

2021 STRATEGIC PLANNING SESSION

DELIVERY PRIORITIES



correctional services

Department:
Correctional Services
REPUBLIC OF SOUTH AFRICA

HIGH LEVEL PROBLEM STATEMENT

Lack of economic transformation, continued economic exclusion, skewed ownership patterns and slow land redistribution

High levels of unemployment, poverty and hunger exacerbated by COVID 19

Weaknesses in building a capable state and implementing NDP priorities

Insufficient reach and impact of government programmes and public Expenditure

“The state has not adequately utilized the levers at its disposal to fundamentally entrench the economic rights of the historically disadvantaged and reverse the apartheid legacy”

Persistence of wealth, income and gender inequality

Imbalance between redistribution and productive capacity

Spatial disparity and persistence of apartheid spatial planning

Continued inequality in access to and quality of public services, education & health systems

Low growth rates, economic contraction and decline in revenue

Lack of digital readiness

Persistence of GBVF and violent crime

Corruption threatening moral and ethical basis of democracy and undermining public trust



FACTORS SHAPING SA's DEVELOPMENT

It is imperative to take account of internal and external driving factors that impinge SA's development trajectory (as risks and opportunities), and not all adequately reflected in NDP:

- Vulnerabilities of globalisation to cycles of crises – and inequality in ability to respond among countries;
- This evident in the current COVID-19 global health crisis (vaccine nationalism; implication for tourism); What lessons have we learnt for the future?
- A multipolar world with China as emerging power, but US-China fallout had global repercussions, and threatened world trade system.
- Anti-globalist/inward-looking shifts –e.g. Brexit, with implications SA as UK is a major trade partner.
- Climate change.
- Rising African economy and continental integration, yet, remaining instability (e.g. Swaziland and Mozambique).
- Population growth (currently outpacing GDP growth); Turn the youth bulge into a demographic dividend .
- Technological advances (4IR opportunities; digital divide).
- Migration.

DESIRED INCLUSIVE GROWTH NOT ACHIEVED

- Significant improvements in employment, income support and growth over the decade up to 2008, since then progress has stalled;
- High structural unemployment and a lack of economic participation have impacted on efforts to raise living standards, eradicate poverty and achieve greater equity;
- Performance in meeting NDP objectives for industrial dynamism over the past decade has been poor;
- South Africa still has high levels of market concentration, significant presence of collusive behaviour and legacy barriers to market access for new players, especially those that were historically disadvantaged;
- Significant asset poverty amongst the majority of the population contributes to vulnerability and constrains intergenerational class mobility - slowing overall economic and employment growth - the suite of challenges relates to land ownership in rural, township and urban areas, home ownership, access to finance, and the ability to build up household savings.
- Insufficient efforts to address the youth and gender dividend and focus on higher levels of economic inclusion

