

DEPARTMENT OF CORRECTIONAL SERVICES

ANNUAL REPORT

2016/2017

FINANCIAL YEAR

VOTE NO. 18

correctional services

Department:
Correctional Services
REPUBLIC OF SOUTH AFRICA



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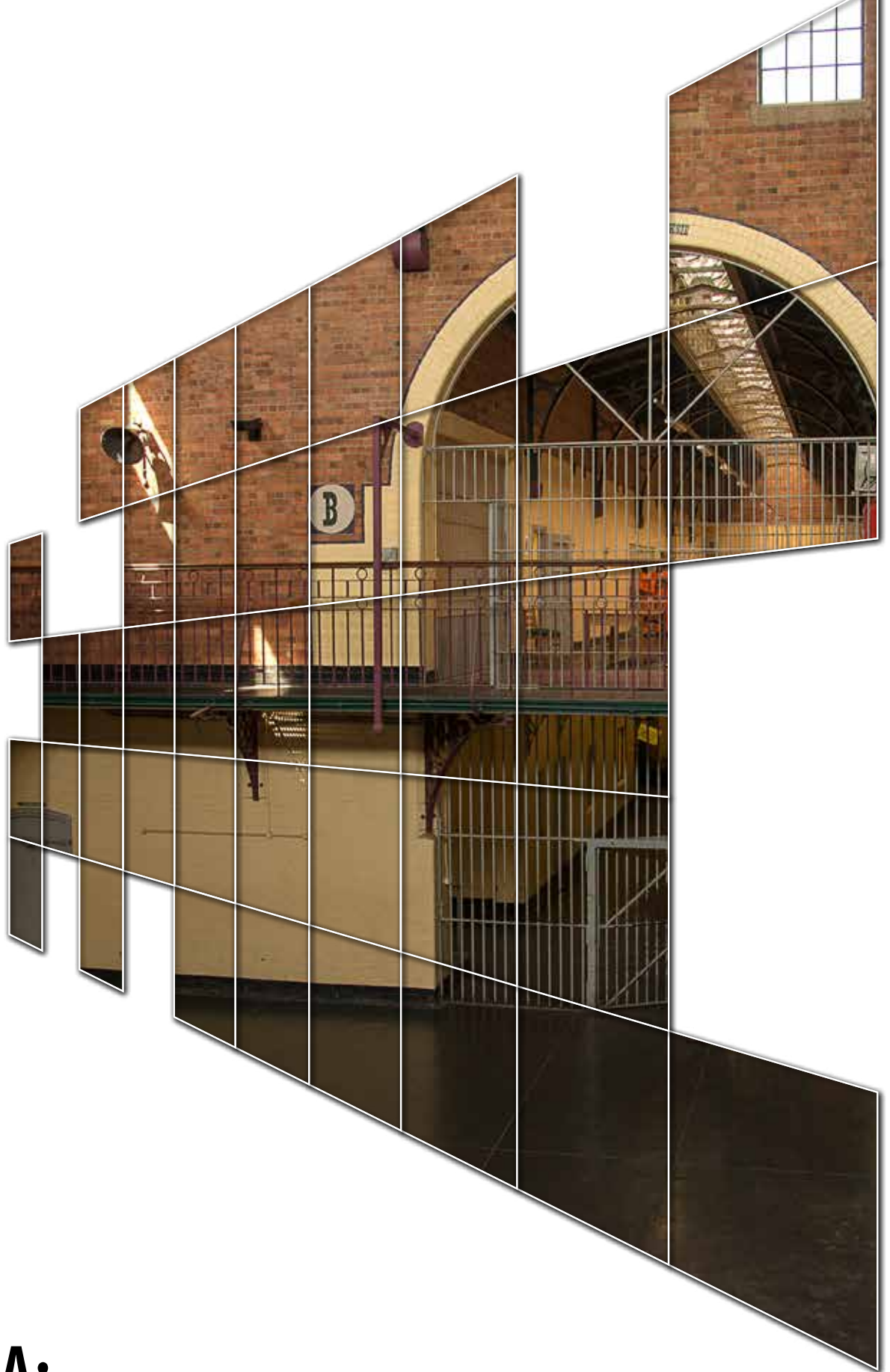
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PART A:

GENERAL INFORMATION

1. DEPARTMENT GENERAL INFORMATION

Table 1: Department General Information

DEPARTMENT OF CORRECTIONAL SERVICES	
NATIONAL DEPARTMENT (HEAD OFFICE)	
POSTAL ADDRESS	PHYSICAL ADDRESS
Private Bag X136 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 X142 PRETORIA 0001 Tel: (012) 306 2000	Corner Paul Kruger & Johannes Ramokhoase Streets PRETORIA 0002
FREE STATE/NORTHERN CAPE	
POSTAL ADDRESS	PHYSICAL ADDRESS
Private Bag X20530 BLOEMFONTEIN 9300 Tel: (051) 404 0209	103 Agrimed Building BLOEMFONTEIN 9300
KWAZULU-NATAL	
POSTAL ADDRESS	PHYSICAL ADDRESS
Private Bag X9126 PIETERMARITZBURG 3200 Tel: (033) 342 6965	25 College Road PIETERMARITZBURG 3201
EASTERN CAPE	
POSTAL ADDRESS	PHYSICAL ADDRESS
Private Bag X9013 EAST LONDON 5200 Tel: (043) 722 1090	Ocean Terrace Office Block B Moore Street Quigney EAST LONDON 5200

WESTERN CAPE	
POSTAL ADDRESS	PHYSICAL ADDRESS
Private Bag X1 EDGEMEAD 7404 Tel: (021) 550 6077	Breede River Street Monte Vista CAPE TOWN 7460
GAUTENG REGION	
POSTAL ADDRESS	PHYSICAL ADDRESS
Private Bag X393 PRETORIA 0001 Tel: (012) 420 0102	1077 Forum East Building Arcadia Street Hatfield PRETORIA 0001

2. LIST OF ABBREVIATIONS/ACRONYMS

A & R	Admission and Releases
AET	Adult Education and Training
AGSA	Auditor-General South Africa
AIDS	Acquired Immune Deficiency Syndrome
APP	Annual Performance Plan
ART	Antiretroviral Therapy
ATP	Awaiting Trial Person
CCTV	Closed Circuit Television
CEU	Code Enforcement Unit
CJS	Criminal Justice System
CMC	Case Management Committee
CPA	Criminal Procedure Act
CPI	Consumer Price Index
CRA	Continuous Risk Assessment
CSP	Correctional Sentence Plan
CSPB	Correctional Supervision and Parole Board
DAC	Department of Arts and Culture
DCS	Department of Correctional Services
DHA	Department of Home Affairs
DHET	Department of Higher Education and Training
DIU	Departmental Investigation Unit
DPME	Department of Performance Monitoring and Evaluation
DPSA	Department of Public Service and Administration
DPW	Department of Public Works
EC	Eastern Cape
EM	Electronic Monitoring
ENE	Estimates of National Expenditure
FET	Further Education and Training
FS/NC	Free State and Northern Cape
GCIS	Government Communication Information System
GITO	Government Information Technology officer
GPSSBC	General Public Service Sector Bargaining Council
HCT	HIV Counselling and Testing
HDI	Historically Disadvantaged Individuals
HIRA	Hazard Identification and Risk Assessment
HIV	Human Immunodeficiency Virus
HR	Human Resources
HRD	Human Resource Development
ICASA	Independent Communications Authority of South Africa
ICCV	Independent Correctional Centre Visitors
ICT	Information and Communication Technology
IEHW	Integrated Employee Health and Wellness
IIMS	Integrated Inmate Management System
IPC	Infection Prevention and Control

ISS	Integrated Security System
IYM	In-Year Monitoring
JCPS	Justice, Crime Prevention and Security
JICS	Judicial Inspectorate of Correctional Services
KZN	KwaZulu-Natal
LAN	Local Area Network
LMN	Limpopo, Mpumalanga and North-West
M&E	Monitoring and Evaluation
MERSETA	Manufacturing, Engineering and Related Services Sector Education and Training Authority
MOU	Memorandum of Understanding
MPAT	Management Performance Assessment Tool
MTEF	Medium-Term Expenditure Framework
MTSF	Medium-Term Strategic Framework
NEEC	National Efficiency Enhancement Committee
NDP	National Development Plan
NOC	National Operating Committee
NPO	Non-Profit Organisation
OSD	Occupation Specific Dispensation
PAIA	Promotion of Access to Information Act
PAJA	Promotion of Administrative Justice Act
PFMA	Public Finance Management Act
PPP	Public-Private Partnerships
RMC	Risk Management Committee
RMU	Risk Management Unit
RD	Remand Detainee
SAPS	South African Police Service
SASSETA	Safety and Security Sector Education and Training Authority
SCM	Supply Chain Management
SCOPA	Standing Committee on Public Accounts
SDIP	Service Delivery Improvement Plan
STATSSA	Statistics South Africa
SMS	Senior Management Service
SRAC	Sport, Recreation, Arts and Culture
STI	Sexually Transmitted Infection
TB	Tuberculosis
TVET	Technical and Vocational Education and Training
UTT	Universal Test and Treat
VOD	Victim Offender Dialogue
VOIP	Voice Over Internet Protocol
VPN	Vertical Private Network
VOM	Victim Offender Mediation
WC	Western Cape
WSP	Workplace Skills Plan

3. FOREWORD BY THE MINISTER



Advocate Michael Masutha, MP

Minister of Justice and Correctional Services

It gives me great pleasure to present the Department of Correctional Services (DCS) 2016/2017 Annual Report. The report covers the Department's achievements recorded during the 2016/2017 financial year in line with its mandate as derived from the Correctional Services Act (Act 111 of 1998, as amended), the Constitution of the Republic of South Africa, the National Development Plan (NDP) Vision 2030, and the Medium-Term Strategic Framework (MTSF) 2014–2019. In contributing to a just, peaceful and safer South Africa as prescribed in Chapter 12 and 14 of the NDP, the DCS has noted progress in line with the three identified Strategic Outcome-Oriented Goals which are, namely:

- The need to ensure an effective criminal justice system, through the efficient management of remand processes. The Department continues to ensure that remand detainees are held under secure, safe and humane conditions, conducive

for participation in court processes.

- The Department's commitment to ensure that society is protected, through incarcerated offenders being secure and rehabilitated, is also ongoing.
- The provision of services and interventions that contribute to the rehabilitation and reintegration of offenders back into communities as law abiding citizens will still be prioritised.

Some achievements have been made in technology infrastructure modernisation and systems integration. The challenges in the Criminal Justice System have motivated us to come up with innovative ideas with regard to the integrated approach to systems and processes in the Justice, Crime Prevention and Security (JCPS) cluster. Rollout of the Integrated Inmate Management System (IIMS) has commenced at two of the Kgoši Mampuru II Management Area Remand Detention Facilities where 2 600 offenders have been captured. IIMS is powered by biometric identification technology that enables the Department to efficiently process inmate admission and release with less manual intervention.

The DCS continues to provide a comprehensive package of health services (nutrition and hygiene services, pharmaceutical services and primary health care) to the inmate population. In contributing towards the fight against the spread of infectious diseases such as Tuberculosis (TB) in DCS facilities, the Department achieved a TB cure rate of 83% (1 034/1 250) for offenders which is below the set target of 85%. The lower achievement is attributed to the challenges experienced with obtaining treatment outcomes when offenders are released from correctional centres e.g. offenders lost to follow-up after release. However, DCS will continue to collaborate with stakeholders including the National Department of Health, districts and sub-districts for continuity of care in ensuring that treatment outcomes for TB are obtained. In strengthening the fight against the Human Immunodeficiency Virus (HIV) epidemic, the Department managed to put on treatment 98% (24 506/25 042) of those who tested positive against the set target of 98%.

