations of Mangaung Correctional Centre in accordance with section 112 of the Correctional Services Act 111 of 1998 as amended. The 2013/14 costs incurred for the deployed officials were not raised as a debt against the contractor, Bloemfontein Correctional Contract.

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Movable tangible capital assets	31.4.1	(9,979)
Minor assets	31.5	2,063

Major assets error due to corrections of non-cash prior period prices.

Net effect

41,497

**Note 2013/14
R'000**

Liabilities:

Voted funds to be surrendered	13	49,413
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Voted funds to be surrendered for 2013/14 corrected after adjusting expenditure and raising debt for costs incurred, for the official deployed at Managing Correctional Centre.

Contingent liabilities	19	183,114
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Net effect

232,527

Contingent liabilities 2013/14 balance restated in view of letters of demand which had prescribed.

**Note 2013/14
R'000**

Commitments	20	929,508
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ANNEXURE 1A

STATEMENT OF TRANSFERS TO MUNICIPALITIES

NAME OF MUNICIPALITY	ALLOCATION			TRANSFER		2013/14 Actual Transfer R'000
	Adjusted Appropriation Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	
					% of Available funds transferred %	
Various Municipalities	6 487	-	(1 670)	4 817	4 817	100% 4 180

ANNEXURE 1B

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENT/ AGENCY/ ACCOUNT	TRANSFER ALLOCATION			TRANSFER		2013/14 Appropriation Act R'000
	Adjusted Appropriation R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	
					% of Available funds Transferred %	
SASSETA	8,910	-	920	9,830	9,830	- 8,455

ANNEXURE 1C

STATEMENT OF TRANSFERS TO HOUSEHOLDS

HOUSEHOLDS	TRANSFER ALLOCATION			EXPENDITURE		2013/14 Appropriation Act R'000
	Adjusted Appropriation Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	
					% of Available funds Transferred %	
Transfers						
Leave Gratuity	49,013	-	604	49,617	88,746	179% 75,142
Severance package	-	-	(2,234)	(2,234)	-	0% -
Poverty Relief	1,087	-	31	1,118	995	89% 722
Prisoner Gratuity(Pocket money)	16,249	-	2367	18,616	16,963	91% 12,698
Post-Retirement benefits	-	-	-	-	1,525	- 1,400
Claims	145	-	(39)	106	4,770	4500% 9,505
Total	66,494	-	729	67,223	112,999	99,467

ANNEXURE 1D

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2014/15 R'000	2013/14 R'000
Received in cash			
Capitec Bank	Cash	194	5
Assupol	Cash	150	-
Subtotal		344	5
Received in kind			
Various private persons	Animals	4	13
Various private persons	Sports and equipment	43	93
Various private persons	Computer equipment	17	6
Various private persons	Books	1,261	13
Various private persons	Food related products	6	8
Various private persons	Toiletries	50	-
Various private persons	Electrical appliances	52	24
Various private persons	Baby toys	44	5
Various private persons	Accommodation	35	-
Various private persons	Stationery	26	-
Various private persons	Other	381	243
Subtotal		1,919	405
TOTAL		2,263	410

ANNEXURE 1E

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE

NATURE OF GIFT, DONATION OR SPONSORSHIP (Group major categories but list material items including name of organisation)	2014/15	2013/14
	R'000	R'000
Made in kind		
Poverty alleviation (clothing and food) to private organisation	95	53
Gift to dignitaries	-	1
Other	58	121
TOTAL	153	175

ANNEXURE 2A

STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2015 – LOCAL

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2014	Guarantees draw downs during the year	Guarantees repayments/ cancelled/ reduced/ released during the year	Revaluations	Closing balance 31 March 2015	Guaranteed interest for year ended 31 March 2015	Realised losses not recoverable i.e. claims paid out
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Standard bank	Housing	337	337	140	58	-	419	-	-
First Rand Bank	Housing	184	184	-	-	-	184	-	-
ABSA	Housing	860	860	-	517	-	343	-	-
Green Start Home loans	Housing	36	36	-	-	-	36	-	-
Mpumalanga Housing Fin Cor	Housing	37	37	-	-	-	37	-	-
Total		1,454	1,454	140	575	-	1,019	-	-

