

2021 Strategic Planning Session

MTEF PLANS

OUTCOME: 6
HIGH PERFORMING
ETHICAL ORGANISATION



Presentation outline



ROOT CAUSE ANALYSIS (Review)

Demotivated workforce

Lack of talent management strategy

Inadequate Covid 19 awareness among officials

Weak economic growth

Inadequate spending capacity in some expenditure line items

Inadequate capital investment in production workshops and agriculture

Cause 1: Lack of integrate business information for informed decision making

Poor service delivery

Lack of contract management at Regional/ Management Area level

Cause 2: Non compliance to key legislation, prescripts and policies

CORE PROBLEM: Lack of an enabling environment that supports service delivery excellence

Negative audit outcome

Unethical conduct

Inadequate compliance monitoring coverage

Inadequate / Assurance gap on compliance

Lack of segregation of duties and non-compliance to procurement prescripts

Poor planning (demand management) and delays in investigation, inadequate consequence management

Cause 3: Insufficient budget allocations for programmes and projects

IMPLEMENTATION OF INTERVENTIONS

High performing ethical organisation	Stakeholders	Progress since 2020	Date of completion
Stringent budget reprioritisation and budget controls	End Users Budget Committee NT Parliament	Overall NT cuts were enforced without consultation and had to be complied with Self sufficiency not cut Social Reintegration was not cut Repairs and maintenance cuts were kept to a minimum and limited to projects that are already not contracted Nutrition was cut due to downwards expenditure trend Reduction on consultant expenditure for 2021/22 Reprioritisation for response to Covid 19 S & T reduced due to new normal for meetings and gatherings	Ongoing as domestic economy is projected to grow in next three years 2022/23 – 2024/25 by an average of 1.7

IMPLEMENTATION OF INTERVENTIONS

High performing ethical organisation	Stakeholders	Progress since 2020	Date of completion
Contribute towards growing small businesses and cooperatives and designated groups through 30% set aside to support SMME & Cooperatives (PPPFA)	End Users	Department is currently revising the procurement policy specifically the chapter relating to BBBE to accommodate initiative of 30% set aside to support SMME	2022/23
Expansion of opportunities to increase self sufficiency	End Users	Align the budget to self sufficiency strategy to increase opportunities	2021/22

IMPLEMENTATION OF INTERVENTIONS

High performing ethical organisation	Stakeholders	Progress since 2020	Date of completion
Timely cost saving initiatives by way of bid negotiations and strategic procurement initiatives	End Users	Draft of a policy for bids negotiations before final awards to realize savings for the department	2022/23
Contribute towards growing small businesses and cooperatives and designated groups through 30% set aside to support SMME & Cooperatives (PPPFA)	End Users	Department is currently revising the procurement policy specifically the chapter relating to BBBE to accommodate initiative of 30% set aside to support SMME	2022/23

TIMELINE

Toward Vision 2068

0-20 years

- Improved compliance levels with laws and regulations
- Sound financial management practices
- Improved financial reporting

20 – 50 years

- Full compliance levels with laws and regulations
- Sound financial management practices
- Reliable financial reporting

04

2051

- Adherence to budget projections
compliance with laws and reliable financial reporting

03

2041

- Align budget clearly with projections

02

2031

- Improved and implement compliance with laws and reliable financial reporting
Improve financial systems (logis & BAS)

01

Current 2021

- Training policy under development, and align current policies with DCS Mandate and compliance requirements
- Draft training policy that is align with personal development of staff