Overcrowding is still one of the major inherent challenges that the Department is faced with due to a continuous increase in the inmate population within DCS correctional centres. It should, however, be noted that overcrowding is an international phenomenon

that has a long history of insufficient accommodation, inappropriate and ageing infrastructure, as well as growing or high levels of incarceration and South Africa is no exception. Fundamentally, the challenge of overcrowding hampers the Department from effectively carrying out its mandate – that of rehabilitating offenders and facilitating their reintegration into society. This is evident in the reports upon inspection conducted by the Public Service Commission (PSC) and judges of the Constitutional Court who have observed non-compliance with minimum standards for the incarceration of offenders (the Mandela Rules, as they have been renamed by the United Nations) and other conditions. It must be noted however that other factors contributing to overcrowding are internal in nature, and have to do mainly with the Department's inability to speedily address management inefficiencies. Hence, a judgement by the Western Cape Division of the High Court ordered the Department to reduce overcrowding (which was way above the regulated accommodation capacity) at Pollsmoor Correctional Centre as this was posing serious health and security risks. The Department, together with the JCPS cluster and the Judiciary, are among other interventions, implementing a multi-pronged strategy towards reducing overcrowding. This strategy focuses mainly on the diversion of remand detainees, propagating for non-custodial sanctions/alternatives to imprisonment, consideration of sentenced offenders for parole or correctional supervision, the provisioning of additional accommodation, the even spreading of offenders and optimal use of correctional supervision.

We are indeed on track to transform prisons into effective rehabilitation centres, and for this to be successful we have formed partnerships with our counterparts in government and civil society. To this extent, the Department has successfully formalised partnerships with state agencies, Non-Profit Organisations (NPOs), academic institutions and other relevant external stakeholders to assist with developing and implementing rehabilitation programmes while incarcerated as well as enhance the employability of parolees and probationers through training in Information and Communication Technology (ICT), veld firefighting, building and civil construction and carpentry.

The above efforts contribute in achieving the offender labour trajectory that prepares offenders for possible employability beyond serving their sentences and placement on parole. I have challenged the Department to effectively utilise the skills gained by offenders and parolees in our maintenance programme to enable us

to reduce maintenance costs. I have also emphasised that these skills should benefit society at large through offenders and parolees playing a meaningful role in maintaining and upgrading public infrastructure where possible, as part of their efforts towards restorative justice and we believe these efforts can also facilitate reintegration into society. I have consistently invited communities through their leaders during public outreach activities/Izimbizo to engage the Department to access offender labour. One of the interventions that we use as a vehicle to foster reconciliation between the offenders and the offended is victim participation through the different Restorative Justice mechanisms. We have infused this mechanism as one of the factors during the process to consider application for parole by inmates who are eligible at any point. This creates a platform for offenders and their victims/communities to talk about the impact/damage of the crime committed. This approach is an attempt to ensure that as we reintegrate offenders back into their communities, and that people are and feel safe. Currently, of the 9 000 target set for victim participation in the year under review, 9 886 victims participated in the Restorative Justice programmes.

At a broader level, the performance of the Department has improved especially in those areas which have historically been challenging, arising out of the interventions of the management team. Noteworthy is the area of performance information which the Auditor-General of South Africa (AGSA) has finally endorsed as being reliable and useful (largely) leading to an overall improvement in the audit performance of the vote. However, I am not satisfied with the final outcome of the audit exercise which is a qualification with findings, contrary to the 2015/16 financial year when the Department attained an unqualified audit opinion with findings. The qualification in this instance therefore represents a regression. I have directed the management team to reverse this situation.

The AGSA has identified the lack of consequence management for poor performance as a root cause to be addressed. It is clear, based on this recommendation that management has to address internal capacity constraints which may have contributed to the poor quality of work, irregularities in how work is performed, non-compliance with prescripts, norms and standards etc. The inability of the Department to perform functions effectively and efficiently hampers it to carry out its mandate as legislated. The situation is further compounded by the dire economic circumstances which resulted in government having to introduce stringent cost containment measures. The latter is

impacting negatively on our efforts to raise the bar in the provision of services informed by our mandate.

I remain committed to the uprooting of reported alleged fraud and corruption in the Department as can be evidenced by my referral to the Special Investigating Unit (SIU) of at least two matters in which investigations have been concluded and the implementation of the recommendations is underway.

The recorded improvements and achievements would not have been possible had it not been for the close scrutiny of our work by the oversight structures in Parliament like the Portfolio and Select Committees, the Standing Committee on Public Accounts (SCOPA) and Standing Committee on Appropriation (SCOA). The continuous support and leadership provided by the Deputy Minister responsible for Correctional Services, Mr Thabang Makwetla is noteworthy, so is the retired National Commissioner Mr ZI Modise and his management team and the entire staff of DCS. Their effort and commitment has not gone unnoticed.



Advocate Michael Masutha, MP

Minister of Justice and Correctional Services







4. REPORT OF THE ACCOUNTING OFFICER



Mr ZI Modise

National Commissioner
Department of Correctional Services

Apart from the Administration Programme, the Department of Correctional Services is made up of four service delivery programmes which are Incarceration, Rehabilitation, Care and Social Reintegration. DCS has structures in six Regions headed by six Regional Commissioners, which are namely: Eastern Cape (EC); Free State/Northern Cape (FSNC); Gauteng; KwaZulu-Natal (KZN); Limpopo/Mpumalanga/North West (LMN) and Western Cape (WC) and all consist of 46 management areas and 243 correctional centres.

The Department of Correctional Services continues to implement vibrant reforms in pursuit of shaping our correctional system and moving from the previous apartheid setup where main approach was to instil harsh punishment, to the new approach of rehabilitation through promotion of social responsibility and enhancement of human development for offenders to avoid repeat offending, while at the same time creating a safer South Africa where everyone is protected.

In an effort to support the rehabilitation and developmental programmes, filling of funded vacant posts was an important priority during the year under review, to ensure adequate delivery of services. As at the 31 March 2017, the Department post establishment was at 41 994 with 39 259 positions filled while 2 735 were vacant. The vacancy rate has been reduced from 9% in the 2015/2016 financial year to 6.5% in the 2016/2017 financial year. The commitment by the Department to intensify recruitment measures and ensure that vacant positions are filled without delay has resulted in the appointment of 2 825 permanent officials against 1 193 which reflects the total number of terminations for permanent officials. The appointment of permanent officials has contributed to the organisational stability and improved capacity to deliver on critical services.

The Department has continued with the implementation of Operation Hira/Thola/Thapa/Qasha across various Regions and 92 appointments were finalised, which has contributed to maintaining stability within the scarce skills occupations. The Department has also entered into an MOU with the Department of Health as a service provider for the community service of Psychologists and Pharmacists. As at 31 March 2017, a total of 2 017 learners were declared competent, of which 1 868 were appointed permanently into the Department. A further 1 145 learners will be appointed into permanent posts as and when vacant posts become available.

The Department was able to resolve the long outstanding matter of the 2nd Phase of the Occupation Specific Dispensation (OSD) for correctional officials by signing a settlement agreement with labour which gave effect to the implementation of a revised salary structure owing to recognition of experience.

Overcrowding within correctional centres makes it difficult for the country to guarantee conditions of detention that are consistent with human dignity, including at least exercise and the provision of adequate accommodation, nutrition, reading material and medical treatment. During the year under review, correctional centres were on average 35% overpopulated, whilst a number of individual centres were more than 100% overpopulated.

The coordination within the criminal justice cluster has improved and continues to impact positively on the work of Correctional Services. Collaboration between criminal justice partners has resulted in continued down management of remand detainees, which remained one of the DCS's main areas of focus.

In addressing overcrowding through creation of additional bed spaces, I am pleased with the improved engagements between myself and the Director General of Department of Public Works (DPW). With the shrinking budget affecting all Departments, I look forward to seeing more efficiency aligned programmes that will reduce costs of maintaining and managing facilities. The urgency of creating additional bed space by building new generation correctional centres is upon us and a properly structured model of implementation of this goal must be pursued without any further delays. During the year under review, we created a total of 407 beds spaces through the upgrading of facilities and we expect the numbers to increase as we complete more projects.

Cost containment

In the light of continued budgetary pressures, I have implemented, in addition to prescribed measures by the National Treasury, stringent cost containment measures to mitigate the risk of limited funding for goods and services as follows:

- Negotiation of prices prior to awarding of contracts, which has yielded savings amounting to R34 million over the next Medium-Term Expenditure Framework (MTEF) period
- The Department has video-conferencing facilities across all management areas, regional offices and head office which is cost effective and the Department has been utilising such facilities to hold meetings. Ceilings have also been set on official kilometres that may be travelled by officials in order to encourage utilisation of cost effective methods of communication

- Embargo on acquisition of machinery and equipment was implemented and to be extended over the 2017 MTEF

Future cost containment measure include amongst others the following:

- Review of all planned infrastructure projects which have not commenced in order to manage budgetary shortfalls
- Entering into multi-year contracts for repetitive requirements to take advantage of economies of scale

Overview of the Financial Results of the Department:

During the period under review, the final appropriated budget was R21.580 billion and actual expenditure was R21.542 billion (99.8%) resulting in under expenditure of R38.017 million (0.2%). The under spending is mainly ascribed to vacancies in Programme Incarceration and Programme Rehabilitation.

The challenges experienced during the 2016/2017 financial year was due to limited budgetary allocation for goods and services as a result of continued baseline reductions. This was mainly in relation to outsourced nutritional services under Programme Care and; municipal service charges under Programme Incarceration. Sub-programme Nutritional Services under Programme Care exceeded its goods and services budget by R97.359 million (7.2%), whereas Sub-programme Facilities under Programme Incarceration exceeded its budget allocation by R141.306 million (3.6%).

Over the MTEF period, the Department shall experience continued budgetary pressures on Compensation of Employees due to its obligation to honour Occupational Specific Dispensation for correctional officials.

Budgetary pressures will be mitigated through aggressive cost containment measures as alluded to above.

DEPARTMENTAL RECEIPTS

Table 2: Departmental receipts

Departmental receipts	2016/2017			2015/2016		
	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
Sale of goods and services other than capital assets	57,498	60,016	(2,518)	48,478	56,028	(5,200)
Transfers received	-	2 250	-	-	-	-
Fines, penalties and forfeits	19,300	21,757	(2,457)	20,900	20,087	813
Interest, dividends and rent on land	180	215	(35)	350	322	28
Sale of capital assets	7,500	15,998	(8,498)	4,000	7,305	(3,280)
Financial transactions in assets and liabilities	46,500	47,249	(749)	50,709	45,575	5,134
Total	130,978	147,485	(16,507)	124,437	129,317	(2,505)

Departmental revenue comprises mainly of sale of goods and services, commissions on insurance and garnishee orders, court fines, sale of capital assets (scrapped assets), and rental income from letting of residential accommodation to personnel as well as collection of monies from debtors. Other goods sold by the Department are mainly products manufactured or produced at production and agricultural workshops.

It is my responsibility to continue reviewing tariffs on products and services on an annual basis, and adjusted by inflation in line with Consumer Price Index (CPI) as determine by National Treasury.

During the period under review, the Department collected revenue amounting to R147.5 million against an estimate or target of R130.9 million. The Department exceeded its target due to sale of capital assets.

Long outstanding debts amounting to R7.358 million have been written off after an assessment indicated that the likelihood of recovery is remote.

PROGRAMME EXPENDITURE

Table 3: Programme Expenditure

Programme Name	2016/2017			2015/2016		
	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
Administration	3,879,599	3,879,599	-	4,015,015	4,015,015	-
Incarceration	13,423,945	13,388,093	35,852	12,464,955	12,465,076	(121)
Rehabilitation	1,187,826	1,185,661	2,165	1,129,139	1,129,139	-
Care	2,235,094	2,235,094	-	2,088,481	2,088,481	-
Social Reintegration	853,727	853,727	-	890,964	890,964	-
Total	21,580,191	21,542,174	38,017	20,588,554	20,588,675	(121)

VIREMENTS/ROLL OVERS

In line with section 43 of the Public Finance Management Act and Treasury Regulation 6.3.1, all virements and shifting of funds for 2016/2017 financial year were approved by the Accounting Officer and also reported to the National Treasury and the Executive Authority.

Administration

A net increase of R3.405 million was mainly due to funds shifted to this Programme from savings realised on Programme Incarceration under Households to Fund Transfers and Subsidies mainly on item Departmental Agencies and Accounts due to the delayed annual payment for 2015/2016 to the Safety and Security Sector Education and Training Authority (SASSETA) which was not linked to DCS bank account for the skills development levy.