DESIRED INCLUSIVE GROWTH NOT ACHIEVED

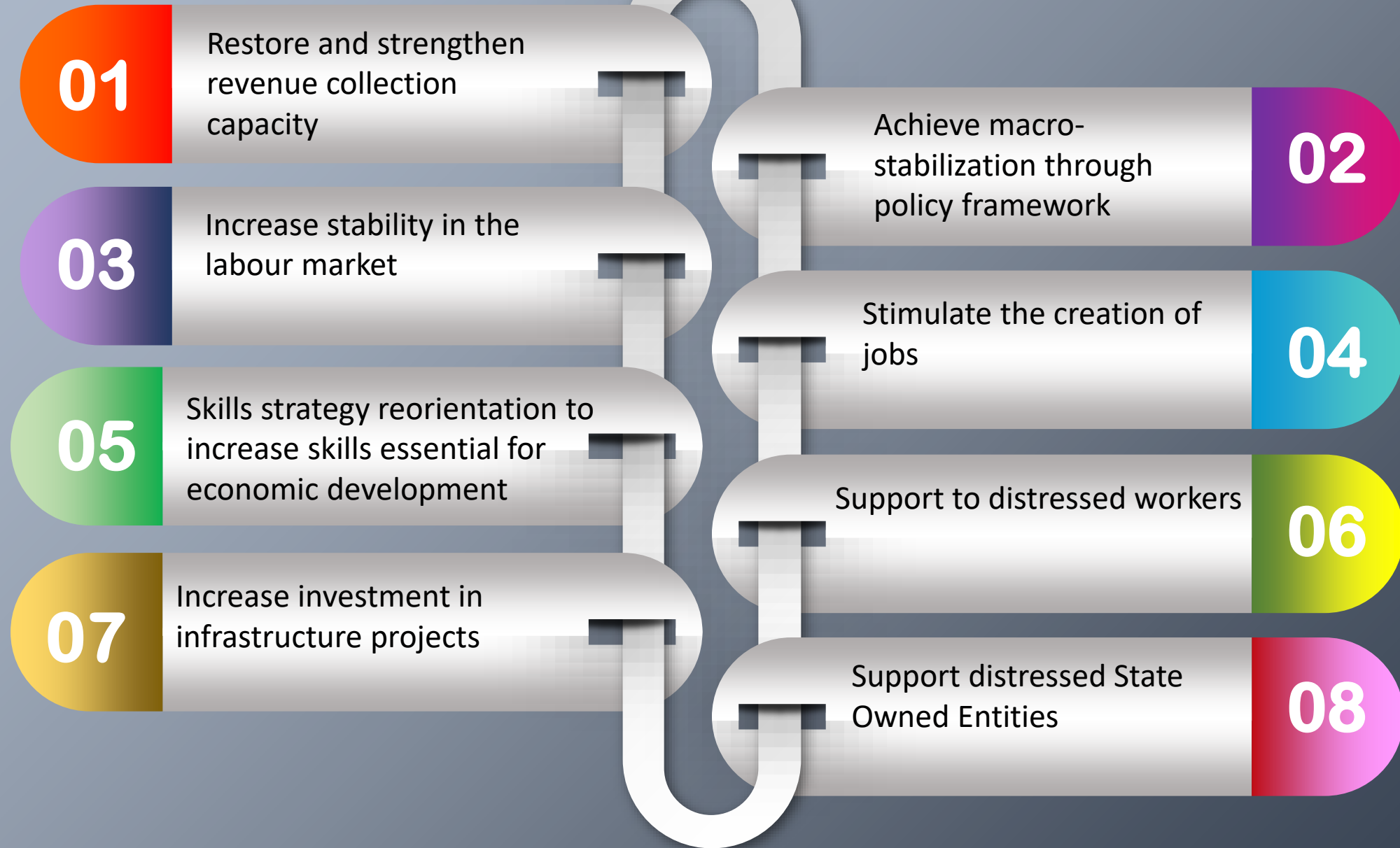
- Public infrastructure investment most notably in respect of energy, water, ICT, and transport is central to achieving greater productivity and competitiveness, reducing spatial inequality and supporting the emergence of new job creating sectors;
- Electricity shortages are still a key constraints, despite a slowdown in economic activity Electricity shortages will continue to hamper economic activity and deter people from making new investments;
- Evidence suggests that the social wage has made a significant impact on the quality of life, with the multi dimensional poverty headcount falling from 17.9% in 2001 to 8.0% by 2011 and then to 7.0% in 2016 but there are limits to the contribution of the social wage;
- Although education outcomes have improved, we still lag behind based on international benchmarks there is a very close correlation between improvement in education and employment and incomes;
- The quality of delivery from public infrastructure to skills development is determined by the capability of the state. A capable state implements policies effectively, uses state resources efficiently, and builds the confidence of citizens and the private sector;
- The COVID 19 pandemic has worsened economic growth unemployment, poverty and inequality;

THE SA ECONOMY

- NDP target by 2020 was to lift growth to an average 4,6% (employment expands about 0,6% to 0,7% for every 1% GDP growth).
- NDP implementation would have led to above average growth rate while economy was bouncing back from the global economic crisis.
- Instead, average growth was 2,2%; falling to 0,2% in 2019. In COVID it regressed further, growth declined by -6,96% for 2020.
- This is a significant loss of economic capacity making a rebound challenging.
- Population is growing by 1,6% pa, so this means that we are in a decline.
- SA pattern of economic growth does not generate jobs at required scale to overcome unemployment and poverty.
- SA's central challenge is structural. The economy has high levels of concentration across many sectors, and is vulnerable to external shocks, including commodity prices.
- Public finances are constrained, limiting the ability of government to expand its investment in economic and social development.
- Electricity supply has become a physical constraint on growth.
- SA remains one of the most unequal country in the world, with highly polarised incomes.
- The economy remains untransformed.