ANNEXURE 2B

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2015

Nature of Liability	Opening Balance 1 April 2014	Liabilities incurred during the year	Liabilities paid/ cancelled/ reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing Balance 31 March 2015
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Damages	211,798	55,881	56,752		210,927
Defamation	420	-	-	-	420
Bodily Injury/Assault	118,832	36,852	29,221	-	126,463
Unlawful Detention	201,810	20,403	66,891	-	155,322
Compensation	300	-	-	-	300
Death in detention	3,124	-	-	-	3,124
Unlawful Deduction	42	136	-	-	178
Breach of Contract	1,565	-	-	-	1,565
Rape	6,259	-	-	-	6,259
Pain and suffering	96,715	80	-	-	96,795
Damages to properties	2,430	20	-	-	2,450
Motor accidents	2,630	690	463	-	2,857
Injury in prison	9,152	-	670	-	8,482
Loss of support	2,253	-	-	-	2,253
Other	143,873	41,785	11,770	-	173,889
Total	801,203	155,847	165,767	-	791,283

Prior year figure adjusted due to prescribed letters of demand.

ANNEXURE 3

CLAIMES RECOVERABLE

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2015	31/03/2014	31/03/2015	31/03/2014	31/03/2015	31/03/2014
	R'000	R'000	R'000	R'000	R'000	R'000
Department						
Department of Home Affairs	-	-	-	30	-	30
Department of Water Affairs(Pretoria)	288	211	-	60	288	271
Department of Justice (Johannesburg)	-	75	-	167	-	242
Department of Justice (Pretoria)	892	-	-	71	892	71
Department of Statistics	9	-	-	15	9	15
Department of Justice (Mokorong)	-	-	-	2	-	2
Department of Justice (Stanger)	-	50	-	-	-	50
Department of Justice (Empangeni)	-	-	-	86	-	86
Department of Justice (Port Elizabeth)	-	-	-	25	-	25
Department of Justice (Polokwane)	-	209	-	121	-	330
Department of Water Affairs (Thohoyandou)	-	575	-	-	-	575
Department of Water Affairs (Hartbeespoort)	-	-	-	599	-	599
Department of Water Affairs (Standerton)	1,149	26	-	381	1,149	407
Department of Water Affairs (Amsterdam)	-	396	-	-	-	396
Department of Water Affairs (Groblersdal)	-	80	-	-	-	80
Department of Water Affairs (Potchefstroom)	30	-	-	-	30	-
Department of Water Affairs (Deneyville)	-	65	-	-	-	65
Department of Defence	30	-	-	-	30	-
SAPS Western Cape	-	(2)	-	-	-	(2)
Department of Education	99	-	-	-	99	-
Department of Transport	20	-	-	-	20	-
Department of Public Works	244	-	-	-	244	-
TOTAL	2,761	1,685	-	1,557	2,761	3,242

ANNEXURE 4

INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2015	31/03/2014	31/03/2015	31/03/2014	31/03/2015	31/03/2014
	R'000	R'000	R'000	R'000	R'000	R'000
DEPARTMENTS						
Current						
Department of Water Affairs	13	29	-	-	13	29
Gauteng Department of Education	27	19	-	-	27	19
Kwazulu Department of Public Works	-	8	-	-	-	8
Department of Arts and Culture	-	5	-	-	-	5
Department of Health Free State	-	21	-	-	-	21
Department of Justice	34	5,383	-	-	34	5,383
Department of Health Gauteng Province	2,172	3,600	31,861	29,949	34,033	33,549
Department of Roads and Transport Limpopo	-	16	-	-	-	16
National Department of Transport	-	57	75	-	75	57
Kwazulu Natal Department of Education	-	181	-	-	-	181
Department of Health North West	43	-	-	5	43	5
Home Affairs	-	4	-	-	-	4
Rural Development and Land Reform	-	1	-	-	-	1
SAPS	-	23	-	-	-	23
Social Development Eastern Cape	-	10	-	-	-	10
Social Development Western Cape	-	11	-	-	-	11
Department of Defence	-	-	18	-	18	-
Gauteng Provincial Treasury	40	-	-	-	40	-
Department of Higher Education	-	-	-	5	-	5
Government Printing Works	-	-	1,427	460	1,427	460
Department of Education (Free State)	20	-	-	-	20	-
Department of Public Works	574	-	-	-	574	-
Department of Human Settlements	15	-	-	-	15	-
Department of Health Western Cape	-	-	59	-	59	-
Subtotal	2,938	9,368	33,440	30,419	36,378	39,787

ANNEXURE 5

INVENTORIES

Inventory	Note	Quantity	2014/15 R'000	Quantity	2013/14 R'000
Opening balance		165,487	466,240	161,356	573,254
Add/(Less): Adjustments to prior year balance		(13)	(30)	(3,076)	(420)
Add: Additions/Purchases - Cash		208,707	205,198	1,006,167	736,824
Add: Additions - Non-cash		710	2	1,395	(14,760)
(Less): Disposals		(935)	(5,395)	(1,512)	(16,453)
(Less): Issues		(188,149)	(204,757)	(1,083,808)	(1,309,630)
Add/(Less): Adjustments		(3,669)	48,948	84,965	533,425
Closing balance		182,138	510,266	165,487	466,240