Incarceration

A net decrease of R277,570 million was mainly under Compensation of Employees due to funds shifted to Programmes Rehabilitation; Care and Social Reintegration under Compensation of Employees to cover the shortfalls realised as a result of performance bonuses relating to 2014/2015 financial year but due to unavailability of funds in the 2015/2016 financial year, the performance bonuses were only paid during the 2016/2017 financial year. The other savings under this item was used to address shortfalls realised on Goods and Services under Programme Administration and Programme Care.

Rehabilitation

A net decrease of R31,763 million was mainly on Machinery and Equipment due to savings realised as a result of an embargo implemented on procurement of capital assets to defray excess expenditure on Goods and Services under Programme Care to fund nutritional services for inmates.

Care

A net increase of R259,978 million was mainly due to funds shifted to this Programme due to savings realised on Compensation of Employees under Programme Incarceration to fund shortfalls realised on Compensation of Employees as well as Goods and Services to fund nutritional services for inmates.

Social Reintegration

A net increase of R45,950 million was mainly due to funds shifted to this Programme under Compensation of Employees from savings realised under Programme Incarceration under Compensation of Employees.

UNAUTHORISED EXPENDITURE

No unauthorised expenditure was incurred in the year under review.

QUALIFIED AUDIT OPINION

For the 2016/2017 financial year, AGSA expressed a qualified audit opinion. The basis for the qualified audit opinion was that the Department did not disclose in its 2016/2017 Annual Financial Statements the immovable capital work-in-progress as required by Modified Cash Standards (MCS) paragraph .98; which is a new disclosure requirement in 2016/2017 financial year. Paragraph 98 of MCS requires that as part of the disclosure of secondary financial information with regards to immovable assets, a Department disclose in the note with regards to immovable capital assets showing the following:

- i) the cost at the beginning and end of the period
- ii) where applicable, prior period error
- iii) additions; and
- iv) disposals

The Department largely uses the Department of Public Works (DPW) as its implementing agent for most of the capital works projects. The accounting model used, is that after the Department has identified the need, DPW does all the planning and design, procurement processes up to payment of service providers and claims back from the Department all expenses incurred for both professional services (consultants) and contractors. All supporting documents are kept by DPW and only schedules of projects (PACE document) indicating amounts spent per project together with an inter-Departmental claims (Z59) are submitted to the Department for payment. The accounting arrangement between DPW and client Departments is in line with National Treasury Practice Note No. 6 of 2006/2007, which clearly indicates that Property Management Trading Entity (PMTE) which is the trading entity of DPW, shall be responsible for safe-keeping of all invoices and any other supporting documentation for audit purposes and that auditing of the said invoices and supporting documentation shall be conducted at the PMTE only. The aforementioned

National Treasury practice note has not yet been amended to be aligned to the new MCS requirements.

During the audit process, AGSA questioned the reliability of PACE document; which is the only source document that the Department can use to develop the immovable capital registers, for both work-in-progress and completed projects.

The Department approached National Treasury (Accountant-General) during the audit, for consideration of a late postponement of the effective date of disclosure of capital work-in-progress to 1 April 2017, and that Treasury should then extensively workshop Departments with huge infrastructure spending, as the Department had serious challenges with regard to disclosure and PACE as a source document and was facing a qualified audit opinion. National Treasury did not grant the request.

Given the above, the Department took a decision not to disclose the immovable capital for both work-in-progress and completed projects as these have been disclosed by PMTE who has all supporting documentation and subject to audit by AGSA.

It should be mentioned that PMTE prepares financial statements and discloses all capital works-in-progress and completed immovable projects for government Departments.

UNAUTHORISED EXPENDITURE

No unauthorised expenditure was incurred in the year under review.

FUTURE PLANS OF THE DEPARTMENT

The Department is operating in six Regions and plans to reconfigure itself into nine provinces in order to be in line with the current provincial setup of the country.

PUBLIC PRIVATE PARTNERSHIPS

The Department has two Public-Private Partnership (PPP) correctional centres in both LMN and FS/NC regions, namely, Kutama Sinthumule Correctional Centre in LMN and Mangaung Correctional Centre in FS/NC region.

DISCONTINUED ACTIVITIES

There were no activities that were discontinued.

SUPPLY CHAIN MANAGEMENT

No unsolicited bids were received. Supply chain processes and systems are in place to prevent irregular expenditure. Where, in exceptional cases, irregular expenses occur, systems are in place to identify and report these.

In the previous financial years, Supply Chain Management (SCM) experienced challenges on its internal controls in relation to bidding processes and procedures which needed to be strengthened. However, I feel proud to indicate that in the financial year under review, the Department has strengthened and enhanced the internal controls of procurement processes, procedures and contract management to prevent reoccurrence of cases of irregular expenditure by implementing bid reviews prior to award, standardisation of special conditions of contract for perishable and non-perishable food items, standardisation of Bid Evaluation Committee reports, centralisation of signing of contracts exceeding R3 million, and internal audit reviews of bids exceeding R20 million. In strengthening the bid review processes for the year under review, the Department has been reviewing terms of reference or bid specifications, monitoring and evaluating bidding processes and conducting due diligence on outcomes of bid evaluation processes and issuing a compulsory compliance certificate to the respective Bid Adjudication Committees.

GIFTS AND DONATIONS RECEIVED IN-KIND FROM NON-RELATED PARTIES

Table 4: Gifts and Donations received in-kind

Animals	30
Sport and recreation	16
Computer equipment and software	2 270
Books	535
Food and related products	19
Toiletries	8
Electrical appliances	689
Toys, baby accessories and recreation	53
Accommodations	
Stationary	2
Other	577
TOTAL	4 199

Table 5: Gifts and Donations made in-kind

Nature of Donation	Amount (R'000)
Books and Medicine	9
Sub-total	9

EXEMPTIONS AND DEVIATIONS RECEIVED FROM THE NATIONAL TREASURY

There were no exemptions or deviations requested from National Treasury.

EVENTS AFTER THE REPORTING DATE

There are no adjusting or non-adjusting events that occurred after the reporting date and before approval of the Annual Financial Statements.

I would like to thank and acknowledge the strategic direction and guidance provided by our Executive Authority, the Honourable Minister of Justice and Correctional Services, Advocate Michael Masutha and the Deputy Minister Mr. Thabang Makwetla. All the valuable contributions, support and commitment are appreciated.



Mr ZI 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 is 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 (HR) 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 2017.

Yours faithfully



Mr ZI 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
- Dis-association 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
- 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 111 of 1998

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 (ICCV); repeal and amendment of certain laws and matters connected therewith.

Criminal Procedure Act 51 of 1977

The following parts of the Criminal Procedure Act (CPA), 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 utilisation 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.

Child Justice Act 75 of 2008

The aim of the Child Justice Act (CJA) is to set up a child justice system for children in conflict with the law. It represents a rights-based approach to children accused of committing crimes. However, it also seeks to ensure children's accountability and respect for the fundamental freedoms of others, and, through the use of diversion, alternative sentencing and restorative justice, will seek to prevent crime and promote public safety.

Section 96(3) of the CJA requires the Minister of Justice and Correctional Services to table in Parliament the annual progress reports received from the partner departments, including the DCS. The consolidated Child Justice Annual Report is presented for adoption to the Inter-Ministerial Committee before submission to Parliament. The consolidated report covers inter-departmental performance for a financial year (1 April to 31 March) and will be accompanied by individual Departmental Annual Reports. The Department summarised its role and responsibilities in the policy document "Implementation Framework Child Justice Act (CJA)" which guides different functional units in

the implementation of the provisions that are relevant to DCS, and also guides the preparation of Annual Reports.

The Promotion of Administrative Justice Act 3 of 2000

The aim of the Promotion of Administrative Justice Act (PAJA) is to make the administration effective and accountable to people for its actions. Together with the Constitution, it embraces the principles of and promotes South African citizens' right to just administration. In terms of the Act, the DCS has a responsibility to provide fair and equitable administration of justice.

The National Health Act 61 of 2003

This Act aims to give effect to the rights set out in the Constitution by providing a framework for a structured and quality uniform health system in South Africa. It recognises that no person may be refused emergency medical treatment and that everyone has the right to an environment that is not harmful to his/her health. The Department must ensure that health care is available to all inmates.

The Mental Health Care Act 17 of 2002

The purpose of the Act is to regulate mental health care so that the best possible treatment and rehabilitation services are made available to citizens. The Act aims at coordinating accessibility to services and to make sure that mental health care services become a part of the general health system. The Act regulates access to services for voluntary, assisted and involuntary patients, state patients and mentally ill inmates. The Act sets out the rights and duties of patients and providers, and explains how the property of mentally ill persons may be dealt with in a court of law. The Department is enjoined to ensuring that all mentally ill inmates are treated in accordance with the Act.

Prevention and Combatting of Torture of Persons Act 13 of 2013

The aim of the Act is to protect all people from all forms of torture by the state; to give meaning to safe custody to all inmates in correctional facilities; and to provide for torture as a criminal offence.

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
- Assume responsibility for the promotion of public safety by 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) is relevant to the mandate on remand detention and is consistent with the Correctional Matters Amendment Act (5 of 2011) and other relevant national and international legislation and protocols. The Department has commenced with the operationalisation of the White Paper on Remand Detention Management through the development of the over-arching departmental policy and procedure manuals.

National Development Plan Vision 2030

The National Development Plan Vision 2030 has been instrumental in determining the desirable outputs that inform the key performance indicators crafted by the Department. The Department contributes mainly to Outcome 3: “All people in South Africa are and feel safe”. The vision of the NDP for this outcome is to ensure that by 2030, people living in South Africa feel safe at home, at school and at work, and enjoy a community life free of fear. For the Criminal Justice System to realise the NDP Vision 2030, attention will be paid to reducing levels of contact crime, ensuring an efficient and effective criminal justice system, ensuring that South Africa’s borders are effectively defended, protected, secured and well managed, securing cyberspace, ensuring domestic stability and securing the identity of all persons in South Africa. The Medium-Term Strategic Framework (MTSF) 2014-2019 reflects the commitments made to implement the NDP. The Department also identified and prioritised relevant performance indicators to contribute towards delivering the objectives contained in the NDP.