2068

- Clean financial reporting and compliance



correctional services

Department:
Correctional Services
REPUBLIC OF SOUTH AFRICA

VISION 2068

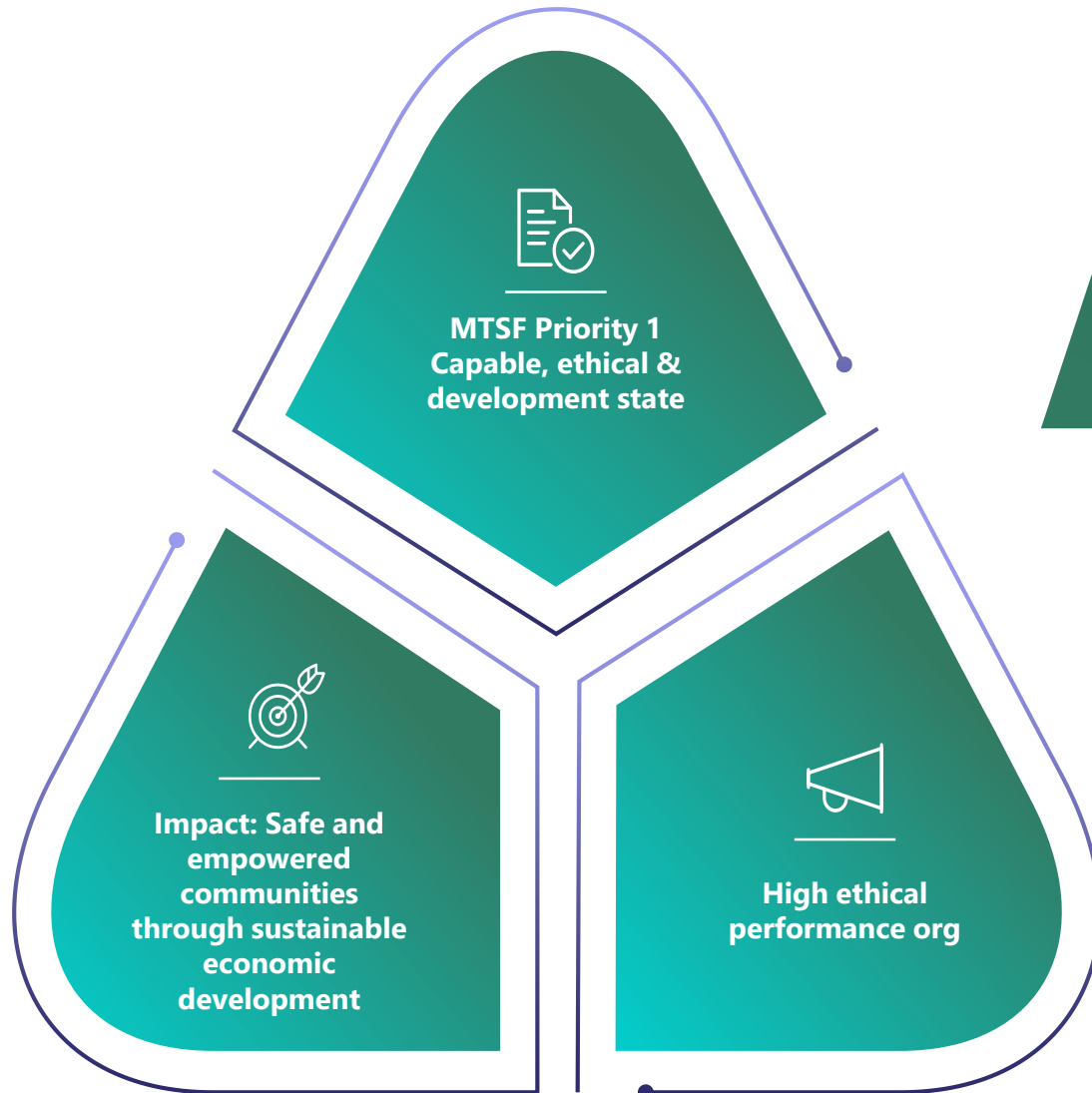
2021	2031	2041	2051	2068
<ul style="list-style-type: none">• Revised, develop procurement policy and align with the current applicable legislation.• Draft training policy that is align with personal development of staff within Branch Finance.	<ul style="list-style-type: none">• Appoint budget management and train them in line with implement compliance with laws and reliable financial reporting• Engagement with NT to review current procurement and payment systems to be in line AFS reporting	<ul style="list-style-type: none">• The projection must be clearly linked with the budget item• Qualitative spending with insignificant underspending	<ul style="list-style-type: none">• Fully compliance with laws and reliable financial reporting• Qualitative spending with insignificant underspending• Reliable financial reporting	<ul style="list-style-type: none">• Fully compliant with financial reporting