ANNEXURE 6

MOVEMENT IN CAPITAL WORK IN PROGRESS

	MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2015			
	Opening balance R'000	Current Year Capital WIP R'000	Completed Assets R'000	Closing balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES				
Dwellings	41,861	609,313	-	651,174
Non-residential buildings	39,078	186,247	-	225,325
Other fixed structures	2,605	43,144	-	45,749
	178	379,922	-	380,100
TOTAL	41,861	609,313	-	651,174

ANNEXURE 7

INTER-ENTITY ADVANCES PAID (note 11)

ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2015	31/03/2014	31/03/2015	31/03/2014	31/03/2015	31/03/2014
	R'000	R'000	R'000	R'000	R'000	R'000
NATIONAL DEPARTMENTS						
Department of International Relations and Cooperation	872	500	-	-	872	500
Government Communication and Information Systems	906	16,881	-	-	906	16,881
Total	1,778	17,381	-	-	1,778	17,381

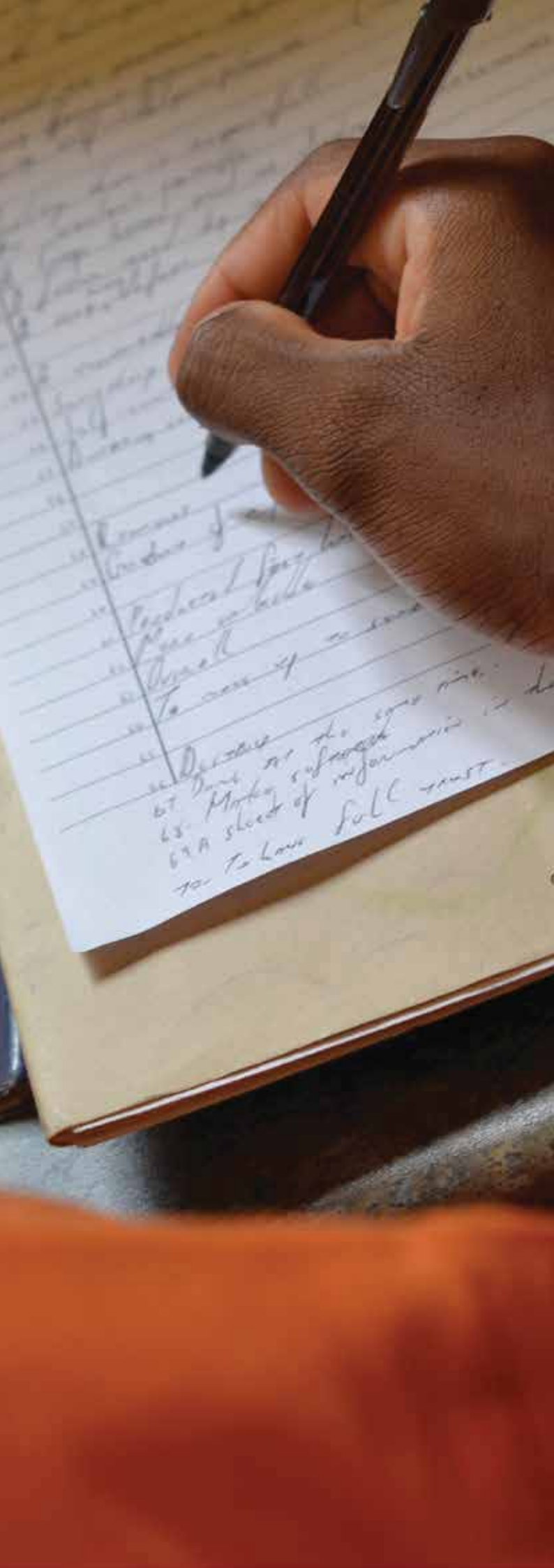
This image shows a full page of a handwriting practice worksheet. It consists of multiple rows of horizontal dashed lines spaced evenly down the page, providing a guide for letter height and placement. The background is plain white, and there are no margins or additional markings.

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RP331/2015
ISBN: 978-0-621-44043-0

Compiled and distributed by
Department of Correctional Services
Private bag X136
Pretoria 0001

Tel: (012) 307 2000
Fax: (012) 323 4942
E-mail: communications@dcs.gov.za

www.dcs.gov.za



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