8. ORGANISATIONAL STRUCTURE

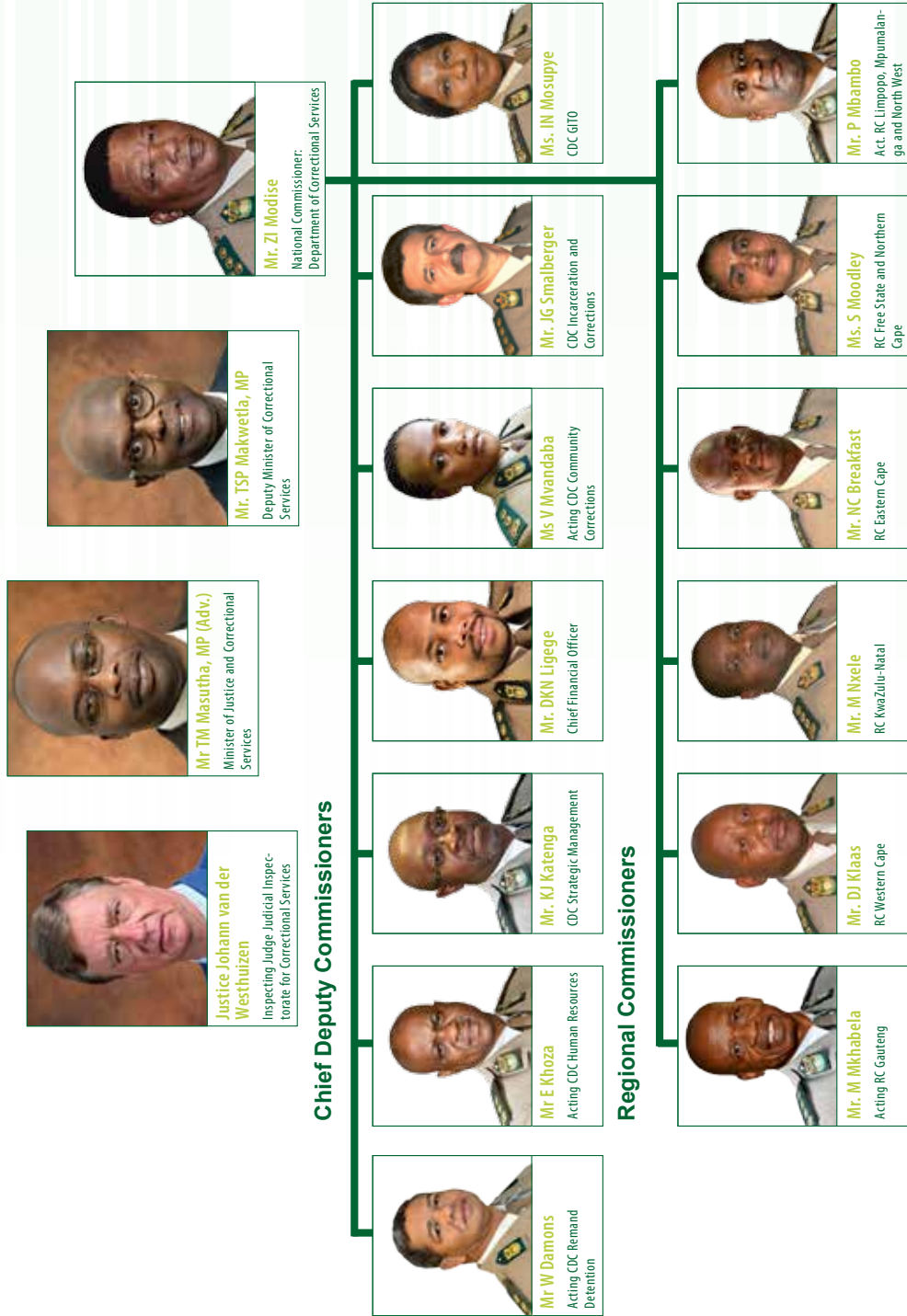


Figure 1: Organisational Structure

9. ENTITIES REPORTING TO THE MINISTER/MEC

There are no entities reporting to the Department.



PART B:

PERFORMANCE INFORMATION

1. AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The Auditor General South Africa (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 pre-determined objectives is included in the report to management, with material findings being reported under the Pre-determined Objectives heading on the other legal and regulatory requirements section of the auditor's report.

Refer to pages 115-119 of the Report of the Auditor-General, published as Part E: Financial Information.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1. Service Delivery Environment

Information obtained from the databank reveals that the DCS had 1 615 remand detainees (RDs) who were in detention for longer than two years on 31 March 2017. These RDs constituted less than 4% of the RD population.

Table 6: Management Area and Correctional Centres as at 31 March 2017

Region	Number of management areas	Number of correctional centres		
		Number of centres temporarily closed	Number of active centres	Total number of centres
Eastern Cape	6	1	44	45
Gauteng	8	1	25	26
Free State/Northern Cape	7	-	48	48
KwaZulu-Natal	7	2	40	42
Western Cape	10	-	42	42
Limpopo/Mpumalanga/North West	8	2	36	38
Public-Private Partnership in FS/NC (1) and LMN (1)	-	-	2	2
Total	46	6	237	243

Table 7: Centres temporarily closed

Region	Reasons for Closure of Correctional Centres
Eastern Cape	Mount Ayliff closed due to repair
Gauteng	Kgosi Mampuru Maximum closed due to upgrading
KZN	Estcourt closed due to construction Glencoe closed due to repair
LMN	Geluk closed due to dilapidation Standerton Medium B closed due to upgrading

During the year under review, DCS had an average inmate population of 160 280 with an approved bed space of 119 134. DCS is still faced with a challenge of overcrowding in its correctional facilities. DCS accommodates both sentenced and unsentenced inmates within its facilities. The following table reflects the inmate population per region as at the end of the financial year.

Table 8: Total number of inmates as at 31 March 2017 per region

Region	Total Number of Sentenced Offenders			Total Number of Unsented Inmates			Total number of Inmates
	Males	Females	Total Number of Sentenced Offenders	Males	Females	Total Number of Unsented Inmates	
Eastern Cape	14 948	321	15 269	5 083	82	5 165	20 434
Gauteng	24 848	881	25 729	10 180	375	10 555	36 284
Free State & Northern Cape	18 122	298	18 420	4 971	68	5 039	23 459
KwaZulu-Natal	21 357	496	21 853	6 163	141	6 304	28 157
Western Cape	17 223	625	17 848	10 183	441	10 624	28 472
Limpopo, Mpumalanga and North West	17 778	358	18 136	6 024	88	6 112	24 248
TOTAL	114 276	2 979	117 255	42 604	1 195	43 799	161 054

The remand detainees were 43 646 on 31 March 2017 and constituted 27.10% of the total inmate population. The regions with the highest number of RDs were Western Cape and Gauteng and the regions with the lowest number of RDs were Free State, Northern Cape and Eastern Cape.

Table 9: Number of remand detainees per region as at 31 March 2017 - Source: Daily unlock

Remand Detention				
Region	Females	Males	Total	Percentage
EC	82	4 988	5 070	11.62%
Gauteng	375	10 176	10 551	24.17%
KZN	141	6 155	6 296	14.43%
LMN	88	6 003	6 091	13.95%
FSNC	68	4 946	5 014	11.49%
WC	441	10 183	10 624	24.34%
National	1 195	42 451	43 646	100

The children RDs were 110 on 31 March 2017 and constituted 0.25% of the RD population. The regions with the highest number of RD children were KwaZulu-Natal followed by Eastern Cape, and Free State/Northern Cape. The regions with the lowest number of RD children were LMN and Gauteng.

Table 10: Number of children in Remand Detention as at 31 March 2017 per Region

Children in Remand Detention				
Region	Females	Males	Total	Percentage
EC	0	32	32	29.09%
Gauteng	0	3	3	2.73%
KZN	2	34	36	32.73%
LMN	0	2	2	1.82%
FSNC	0	24	24	21.82%
WC	4	9	13	11.82%
National	6	104	110	100

Table 11: Average number of Sentenced Offenders per category and age group during 2016/17

Average number of Sentenced Offenders per category per age group during 2016/2017						
Children (Younger than 18 years)		Juveniles (18–20 years)		Youth and adults (21 years and older)		Total
Females	Males	Females	Males	Females	Males	Females/ Males
1	147	78	3 578	2 873	111 078	117 755

Table 12: Average number of inmates per financial years

The following table represents the average number of inmates in correctional facilities	Unsented Inmates			Sentenced Offenders			Average Inmate Population		
	Females	Males	Total	Females	Males	Total	Females	Males	Total
2012/13	988	44 742	45 730	2 392	102 486	104 878	3 380	150 608	153 968
2013/14	1 005	43 853	44 858	2 490	105 206	107 696	3 495	149 058	152 553
2014/15	1 048	41 029	42 077	2 867	112 197	115 064	3 915	153 226	157 141
2015/16	1 037	40 839	41 876	3 052	114 403	117 455	4 089	155 242	159 331
2016/17	1 128	41 397	42 525	2 952	114 803	117 755	4 080	156 200	160 280

Although the DCS was faced with a number of challenges, most Correctional Supervision and Parole Boards (CSPBs) were sufficiently staffed to deal with the cases received from Case Management Committees (CMCs), hence, the number of cases considered by Parole Boards exceeded the target set by 2%.

Since the introduction of Community Corrections, it has become a core component of the South African Criminal Justice System as it provides a useful and less costly alternative to incarceration. Community Corrections include activities such as supervision, community-based sanctions and services directed at offenders who have committed crimes and have been placed under supervision by the Court/Correctional Supervision and Parole Board/Commissioner.

There are currently 218 fully-fledged Community Corrections offices nationally serving respective communities with daily average of 69 703 parolees, probationers and awaiting trial persons (ATP) under the system of Community Corrections. These offices enable probationers and parolees to access Community Corrections services within communities where they reside. This ultimately contributed to a higher level of compliance to parole and correctional supervision conditions.

Table13: Average number of Community Corrections caseload per year

Description	Average caseload	Average caseload	Average caseload	Average caseload
	2013	2014	2015	2016
Parolees	49 597	50 175	51 963	52 453
Probationers	16 462	17 033	17 061	15 990
Awaiting Trial Persons	1 526	1 634	1 324	1 260
Total	67 585	68 842	70 348	69 703

The Department of Correctional Services has made strides in formalising partnerships with state departments such as the Department of Environmental Affairs in its Working on Fire and Working for Water programmes. Working on Fire is a South African government funded, multi-partner organisation, focused on an Integrated Fire Management and veld and wild fire fighting. Embedded in the Expanded Public Works Programme, the Working on Fire programme combines sound land management principles and best practice veld and wild fire fighting expertise with the need to create jobs and develop skills. Nationally, there has been a significant number of parolees and probationers that have been employed by Working on Fire for veld firefighting. The employment grants parolees an opportunity to provide an income for their families. It also contribute to curbing re-offending and the reduction of overcrowding within correctional centres. The project has run over the past five years and has created sustainable employment for parolees and probationers within the system of Community Corrections.

An Memorandum of Understanding (MOU) has been drafted with Working for Water to train and employ parolees and probationers in the cleaning of water and invasive alien plants that pose a direct threat not only to South Africa's biological diversity, but also to water security, the ecological functioning of natural systems and the productive use of land.

The DCS has formalised partnerships for training and job placement with Nunnovation Africa Foundation which trained ten parolees and probationers on Web Development and ICT. Five parolees who graduated were placed in companies such as Ma Afrika Skills Development for experiential learning.

2.2. Service Delivery Improvement Plan

The Department has completed a Service Delivery Improvement Plan (SDIP). The tables below highlights the service delivery plan and the achievements to date.

Table 14: Main services and standards

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
To provide offenders with educational programmes during their incarceration	Offenders	11 444 (As in Service Delivery Improvement Plan for 2015/2018)	12 108 (2016/2017) target	10 741 offenders attended educational programmes as per the daily programme attendance register. The number includes both offenders who attended Adult Education and Training (AET) and Further Education and Training (FET) programmes
Correct offending behaviour by providing sentenced offenders with needs-based correctional programmes	Offenders	64% (61 049 / 95 198) (As in Service Delivery Improvement Plan for 2015/2018)	72% (76 632 / 106 433) (2016/2017) target	77% (80 960 / 104 740)

Table 15: Batho Pele arrangements with beneficiaries (Consultation access etc.)

Current/actual arrangements	Desired arrangements	Actual achievements
Consultation	Consultation with inmates on their complaints and requests Consultation with all relevant stakeholders in provision of rehabilitation and social reintegration programmes	<ul style="list-style-type: none"> An Ex- offender conference was held Inmates were assisted with their complaints and requests Consultation with our stakeholders and clients was mainly conducted through the Izimbizo, Youth Summits and Victim Offender Dialogues
Information	Information on the mandate/ service of the Department must be available on the DCS website	<ul style="list-style-type: none"> All inmates admitted to DCS facilities are orientated and provided with information on admission <ul style="list-style-type: none"> 10 Deputy Information Officers (at level of Chief Deputy Commissioner) were appointed, they are the delegated authority to deal with all Promotion of Access to Information Act (PAIA) requests Corrections @ Work is published to share information with all officials In some Regions and management areas, talks were held on local radio stations regarding DCS services Annual Reports and Strategic Plans available on the Departmental website and distributed to relevant stakeholders Reports in their Branch or Region
Access	All inmates have equal access to prescribed privileges and needs as prescribed in the Correctional Services Act	<ul style="list-style-type: none"> All inmates had equal access to prescribed privileges and needs as prescribed in the Correctional Services Act. Those who are eligible for parole were considered. Inmates also had access to rehabilitation programmes such as education and training, health care, religious care, social work services and psychological services
Openness and Transparency	Citizens and inmates are informed on the services of the Department and responsible managers for all the Regions	<ul style="list-style-type: none"> Information about visiting times and who is in charge is visibly displayed at all DCS service points Annual Reports and Strategic Plans are available on the Departmental website and distributed to relevant stakeholders