MACRO-ECONOMIC INTERVENTIONS AND ENABLERS FOR GROWTH



BUILDING SAFER COMMUNITIES AND FIGHTING CORRUPTION

- NDP envisages a corruption free South Africa where people feel safe and have no fear of crime; and a society in which key values, such as integrity, transparency and accountability, guide the actions and behavior of its citizens.
- Crime and corruption have become prevalent in SA. If left unchecked, they undermine democracy and impact negatively on service delivery, human and socio-economic development, job creation and public trust in government as well as investor confidence in the country.
- The adoption of National Anti-Corruption Strategy by Cabinet in November 2020 is a positive step, but key is its effective implementation.
- Strengthening criminal justice system is a long standing and urgent priority, with cooperation between all departments in the JCPS cluster.
- The realization of the NDP goals on crime and corruption depend on collaborative efforts across sectors including civil society.

BUILDING SAFER COMMUNITIES AND FIGHTING CORRUPTION

- Transparency International Corruption Perceptions Index (2019) ranked South Africa the 70th most corrupt country out of 180 countries globally.
- StatsSA Victims of Crime Survey (2018/19) reported an increase in incidences of crime in the country.
- There were about 70000 incidences of deliberate damage of residential property and arson; 88% of reported at least one incident of sexual offence in 2018/19, an increase from 73% in 2017/18.
- According to the report, incidences of deliberate damage of residential property and arson, theft of personal property and street robbery increased. According to South African Police Services (SAPS) data, there were about 32 000 murders and 500 000 incidences of assault during the same period.

COURSE CORRECTION: IMPLEMENTING BETTER

START
→


STEP
01

Urgently and decisively re-invigorate implementation of the NDP, with greater strategic coherence.


STEP
02

Enhance accountability and clearly articulate roles and responsibilities in the state and among social partners.


STEP
03

Have a renewed consensus on how the economy can be built to create broader and more inclusive growth.


STEP
04

Confront the deep-seated structural causes of poor growth and job-creation, low inclusivity, low competition and competitiveness, and the inequities in ownership, wealth, and income distribution.


STEP
05

Prioritise vulnerable people, especially those living with high levels of poverty, and be deliberate in narrowing the gap between the rich and poor.

THE NDP AND ELECTORAL MANDATE

The MTSF is the five year building block of the NDP and gives effect to the electoral mandate of the governing party for the electoral term

Both seek to achieve a better life for all South Africans by addressing the triple challenges of the unemployment, poverty and inequality