CONTRIBUTION TO DELIVERY PRIORITIES

Engage NT to speed up the procurement bill

Align procurement policy with NDP (that state procurement must be used to create employment opportunities for previously disadvantaged individuals)

MTEF Plans



Annual Performance Plan Indicators

1. Audit outcome
2. Business case for revenue generation and retention mechanism
3. % of tenders above R30 million awarded to designated groups



Annual Operational Plan Indicators

1. See slides on AOP



correctional services

Department:
Correctional Services
REPUBLIC OF SOUTH AFRICA

MTEF Plans (APP)

Level of Result	Indicator	Baseline 2021/22	Target 2022/23	Assumption/Enablers
Output (APP current) Clean Audit Outcome	Audit Outcome	Unqualified audit opinion with findings	Clean audit	Resources required with appropriate skills
	Draft Business case for revenue generation and retention mechanism	No data	Pilot of business case mechanism for revenue generation and retention	
	Percentage above 30 million awarded to designated group	0 %	30%	

MTEF Plans (AOP)

Level of Result	Indicator	Baseline 2021/22	Target 2022/22	Assumption/Enablers
Strategic Operational Outputs (how do we deliver the outcomes)	Review all bids above R20 million			
	Submit compliance report to National Treasury as per requirement in respect of Quarterly Procurement Plans			
	Uniform understanding of Procurement Legislation, Regulations, Policies and Procedures by all Procurement Officials			
	Cost savings through bid price negotiations			
	Embark in the investigation of assets that could not be found during verification process			
	Alignment of all inventory items information to be in line with Modified Cash Standards			
	Payment of invoices within 30 days in compliance with Treasury Regulations 8.2.3			
	Embark in the investigation of assets that could not be found during verification process			



MTEF Plans (AOP)

Level of Result	Indicator	Baseline 2021/22	Target 2022/22	Assumption/Enablers
Strategic Operational Outputs (how do we deliver the outcomes)	Reminder of contract expiring to End Users			
	Random monitoring of quality of coal			
	Random monitoring of bread (weighing)			
	Number randomly monitored management area bread contracts			
	Managed; monitored and planned contracts			
	Monitor compliance with monthly spending plans in order to prevent unauthorised expenditure or under expenditure above a quarter of a percent of the Voted funds			
	Monitor corrective measures taken for any projected unauthorised or under expenditure above a quarter of a percent of Voted funds			

MTEF Plans (AOP)

Level of Result	Indicator	Baseline 2021/22	Target 2022/22	Assumption/Enablers
Strategic Operational Outputs (how do we deliver the outcomes)	Coordinate fund shifts and reprioritisation of the current budget			
	Compilation and submission, in accordance with MCS, of monthly, quarterly and annual financial statements			
	Monitor monthly processing of payments within 30 days			
	Follow up monthly non-compliance exceptions above 1%			
	Monthly creditor reconciliation for PMTE, NHLS, Hospitals and Municipalities paid directly by DCS			
	Monitor the identification and taking on of debts			
	Monitor recovery of debts			
	Monitor the monthly write-offs of irrecoverable debts/losses and update database of debts/losses earmarked for write-off			



MTEF Plans (AOP)

Level of Result	Indicator	Baseline 2021/22	Target 2022/22	Assumption/Enablers
Strategic Operational Outputs (how do we deliver the outcomes)	Monitor the daily cash position of the department			
	Monitor daily BAS disbursements on Cash Blocking			



STRATEGIC RISKS

01

MTEF budget cuts on vote allocations to DCS – Start using current resources with available budget

Rating

02

Non Compliance to SCM Prescripts – Adherence to SCM policies and consequence management

Rating

03

High vacancy rate with Branch- filing of critical posts

Rating

Rating

Rating

Critical success factors

- Funding requests to be aligned to budgetary processes
- Spending in line with the allocated budget and the approved spending plans
- Timeous and quality financial reporting inputs
- Cut fruitless and wasteful expenditure
- Reduce irregular expenditure
- Management commitment to improvement of internal controls



THANK
YOU