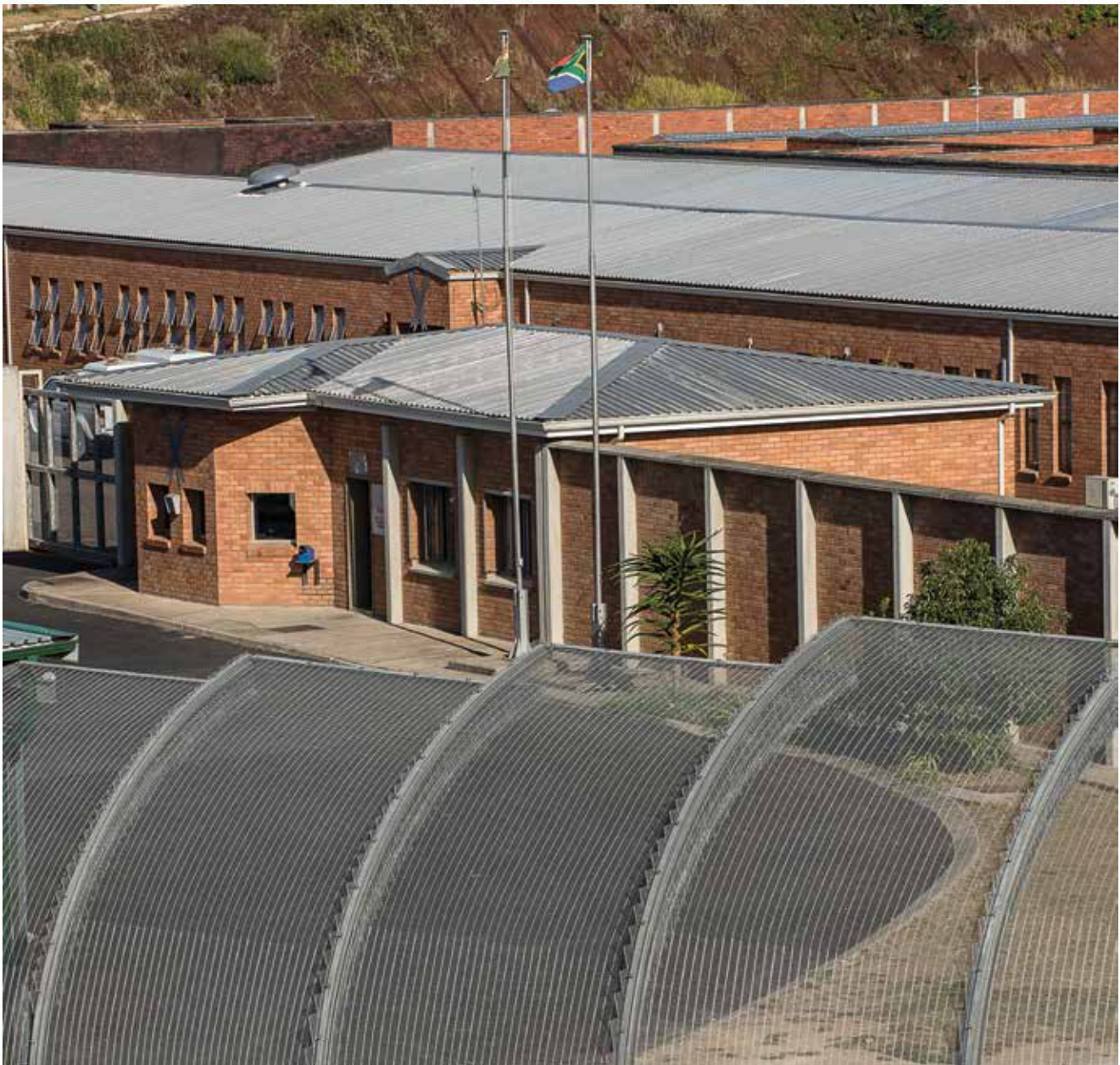
Current/actual arrangements	Desired arrangements	Actual achievements
Redress	<p>Availability of complaints mechanisms</p> <p>Availability of complaints boxes where offenders who want to remain anonymous can put their complaints</p> <p>Availability of complaints mechanism for citizens</p>	<ul style="list-style-type: none"> Complaints and request registers are available in every unit at all DCS correctional facilities Independent Correctional Centre visitors from the Office of Judicial Inspectorate of Correctional Services
Value for Money	Provision of economic and efficient service in order to give citizens the best possible value for money	<ul style="list-style-type: none"> Department Financial Statements are published in the Annual Report Some Senior Management Service (SMS) members are deployed to conduct inspections at correctional facilities
Courtesy	<p>Departmental core values have been set and outlined in the Strategic and Annual Performance Plans (APP)</p> <p>The recognition of human dignity</p>	<ul style="list-style-type: none"> Service Charter is available and displayed at all correctional facilities Opening and closing times are visibly displayed at all correctional facilities and service points
Service Standards	Delivery of rehabilitation programmes and services in correctional facilities and Community Corrections	<ul style="list-style-type: none"> DCS generic service standards are available and are incorporated in the Service Charter poster and displayed at all correctional facilities

Table 16: Service delivery information tool

Current/actual information tools	Desired information tools	Actual achievements
DCS Service Delivery Charter	DCS Service Delivery Charter	DCS Service Delivery Charter is circulated and displayed at all service points
DCS website	DCS website	Public stakeholders and clients have access to relevant information on the website which is fully maintained
DCS magazine and pamphlet	DCS magazine and pamphlets	The DCS 2015/2016 Annual Report was tabled in Parliament, distributed to all key stakeholders and published on the website. Corrections @ Work is a quarterly magazine that is distributed to all officials and it is also available to the public on the website
DCS Planning Instruments	<p>The DCS Strategic Plan (SP)</p> <p>The DCS Annual Performance Plan (APP) for 2015/2016</p>	<p>Presented in Parliament</p> <p>Distributed to all key stakeholders and published on the website</p>
DCS Annual Report	DCS Annual Report	<p>Presented in Parliament</p> <p>Distributed to all key stakeholders and published on the website</p>
Presidential Hotline	Presidential Hotline	Cumulative calls received: 3 181
Ex-offender help desks	Ex-offender help desks	Establishment of ex-offender help desks in Patensie and Jeffrey's Bay in the Eastern Cape

Table 17: Complaints mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
Presidential Hotline	Presidential Hotline	<p>All complains received during the reporting period that was received from the Presidential Hotline were resolved</p> <p>Cumulative calls received: 2733</p> <p>Cumulative calls resolved: 2716</p> <p>Cumulative calls unresolved: 17</p> <p>Percentage of resolved calls: 99.38%</p>
All complaints are recorded and responded to within the allocated timeframes	All complaints are recorded and responded to within the allocated timeframes	Inmates' complaints and requests are attended to on a daily basis in line with the internal complains management system



2.3. Organisational environment

As at the 31 March 2017, the Departmental post establishment was at 41 994 with 39 259 positions filled while 2 735 were vacant which translates to a 6.5% vacancy rate in the 2016/2017 financial year.

During the period under review, a total of 2 825 appointments were finalised while 1 385 permanent officials terminated their services with the Department.

The following progress was registered in the 2016/2017 financial year:

- A total of 28 SMS appointments were finalised (three Deputy Commissioners and 25 Directors).
- A total number of 92 appointments were finalised as part of Operation Hira/Thola/Thapa/Qasha project which assisted in maintaining stability in the scarce skills occupations across the various Regions which contributed significantly to strengthening the mandate of the Department.
- A total of 1 868 learners were absorbed into entry level full-time positions within the Department upon certification. The Department will continue with the absorption of learners in the next financial year.
- In order to capacitate the current workforce to deliver on the Departmental mandate, a total of 28 210 officials were trained in line with the Workplace Skills Plan (WSP).

A Sexual Harassment Committee has been established in line with provisions of the Employment Equity Act 55 of 1998 and is also a requirement for larger institutions in terms of the Handbook on the Handling and Management of Sexual Harassment in the Workplace. This ensures that sexual harassment is accorded the serious attention it deserves.

2.4. Key policy developments and legislative changes

Initially there was one Sport, Recreation, Arts and Culture (SRAC) Policy and Policy Procedures approved in 2005. The Policy and Policy Procedures had to be reviewed and separated to be in line with the legislation of our partners, National Department of Sport and Recreation South Africa and National Department of Arts and Culture.

The new policy on Selling of Offenders' Arts and Crafts was developed and aimed at regulating the selling of arts and crafts work produced by offenders.

The announcement of the implementation of the HIV Universal Test and Treat (UTT) policy with effect from 01 September 2016 by the Honourable Minister of Health proved to be a challenge due to budgetary constraints. However, the National Department of Health committed itself in assisting the Department by providing the required medicines for implementation of the UTT policy during the MTEF period.

The policy on Provision of Palliative Care will be developed as soon as the National Policy on Palliative Care from the National Department of Health is finalised to guide the development of this policy in the Department.

The Department has commenced with the process to review the Social Reintegration Policy and Restorative Justice Policy to ensure that it is compliant with the strategic direction of the Department.

The Directorate Community Liaison has commenced with the process of reviewing the Halfway House Policy and Procedures and also drafting a funding model for NPOs to ensure that it is compliant with the strategic direction of the Department. The policy review will enable the Department to develop a framework that will provide a clear direction on how to effectively manage Halfway Houses for the reintegration of offenders.

The Department commenced with the process of amending the operational policies for remand detainees in order to align them with the White Paper on Remand Detention Management and the JCPS cluster protocols. The process will continue over a period of three years.

The Department is currently working on a position paper on the transfer of sentenced foreign nationals with a view to enable Cabinet to take an informed policy position in this regard. Adoption of the South Africa Policy Direction will inform the Prisoner Transfer Agreement arrangements the country would like to engage in, with other countries.

3. STRATEGIC OUTCOME-ORIENTED GOALS

Table 18: Strategic outcome-oriented goals

Strategic Outcome-Oriented Goals		Progress
Strategic Outcome-Oriented Goal 1	Remand detention processes are effectively managed by ensuring that remand detainees attend courts as determined by relevant legislation and are held in secure, safe and humane conditions, and provided with personal well-being programmes; and relevant services are provided to Awaiting Trial Persons (ATP's), thus contributing to a fair and just criminal justice system.	The Department of Correctional Services is striving to ensure that parolees and probationers are successfully reintegrated into society as law-abiding citizens through provision of rehabilitation and social reintegration programmes. Significant achievements were recorded on parolees and probationers without violations during the 2016/17 financial year. From a national daily average of 51 785 parolees, 51 161 were without violations, representing 99%. For probationers from a national daily average caseload of 16 178, a total of 16 016 were without violations for the same period, representing 99%. A violation is defined as "a breach or failure to comply with condition(s) of Community Corrections in terms of section 52 of the Correctional Services Act, 1998 (Act 111 of 1998) and this breach of failure led to parole or correctional supervision being revoked".
Goal Statement	Provide an effective management of remand processes by ensuring that remand detainees participate in court processes, and are provided with safe, secure and humane accommodation and psychological, spiritual and health care needs; and ATPs are electronically monitored	
Strategic Objectives	<ul style="list-style-type: none"> • Provide for a safe and secure correctional environment through supervision and implementation of the security strategies in order to support humane incarceration and contribute to the aspirations of the country • Creation of secure and humane facilities for incarceration of remand detainees and offenders in a conducive environment • Remand detention processes are effectively managed and remand detainees attend courts in accordance with relevant legislation • To contribute towards a humane environment by managing over-crowding in correctional facilities 	<p>The cumulative number of tagged offenders placed under Electronic Monitoring to enhance compliance with parole conditions since inception is at 2 464. A further contributing factor to the level of compliance with conditions was the establishment of Service Points within communities where offenders reside, making Community corrections services more accessible. However, during 2016/2017, a total of 1 454 were placed under Electronic Monitoring to enhance compliance with parole conditions.</p> <p>The DCS continued with the implementation of several strategies for reducing the population of remand detainees which includes the bail protocol and the 49G protocol (referral of RDs to court for consideration of the length of detention).</p> <p>Other strategies implemented for fast tracking the cases were:</p> <ul style="list-style-type: none"> • Monitoring of RD children and those detained for longer than two years • Sharing of the information with relevant cluster Departments through the sub-cluster structures such as the Criminal Justice System Reform Committee, the National Operations Committee and the Provincial Efficiency Enhancement Committees to ensure that cases are fast tracked <p>The DCS continued to participate in the use of Video Remand Courts. The rollout of the Continuous Risk Assessment (CRA) tool continued. Other protocols that were implemented are the Observation Protocol and Protocol on Temporary Release of RDs to the South African Police Service (SAPS) for further investigations.</p>