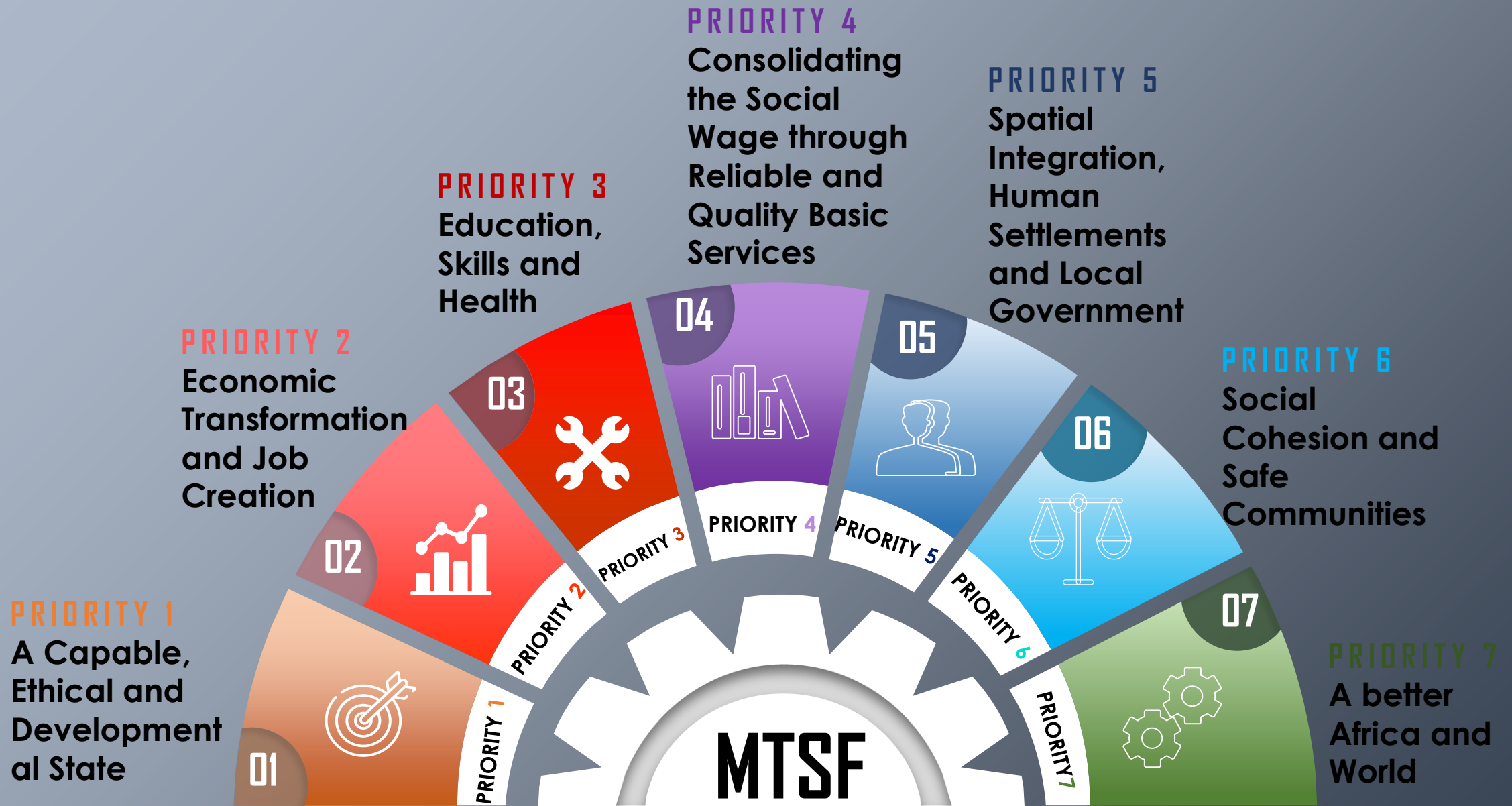
The electoral mandate is derived from the 2019 Manifesto Let's Grow South Africa together: A people's plan for a better life for all

The Electoral Mandate seeks to

- Transform the Economy to serve the people
- Advance Social Transformation
- Build Safer Communities
- Fight Corruption and Promote Integrity
- Strengthen Governance and Public Institutions
- Build National Unity and Embrace Diversity
- Promote a Better SA, Africa and World



THE SEVEN APEX PRIORITIES REMAIN IN PLACE



MTSF OUTPUTS FOR SELECTED PRIORITIES

- 01
- A capable and ethical government
 - Improved leadership, governance and accountability
 - Functional, efficient and integrated government
 - Professional, meritocratic and ethical public administration and
 - Mainstreaming of gender, youth and persons with disabilities



- 02
- More decent jobs sustained and created
 - Investing in accelerated inclusive growth
 - Support industrialisation and localisation
 - Innovation and research
 - Competitive and accessible markets and
 - Improved quality and quantum of infrastructure investment
 - empower youth, women, SMMEs and Co operatives