Strategic Outcome-Oriented Goals		Progress
Strategic Outcome-Oriented Goal 2	All sentenced offenders are being incarcerated in safe, secure and humane facilities, their health care needs are met, and effective rehabilitation programmes in line with their correctional sentence plans (CSPs) are in place to enable their successful placement into society after their lawful release.	At the end of March 2017, 77% of offenders with CSPs completed correctional programmes. This includes programmes rendered by both internal and external service providers. In total, 10 741 offenders participated in both AET and FET education in 2016. Over and above this, 2 100 offenders participated in the amended senior certificate (old curriculum, distance education and computer-based training).
Goal Statement	Offenders are incarcerated in safe, secure and humane accommodation and are provided with rehabilitation programmes in line with the needs identified in their CSPs through improved offender literacy, educational skills, and meeting their psychological, spiritual and health care needs.	
Strategic Outcome-Oriented Goal 3	Offenders, parolees and probationers are successfully reintegrated back into their society as law-abiding citizens through provision of rehabilitation and social reintegration programmes.	The initiative undertaken by the Department such as the Ambassador Programme has ensured that ex-offenders are in touch with communities but also contributing to youth development, thus positioning South Africa in the world. The Department is contributing in building safer communities. Through Imbizos, the Department is making strides in informing South Africa Citizens about the work of Community Corrections and emphasising the importance of community partnerships in order to ensure that the ex-offenders are reintegrated back to their communities. All the programmes such as Imbizo, Ambassador Programmes, Community Corrections and Victim Offender Dialogue (VOD) forums that the Department has put together are aimed at building a capable and developmental state, transforming society and uniting the country. Such programmes are there to contribute in lessening criminal activities and create awareness among South African citizen.
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 and parolees are rehabilitated, monitored and accepted by communities.	

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 19: DCS contribution to Outcomes

Outcomes		National Development Plan		Progress
1.	Quality Basic Education	Chapter 9	Improving Education, Training and Innovation	<p>Adult Education and Training: 9 733</p> <p>Further Education and Training Mainstream Education: 1 008</p> <p>Amended Senior Certificate (Old Curriculum): 1 051</p> <p>Higher Education and Training (FET) (post-matric studies): 534</p> <p>Computer-Based Training: 515</p> <p>Therefore, the total number of offenders who participated in formal education programmes in the 2016 academic year is 10 741</p> <p>A record number of 140 offenders wrote the 2016 Grade 12 national exams out of whom 101 passed, constituting a 72% pass rate.</p>

Outcomes		National Development Plan		Progress
2.	A long and healthy life for all South Africans	Chapter 10	Promoting Health	<p>The Department was able to put 98% (24 506 / 25 042) of inmates on Antiretroviral Therapy (ART). This will contribute positively towards the achievement of the outcome of increasing the life expectancy of South Africans to 70 years in 2030.</p> <p>The Department achieved a cure rate of 83% (1 034 / 1 250) for offenders which is below the set target of 85%. The Department will endeavour to put measures in place in order to achieve the set target.</p> <p>The Department tested 136% (218 654 / 161 054) of inmates for HIV which is more than the set target of 99%.</p> <p>The Department achieved 9.74% (15 694 / 161 054) on the percentage of therapeutic diets prescribed for inmates which exceeded the set target of below 15%.</p> <p>The prescription of therapeutic diets has contributed positively towards the improved management of debilitating disease such as HIV & AIDS, TB and reduction of chronic lifestyle diseases.</p>
3.	All people in South Africa are and feel safe	Chapter 12	Building Safer Communities	<p>One of the recommendations made in Chapter 12 of the National Development Plan, (2030), is that overcrowding in prisons should be reduced in order to promote community safety.</p> <p>The DCS conducted a desktop research on international trends on overcrowding which included international strategies for handling overcrowding. It is evident, based on the research findings that the population numbers are beyond the control of the DCS at the detaining institution. The factors that play a role include:</p> <ul style="list-style-type: none"> • The criminal justice legislation and policy in relation to bail provisions, mandatory minimum sentencing laws and increase in number of long sentences and life sentences • The duration of the court cases • The duration of the sentences imposed • The non-custodial measures applied, including the parole system or the early release system (conditional release, probation periods and alternatives to prison sentences implemented) <p>The national occupancy at 31 March 2017 was 135% and this converts to 35% overcrowding. There were centres where the occupancy was more than 150%. Though South Africa is battling with overcrowding, the country has managed to maintain the percentage of remand detainees to below 50% of its inmate population. In terms of the 2nd Edition of the World Pre-trial/ Remand Imprisonment, published by the International Centre for Prison Studies, South Africa is not in the top 10 list of the countries with the highest remand detention population.</p> <p>The option of building more facilities was recommended in the presentation made to the Portfolio Committee of Justice and Correctional Services on 08 March 2017. The overcrowding phenomenon has been included in the case flow meetings chaired by the Judiciary. This structure consists of critical role players such as National Prosecuting Authority, South African Police Services, Legal Aid South Africa and the Department of Public Works.</p>

Outcomes		National Development Plan		Progress
3.	All people in South Africa are and feel safe	Chapter 14	Fighting Corruption	<p>The Department endeavors to ensure that corruption and fraud is prevented by all officials in DCS. The Department, as part of its anti-corruption campaign ensures that prevention is rolled out in the form of awareness campaigns/workshops, distribution of posters and pamphlets on corruption and fraud.</p> <p>There were 47 workshops conducted on Ethics, Fraud Prevention and Anti-Corruption, including Whistle Blowing during 2016/2017 financial year.</p> <p>The Code Enforcement Unit finalised 40 cases of officials, resulting in 37 officials being found guilty (a 92.50% success rate on convictions) in disciplinary hearings.</p>
5.	A skilled and capable workforce to support an inclusive growth path	Chapter 9	Improving Education, Training and Innovation	<ul style="list-style-type: none"> The number of offenders participation in skills training improved from 4 225 in 2015/2016 to 10 099 in 2016/2017. Offenders have access to and are exposed to skills training. This exposure contributed to an increase in the number of skilled offenders which contributed to the rehabilitation programmes. The involvement of external stakeholders contributed to the above average performance The number of offenders participation in Technical and Vocational Education and training (TVET) College programmes improved from 3 182 in 2015/16 to 3 331 in 2016/2017. <p>Offenders are actively participating in TVET College programmes as it is progressively marketed in DCS through partnership with Department of Higher Education and Training (DHET).</p>
11.	Create a better South Africa, a better Africa and a better world	Chapter 7	Positioning South Africa in the world	<p>The DCS led the preparatory processes for the implementation of the revised Standard Minimum Rules in consultation with relevant departments that detain unsentenced and sentenced inmates. These departments are the South African Police Services, Social Development, Home Affairs and Defence. The processes were consulted with the Director Generals Committee of the Justice Crime Prevention and Security Cluster (JCPS) via the National Development Committee which is the technical committee of the JCPS clusters.</p> <p>The audit of the eight thematic areas which were the focus of amendment of the rules was done.</p> <p>The Department of Correctional Services participated in the development of the checklist for the revised rules which was sponsored and hosted by the United Nations Office of Drugs and Crimes on 09 and 10 February 2017 in Vienna.</p>
12.	An efficient, effective and development-oriented public service	Chapter 13	Building a capable and developmental state	<p>A total of 28 210 officials were trained in line with Workplace Skills Plan.</p>
13.	Nation Building and Social Cohesion	Chapter 15	Transforming society and uniting the country	<p>A total of 127 parolees and probationers were successfully reintegrated into communities through the Halfway House partnerships.</p> <p>A total of 9 886 victims and 5 063 offenders/parolees and probationers participated in Restorative Justice processes. The appointment of sixty three (63) Social Auxiliary Workers contributed significantly towards the participation of victims in the Restorative Justice process.</p>

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

Table 20: Implementation of the Medium-Term Strategic Framework 2014-2019

Action	Indicator	Baseline	Target 2016/2017	Actual Achievement 2016/2017	Reasons for Variance
Contribute towards reducing repeat offending or recidivism	Percentage of sentenced offenders subjected to correctional programmes per year	74.30% (75 595 / 101 740)	72% (76 632 / 106 433)	77% (80 960 / 104 740)	<p>More custodial officials were oriented and available to facilitate correctional programmes and as a result, more offenders were subjected and completed programmes.</p> <p>The indicator is aligned to the MTSF plan.</p> <p>Currently there is no approved structure for dedicated case intervention officials.</p> <p>Programmes are rendered by custodial officials working a shift pattern on an interim basis.</p>
	Percentage of parolees without parole violations	98.78% (51 307 / 51 937)	96% (59 230 / 61 698)	99% (51 161 / 51 785)	<p>The following measures contributed to the actual achievement:</p> <ol style="list-style-type: none"> 1) Introduction and implementation of the Procedure Manual: Supervision (Volume 5) 2) Training of Community Corrections officials 3) Monitoring and Evaluation (M&E) on the implementation of the Procedure Manual: Supervision (Volume 5)
	Percentage of probationers without violations	98.65% (16 416 / 16 640)	95% (18 429 / 19 399)	99% (16 016 / 16 178)	



4. PERFORMANCE INFORMATION BY PROGRAMME

4.1. PROGRAMME 1: ADMINISTRATION

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

Table 21: Administration Sub-programmes

Sub-programmes	Sub-programme purpose	Strategic objectives
Management	Provide the administrative management, financial, information and communication technology, research, policy coordination and good governance support functions necessary for all service delivery by the Department and in support of the function of the Ministry	Improve the image and overall performance rating of the Department . Root out corrupt activities within the Department Root out corrupt activities within the Department
Human Resources	Improve human resource (HR) capacity and management to enable the Department to fulfill its mandate	Improve organisational capacity for enhanced service delivery
Finance	To provide effective and efficient financial and SCM services	Provide effective and efficient financial and SCM services
Information Technology	To create business value through provisioning of reliable integrated and secured ICT infrastructure and a business application system to ensure effective strategic alignment and enhancement of business processes	Provide a reliable, integrated and secure ICT infrastructure and business application system
Judicial inspectorate for Correctional Services (JICS)	To provide for the independent oversight relating to the treatment of inmates and their conditions	Provide effective independent oversight relating to the treatment of inmates and the conditions in the correctional facilities and PPPs

**The sub-programme name has been changed from Corporate Services to Human Resources with effect from 01 April 2016*



Sub-programme: Management

- Sub-programme purpose: Provide the administrative management, financial, information and communication technology, research, policy coordination and good governance support functions necessary for all service delivery by the Department and in support of the function of the Ministry.

Strategic objectives:

Improve the image and overall performance rating of the Department

Root out corrupt activities within the Department

Table 22: Administration: Sub-programme: Management — Strategic objective

Programme 1: Administration						
Strategic objective	Strategic indicator	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement for 2016/2017	Comment on deviations
Improve the image and overall performance rating of the Department	Percentage of surveyed people rating Correctional Services performance positively	40.5% (1 422 / 3 510)	50% (1 755 / 3 500)	56% (1 960 / 3 500)	6%	An unprecedented communication effort supported through the Minister's Imbizo programme in the six Regions over a period of three months resulted in an increased awareness of DCS programmes and initiatives
Root out corrupt activities within the Department	Percentage of officials charged and found guilty of corrupt activities	97.14% (34 / 35)	95%	93% (37 / 40)	2%	3 cases of officials found not guilty were based on exonerating evidence provided. The unit will continue to ensure rigorous preparation of charges going forward

Table 23: Administration: Sub-programme: Management — Performance indicator

Sub-programme: Management						
Performance indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement for 2016/2017	Comment on deviations
Integrated Communication and Marketing Strategy (ICMS) implemented	No historical information	Key initiatives implemented: Successful implementation and profiling of DCS signature programmes such as the Minister's budget and policy speech; Launch of the first Ex-offender Conference; Ministers Imbizo programme; Corrections Week; Successful profiling of key offender rehabilitation and social integration programmes	Phase 1 (Profiling leadership policy and programmes are implemented) Phase 2 (Profiling of midterm achievements through improved media relations, marketing and internal communications) implemented with quarterly Monitoring and Evaluation (M&E) reports	33 National events coordinated/supported 4 CI workshops conducted Developed concept and project plan for new DCS website Developed draft social media policy Developed event management guidelines Achieved 99.3% average resolution rate on Presidential Hotline 4 Editions of Corrections @ Work published and distributed 964 Internal notices distributed 134 Graphic Design projects executed 10 Video productions completed Internal Communication Strategy for officials developed and approved Guidelines to produce Management Area Staff Newsletters developed and approved Distribution strategy for internal publications developed. 12 Izimbizo hosted. 12 Op-Eds published. 93 Good News stories generated. 35 Speeches drafted. 17 Media Briefings facilitated.	None	N/A

Sub-programme: Management						
Performance indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement for 2016/2017	Comment on deviations
Percentage of finalised legal cases successfully defended by DCS	100% (475/475)	64.06% (41 / 64) 41 cases won/23 cases lost in court	76%	62% (38 / 61)	14%	Assessment and screening of cases on receipt was not fully implemented due to inadequate internal legal capacity Vacancies are envisaged to be filled in 2017/2018

Changes to planned targets

No changes to planned targets.

Table 24: Sub-programme expenditure: Management

Sub-programme Name	2016/2017				2015/2016	
	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	725,531	725,543	(12)	715,048	716,230	(1,182)
Total	725,531	725,543	(12)	714,048	716,230	(1,182)

Sub-programme: Human Resources

- Sub-programme purpose: Improve human resource (HR) capacity and management to enable the Department to fulfill its mandate

Strategic objectives:

Improve organisational capacity for enhanced service delivery

Table 25: Administration: Sub-programme: Human Resources — Strategic objective

Strategic objective	Strategic indicator	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement for 2016/2017	Comment on deviations
Improve organisational Capacity for enhanced service delivery	Percentage of funded post filled per financial year	91% (38 226 / 42 006)	92% (38 513 / 42 006)	94% (39 259 / 41 994)	2%	Prioritised the absorption of learners on vacant entry level positions

Table 26: Administration: Sub-programme: Human Resources — Performance indicator

Sub Programme : Human Resources						
Performance indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement for 2016/2017	Comment on deviations
Number of officials trained in line with the Workplace Skills Plan (WSP)	24 617	29 351 officials trained in line with WSP	20 000	28 210	8 210	Planned target was exceeded because additional unplanned training was conducted at no additional cost The 2017/2018 plan will be reviewed in line with current performance
Percentage of management areas where the Integrated Employee Health and Wellness (IEHW) programme is rolled out.	IEHW rolled out in 10 management areas	21.73% 10 / 46	23.91% (11 / 46)	21.73% (10 / 46)	2.18%	Target was not achieved due to cost containment measures instituted Roll out in 2017 will continue in line with revised budget availability

Changes to planned targets

No changes to planned targets.

Linking performance with budgets

Table 27: Sub-programme expenditure: Human Resources

Sub-programme Name	2016/2017			2015/2016		
	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
Human Resources	1,718,992	1,617,025	101,967	1,560,238	1,591,328	(31,090)
Total	1,718,992	1,617,025	101,967	1,560,238	1,591,328	(31,090)

Sub-programme: Finance

- Sub-programme purpose: To provide effective and efficient financial and supply chain management services

Strategic objectives:

Provide effective and efficient financial and supply chain management services

Table 28: Administration: Sub-programme: Finance — Strategic objective

Programme: Administration					
Strategic objective	Strategic indicator	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement for 2016/2017
Provide effective and efficient financial and supply chain management	Percentage of allocated budget spent per year	<p>The adjusted allocation for 2015/2016 financial year was R20,589 billion versus the actual expenditure of R20,589 billion which is 100% of the budget spent</p> <p>*The variance between adjusted allocation and actual expenditure amounted to over-spending of R121,000</p>	99.75%	<p>Variance analysis conducted and the In- Year Monitoring (YIM) reports for the 2016/2017 year to date were compiled and submitted to oversight bodies</p> <p>* The projected spending plan for the 2016/2017 year to date expenditure was R21,580 billion versus the actual year to date expenditure of R21,536 billion</p> <p>The budget spent for the 2016/2017 financial year was 99.79% (R21,536 billion/R21,580 billion)</p> <p>The variance between spending plans and actual year to date expenditure amounted to (R44 million) / [R44 million / R21,580 billion = 0.20%]</p>	none
					N/A

Table 29: Administration: Sub-programme: Finance — Performance indicator

Sub-programme: Finance						
Performance indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement for 2016/2017	Comment on deviations
Number of audit qualifications	1 new audit qualification on contingent liabilities 3 emphasis of matters on restatement of corresponding figures; payables and impairments	Unqualified audit opinion 4 emphasis of matters on statement of corresponding figures payables impairments and significant uncertainties with regard to claims against the Department	Zero audit qualifications	One audit qualification on capital work-in-progress	One audit qualification	The Department did not comply with the new Modified Cash Standard (MCS) of disclosing the capital work-in-progress in the 2016/2017 Annual Financial Statements. The MCS did not take into account the bill back model of DPW and the Treasury directives which have not been annulled in relation to DPW keeping source documents and only providing line function Departments with PACE document AGSA queried the reliability of PACE as a source document.

Linking performance with budgets

Table 30: Sub-programme expenditure: Finance

Sub-programme Name	2016/2017			2015/2016		
	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	1,031,703	1,115,067	(83,364)	1,322,147	1,322,147	-
Total	1,031,703	1,115,067	(83,364)	1,322,147	1,322,147	-

Sub-programme: Information technology

- Sub-programme purpose: To create business value through provisioning of reliable integrated and secured ICT infrastructure and business application system to ensure effective strategic alignment and enhancement of business processes.

Strategic objectives:

Provide a reliable, integrated and secure ICT infrastructure and business application system.

Table 31: Administration: Sub-programme: Information technology — Strategic objective

Programme 1: Administration					
Strategic objective	Strategic indicator	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement for 2016/2017
Provide a reliable, integrated and secure ICT infrastructure and business application system	Percentage of integrated management systems (IIMS) modules for core business processes completed	No historical information, indicator initiated in 2016/2017	44% (4/9) build and test completion of: (1) Inmate Registration & Admission (2) Risk Assessment & Classification (3) Health & Pharmacy (4) Release Management	44% (4/9) build and test of: (1) Inmate Registration & Admission (2) Risk Assessment & Classification (3) Health & Pharmacy (4) Release Management is been completed	None
					N/A

Table 32: Administration: Sub-programme: Information technology — Performance indicator

Sub Programme: Information Technology						
Performance indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement for 2016/2017	Comment on deviations
Percentage of correctional facilities and Community Corrections offices where Local Area Network (LAN) infrastructure is rolled out	System procure and configuration partially completed	18.6% (67/360)	50% (180 / 360)	26 % (94 / 360)	24%	LAN infrastructure was rolled out in 94 sites cumulative from 2015/2016. Because of budget allocation revision, only 27 sites in 2016/2017 were completed Rollout will continue in 2017/2018 in line with revised budget allocation
Percentage of Annual Performance Plan indicators for the Department automated	No historical information, indicator initiated in 2016/2017	No historical information, indicator initiated in 2016/2017	45% (5/11) build and test completion of: (1) Percentage of allocated budget spent per year (2) Overcrowding and accommodation rate in correctional centres (3) Escape rate in correctional centres (4) Rate of injuries by assault of inmates in correctional centres (5) Rate of unnatural deaths in correctional centres	45% (5/11) build and test of: (1) Percentage of allocated budget spent per year (2) Overcrowding and accommodation rate in correctional centres (3) Escape rate in correctional centre (4) Rate of injuries by assaults of inmates in correctional centres (5) Rate of unnatural deaths in correctional centres is completed	None	N/A

Changes to planned targets

No changes to planned targets

Linking performance with budgets

Table 33: Sub-programme expenditure: Information Technology

Sub-programme Name	2016/2017			2015/2016		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
Information Technology	R'000 171,668	R'000 171,668	R'000 -	R'000 225,178	R'000 192,906	R'000 32,272
Total	171,668	171,668	-	225,178	192,906	32,272

Sub-programme: Judicial Inspectorate of Correctional Services (JICS)

- Sub-programme purpose: To provide for the independent oversight relating to the treatment of inmates and their conditions.

Strategic objectives:

Provide effective independent oversight relating to the treatment of inmates and the conditions in the correctional facilities and PPPs.

Table 34: Administration: Sub-programme: JICS — Strategic objective

Programme 1: Administration					
Strategic objective	Strategic indicator	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement for 2016/2017
Provide effective independent oversight relating to the treatment of inmates and the conditions in the correctional facilities and PPPs	Percentage of correctional facilities and PPP facilities inspected on the conditions and treatment of inmates	42% (102 / 245)	33% (81 / 243)	33% (81 / 243)	None N/A

Reasons for all deviations

No deviations.

Strategy to overcome areas of under performance

None.

Changes to planned targets

No changes to planned targets.

Linking performance with budgets

Table 35: Sub-programme expenditure: JICS

Sub-programme Name	2016/2017			2015/2016		
	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
JICS	41,510	41,510	-	39,477	39,477	-
Total	41,510	41,510	-	39,477	39,477	-

4.2. PROGRAMME 2: INCARCERATION

Programme Purpose: Provide appropriate services and well maintained physical infrastructure that supports safe and secure conditions of detention consistent with maintaining the human dignity of inmates, personnel and the public. Provide for the administration and profiling of inmates and consideration of offenders for release or placement into the system of Community Corrections.

Table 36: Incarceration Sub-programmes

Sub-programmes	Sub-programme purpose	Strategic objectives
Security Operations	Provide safe and secure conditions for inmates, consistent with human dignity	Provide a safe and secure correctional environment for inmates
Facilities	Provide physical infrastructure that supports safe custody, humane conditions and the provision of correctional and development programmes, care and general administration	Create secure and humane facilities for incarceration of remand detainees and offenders in a conducive environment
Remand Detention	Ensure effective and efficient remand detention system consistent with human rights in a safe and secure environment	Remand detention processes are effectively managed and remand detainees attend courts in accordance with relevant legislation
Offender Management	Provide safe and secure conditions consistent with human dignity through effective administration and management of offenders in order to ensure timely consideration for placement and release	Contribute towards a humane environment by managing overcrowding in correctional facilities To consider offenders for possible placement on parole or correctional supervision

Sub-programme: Security Operations of Correctional Services

- Sub-programme purpose: To provide for the independent oversight relating to the treatment of inmates and their conditions.

Strategic objectives:

Provide effective independent oversight relating to the treatment of inmates and the conditions in the correctional facilities and PPPs.

Table 37: Incarceration: Sub-programme: Security Operations — Strategic objective

PROGRAMME 2: INCARCERATION						
Sub-programme: Security Operations						
Strategic objective	Strategic indicator	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement for 2016/2017	Comment on deviations
Provide a safe and secure correctional environment for inmates	Percentage of inmates who escape from correctional and remand facilities per year	0.044% (71 / 161 984)	0.024% (38 / 158 853)	0.031% (50 / 161 054)	0.007%	4 of the 6 Regions achieved their targets. The non-achievement of LMN and FS/NC were due to the following: *The mass escape of 10 inmates that took place in Mogwase CC was due to mainly poor infrastructure. The other two incidents where 4 inmates escaped at Witbank CC was due to a combination of structural defects and negligence of officials *Negligence by staff resulting in 10 escapees from the FS/NC Region. Escape incidents were investigated and preventative and corrective measures instituted by the Region

PROGRAMME 2: INCARCERATION						
Sub-programme: Security Operations						
Strategic objective	Strategic indicator	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement for 2016/2017	Comment on deviations
Provide a safe and secure correctional environment for inmates	Percentage of inmates injured as a result of reported assaults in correctional and remand detention facilities per year	5.43% (8 801 / 161 984)	3.7% (5 818 / 158 853)	4.59% (7 388 / 161 054)	0.89%	<p>There was an under achievement on this indicator in all regions</p> <p>The main common factors identified are the combination of overcrowding, outdated and poorly maintained infrastructure, and gang activity at certain centres play a major role in levels of violence</p> <p>A total number of 733 gang related incidents were reported, which resulted in multiple assaults in the year under review.</p> <p>Under these conditions of overcrowding and poorly maintained infrastructure, combined with the pressures of gang activity, inmates often experience high levels of irritation and frustration which culminates in aggression towards each other and also towards staff</p> <p>Current strategies of the Department to deal with these contributing factors include the overcrowding strategy, shift system and staff shortages task team, facilities maintenance, and repair and upgrading programmes, and DCS gang management strategy</p>

Table 38: Incarceration: Sub-programme: Security Operations — Performance indicator

Sub-programme: Security Operations						
Performance indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement for 2016/2017	Comment on deviations
Percentage of unnatural deaths in correctional and remand facilities per year	0.027% (44 / 159,563)	0.038% (62 / 161 984)	0.033% (52 / 158 853)	0.032% (52 / 161 054)	-0.001%	A major cause of unnatural deaths is due to suicides. Of the 52 reported deaths, 24 deaths were caused by suicides (15 suicide hangings, 7 medication overdose, 2 poisonous substances) Measures focused on suicide prevention, implementation of a suicide risk monitoring tool and monitoring of inmates in single cells. Various circulars and directives were issued to Regions on lessons learnt from incidents.