- 03
- Access to early childhood development
 - More children in foundation phase and ten year olds read for meaning
 - Youth better prepared for further study and contribution to development
 - Improved school infrastructure and teaching environment
 - Expanded access to PSET opportunities



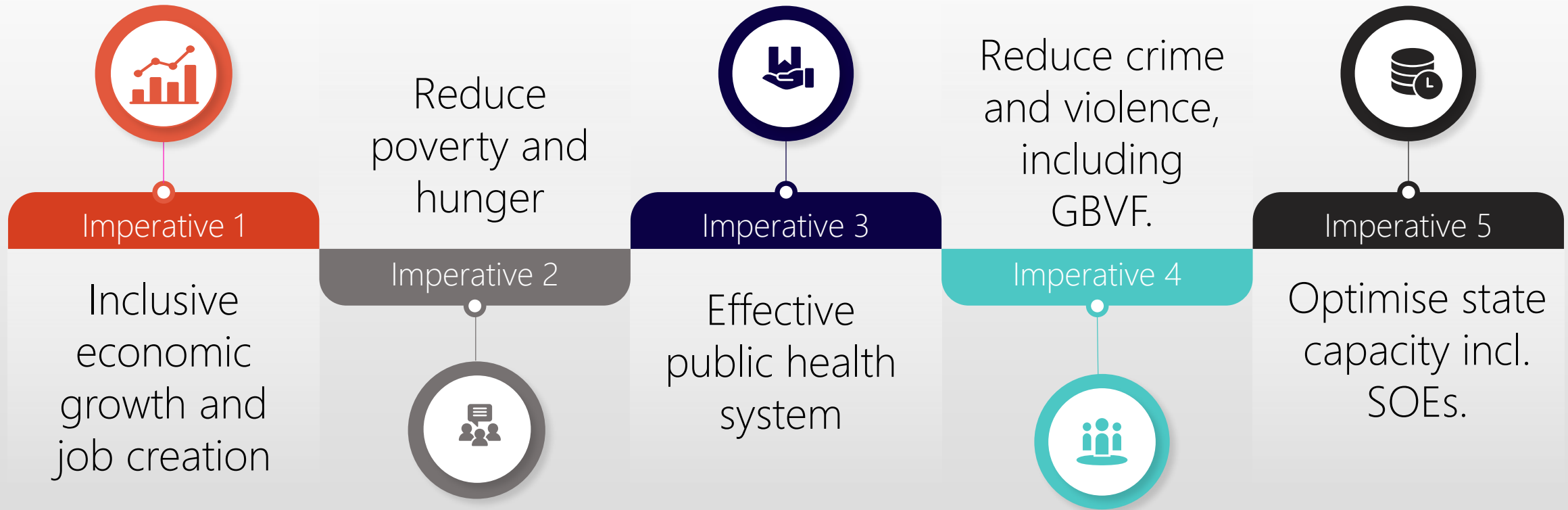
- 06
- Reduced corruption
 - Reduced organized crime
 - Increased safety in communities
 - Secured cyber space and
 - Defended and protected borders
 - Reduction in gender based violence and femicide



IMPLICATIONS AND STRATEGIC IMPERATIVES

- Noting commitments, context, performance so far and reasons for under performance; Noting that we are currently planning for the last two years of the 6th administration, the strategic focus will be on
 - Stabilization and recovery to reverse impact of pandemic and economic decline
 - Prioritise and accelerate programmes and interventions that are fit for purpose to deliver results towards tangible outcomes in 2022/23 and 2023/24 including those that enhance the state's capacity to deliver better and faster
 - Process issues incl. planning, policy, legislation and new institutional arrangements to be completed by the end of the current FY March 2022 to ensure readiness for implementation and execution.
- Interventions to be assessed on basis of impact to support employment creation and inclusive growth. Prioritise efforts to improve ease of doing business to ensure that private investment supports job creation.
- Government to crowd-in private investment in sectors where there is no market failure or source strategic equity partners. Put in place appropriate regulatory frameworks.
- Interventions and funding to prevent regression in developmental outcomes (e.g. to education and health) as improving performance again can be very costly.

STABILISATION AND RECOVERY REQUIRES



IMPLICATIONS AND STRATEGIC IMPERATIVES

- Maintain an equitable share of resourcing in line with Constitutional and intergovernmental mandates. Support to stabilise local government finances.
- Continue to fund public goods: In the context of severe fiscal constraints, need to prevent regression in developmental outcomes achieved by key social and basic service delivery sectors, including education, social development, health, basic services and peace security (~71% of current budget)



KEY PRIORITIES FOR 2022

Mitigate the impact of COVID-19 and support recovery

Manage the pandemic

- a) Interventions that save lives and support the health sector
- b) Rollout of the National COVID-19 Vaccine Programme
- c) Support food security within households

01

Drive economic recovery

- a) Implement ERRP priorities
- b) Network industries reforms, esp. energy, water, transport, telecoms;
- c) Localisation, empowerment, inclusion and job creation
- d) Skills strategy to support economic recovery and Master Plans.

02

Enhance state capability to deliver

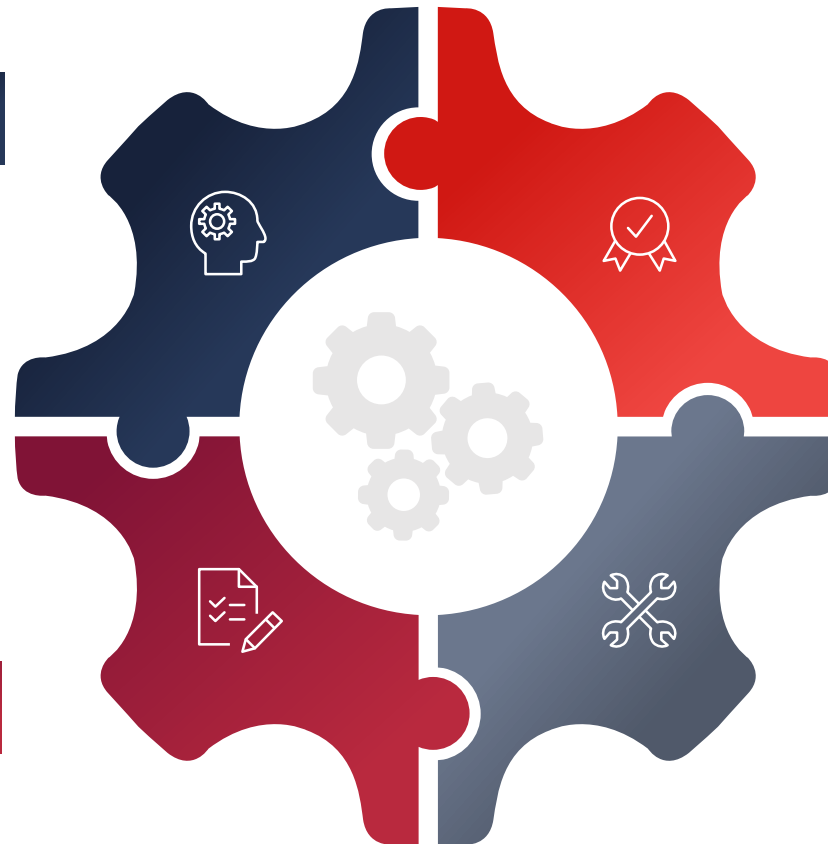
- a) Supporting implementation capacity and capability for reforms;
- b) Reforms and restructuring of key SOEs;
- c) Combatting corruption and fraud;
- d) Managing the public sector wage bill.

04

Employment support and relief

Given unemployment levels, public employment programmes should continue to support household incomes while the economy recovers.

03



MATTERS TO NOTE IN COMMISSIONS

- Four key focus areas have been identified to provide a strategic focus to priorities.
- The current social, economic and fiscal environment remains constrained and there will be a need for ongoing reprioritisation.
- These priority areas ensure that government continues to manage and mitigate the impact of the pandemic, but also plans towards recovery.
- State capability remains vital for the implementation of the priorities and the MTSF.

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