Changes to planned targets

No changes to planned targets.

Linking performance with budgets

Table 39: Sub-programme expenditure: Security Operations

Sub-programme Name	2016/2017			2015/2016		
	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	6,738,281	6,560,858	177,423	5,978,988	5,979,036	(48)
Total	6,738,281	6,560,858	177,423	5,978,988	5,979,036	(48)

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:

Create secure and humane facilities for incarceration of remand detainees and offenders in a conducive environment.

Table 40: Incarceration: Sub-programme: Facilities — Strategic objective

PROGRAMME 2: INCARCERATION						
Sub-programme: Facilities						
Strategic objective	Strategic indicator	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement for 2016/2017	Comment on deviations
Create secure and humane facilities for incarceration of remand detainees and offenders in a conducive environment	Number of new bed spaces created through construction of new facilities	No planned target set for 2015/2016	435	0	435	The original contractor Karen Kula was liquidated and the project stopped on 14 December 2014. There was a delay in concluding the liquidation process due to disagreements among parties. This resulted in the delay in appointing the replacement contractor by the National Department of Public Works (NDPW). NDPW appointed a new contractor in January 2017 with finalisation envisaged in 2017/2018

Table 41: Incarceration: Sub-programme: Facilities — Performance indicator

Sub-programme: Facilities							
Performance indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement for 2016/2017	Comment on deviations	
Number of new bed spaces created by upgrading of facilities annually	282 bed spaces created (Ceres)	Van Rhynsdorp: 99.5% Tzaneen: 0% Progress since liquidation: Max 0% Progress since liquidation: Matatiele 100%	925 additional bed spaces and 4 748 (cumulative total)	407	518	The projects that were not achieved was due to liquidation of the contractor CMax, Standerton and Estcourt will be finalised in the 2017/2018 financial year Contractors have been appointed and there is close monitoring by the Department with the appointment of project managers	

Changes to planned targets

CMax, Standerton and Estcourt will be finalised in the 2017/18 financial year.

Linking performance with budgets

Table 42: Sub-programme expenditure: Facilities

Sub-programme Name	2016/2017			2015/2016		
	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	3,952,765	4,094,071	(141,306)	4,001,339	4,010,330	8,991
Total	3,952,765	4,094,071	(141,306)	4,001,339	4,010,330	8,991

Sub-programme: Remand Detention

- Sub-programme purpose: Ensure effective and efficient remand detention system consistent with human rights in a safe and secure environment.

Strategic objectives:

Remand detention processes are effectively managed and remand detainees attend courts in accordance with relevant legislation.

Table 43: Incarceration: Sub-programme: Remand Detention — Performance indicator

Sub Programme : Remand Detention						
Performance indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement for 2016/2017	Comment on deviations
Percentage of remand detention facilities where continuous risk assessment (CRA) is rolled out	No historical information	14% (22 / 161)	43% (69 / 161) Rollout of the CRA at DCS facilities that have RDs	48% (77 / 161)	5%	The rollout of the CRA was conducted and the target was over achieved as other correctional centres rolled out the CRA without training by Head Office

Changes to planned targets

No changes to planned targets.

Linking performance with budgets

Table 44: Sub-programme expenditure: Remand Detention

Sub-programme Name	2016/2017			2015/2016		
	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	576,354	576,354	-	555,463	555,463	-
Total	576,354	576,354	-	555,463	555,463	-

Sub-programme: Offender Management

- Sub-programme purpose: Provide safe and secure conditions consistent with human dignity through effective administration and management of offenders in order to insure timely consideration for placement and release.

Strategic objectives:

Contribute towards a human environment by managing overcrowding in correctional facilities. To consider offenders for possible placement on parole or correctional supervision.

Table 45: Incarceration: Sub-programme: Offender Management — Strategic objective

PROGRAMME 2: INCARCERATION						
Sub-programme: Offender Management						
Strategic objective	Strategic indicator	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement for 2016/2017	Comment on deviations
Contribute towards a humane environment by managing overcrowding in correctional facilities. To consider offenders for possible placement on parole or correctional supervision	Percentage of overcrowding in correctional centres and remand detention facilities in access of approved capacity	34% (40 197 / 119 134)	32% (38 123 / 119 134)	35% (41 146 / 119 134)	3%	<p>The number of inmates exceeded the approved accommodation due to the following aspects:</p> <ul style="list-style-type: none"> • Projected new bed spaces did not materialise • Continued increase in the number of inmates that had to be accommodated in correctional facilities <p>Overcrowding must be managed against external factors such as the following that have a direct influence on the inmate population levels:</p> <ul style="list-style-type: none"> • Crime tendencies in society • Measures to combat and prosecute crime • Unemployment rate (currently at 27%) • The economy • Impeding legislation such as mandatory minimum sentences <p>In addition to the multi-pronged strategy to manage overcrowding, the following actions were, among others, taken:</p>

PROGRAMME 2: INCARCERATION						
Sub-programme: Offender Management						
Strategic objective	Strategic indicator	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement for 2016/2017	Comment on deviations
						<ul style="list-style-type: none"> Multi-disciplinary Task Team appointed to investigate and analyse the implications and impact of overcrowding on the correctional system; and Overcrowding registered as standing agenda points at the National Operating Committee (NOC) and National Efficiency Enhancement Committee (NEEC) with a view to enhance an integrated approach to the management of overcrowding.

Table 46: Incarceration: Sub-programme: Offender Management— Performance indicator

Sub-programme: Offender Management						
Performance indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement for 2016/2017	Comment on deviations
Percentage of offenders' profiles submitted by the Case Management Committees (CMCs) that were considered by CSPBs	94% (41 519 / 44 367)	96.52% (41 942 / 43 454)	89% (40 792 / 45 834)	91% (44 521 / 48 984)	2%	Most CSPBs are sufficiently staffed to deal with the cases received from CMCs. Regional Commissioners second chairpersons and vice chairpersons to other management areas when chairpersons are absent for extended periods or where vacancies have not been filled

Changes to planned targets

No changes to planned targets.

Linking performance with budgets

Table 47: Sub-programme expenditure: Offender Management

Sub-programme Name	2016/2017			2015/2016		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
Offender Management	R'000 2,156,545	R'000 2,156,810	R'000 (265)	R'000 2,019,165	R'000 2,010,247	R'000 (8,918)
Total	2,156,545	2,156,810	(265)	2,019,165	2,010,247	(8,918)

4.3. PROGRAMME 3: REHABILITATION

Programme Purpose: Provide offenders with needs-based programmes and interventions to facilitate their rehabilitation and enable their social reintegration.

Table 48: Rehabilitation Sub-programmes

Sub-programmes	Sub-programme purpose	Strategic objectives
Correctional Programmes	Provide needs-based correctional programmes targeting offending behaviour based on the CSP. The aim is to raise awareness, provide information and develop life skills	Improve the life skills of offenders with CSPs through the provisioning of correctional programmes targeting offending behavior
Offender Development	Provide offenders with needs-based programmes and interventions to facilitate their rehabilitation and personal development	Improve offenders' personal development through the provision of literacy, education and skills competency programmes during the time of incarceration
Psychological, Social Work and Spiritual Services	Manage and ensure the rendering of need-based psychological, social work and spiritual services to inmates and persons under correctional supervision with the aim of improving their health and emotional well-being and assisting in their rehabilitation and reintegration into the community	Offender behavior is corrected through access to psychological, social work and spiritual services

Sub-programmes: Correctional Programmes

- Strategic objectives: Improve the life skills of offenders with CSPs through the provisioning of correctional programmes targeting offending behavior.

Table 49: Incarceration: Sub-programme: Correctional Programmes — Performance indicator

PROGRAMME 3: REHABILITATION						
Sub-programme: Correctional Programmes						
Strategic objective	Strategic indicator	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement for 2016/2017	Comment on deviations
Improve the life skills of offenders through CSPs through the provisioning of correctional programmes targeting offending behaviour	Percentage of sentenced offenders subjected to correctional programmes per year	74.30% (75 595 / 101 740)	72% (76 632 / 106 433)	77% (80 960 / 104 740)	5%	More custodial officials were oriented to facilitate correctional programmes and as a result, more offenders were able to attend programmes

Changes to planned targets

No changes to planned targets.

Linking performance with budgets

Table 50: Sub-programme expenditure: Correctional Programmes

Sub-programme Name	2016/2017			2015/2016		
	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
Correctional Programmes	27,575	27,575	-	24,670	24,670	-
Total	27,575	27,575	-	24,670	24,670	-

Sub-programme: Offender Development

- Sub-programme purpose: Provide offenders with needs-based programmes and interventions to facilitate their rehabilitation and personal development.

Strategic objectives:

Improve offenders' personal development through the provision of literacy, education and skills competency programmes during the time of incarceration.

Table 51: Rehabilitation: Sub-programme: Offender Development — Strategic objective

PROGRAMME 3: REHABILITATION						
Sub-programme: Offender Development						
Strategic objective	Strategic indicator	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement for 2016/2017	Comment on deviations
Improve offenders' personal development through the provision of literacy, education and skills competency programmes during the time of incarceration	Percentage of offenders participate in skills development programmes measured against the number of offenders enrolled per financial year	91% (4 225 / 4 668) Skills training	80% (4 706 / 5 882) Skills training	97% (10 099 / 10 411)	17%	The involvement of external service providers contributed to the above average performance
		84% (3 182 / 3 799) TVET College	80% (3 600 / 4,500) TVET College	95% (3 331 / 3 488)	15%	Offenders are actively participating in TVET College programmes as it is progressively marketed amongst offenders in partnership with DHET

PROGRAMME 3: REHABILITATION						
Sub-programme: Offender Development						
Strategic objective	Strategic indicator	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement for 2016/2017	Comment on deviations
	Number of offenders who participate in educational programmes per the daily attendance register per academic year (AET and FET)	10 437 AET	12 108 AET	9 733	2 375	Ekuseni and Rustenburg Youth Centres were accredited by the Provincial Depts. of Education in KZN and North West provinces on condition that they discontinue the AET programme for youth and rather offer mainstream education (Gr 8-12) and this has caused a decline in participation in the AET programme
		1 111 FET	603 FET	1 008	405	Cost containment measures that have been effected by the Department have also influenced the downward performance in this programme More youth participated in this programme than in AET because of more intake of youth offenders in mainstream education (Gr 8-12) at both Ekuseni and Rustenburg Youth Centres as per the reason supplied under AET Cost containment measures that have been effected by the Department have also influenced the downward performance in this programme

Table 52: Rehabilitation: Sub-programme: Offender Development— Performance indicator

Sub-programme: Offender Development						
Performance indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement for 2016/2017	Comment on deviations
Grade 12 pass rate obtained per academic year	No historical information	73% (81 / 111)	64% (82 / 128)	72% (101 / 140)	8%	Various training interventions for educators who teach Life Sciences, Maths and Accounting were undertaken during the academic year and this impacted on the subject matter content taught to learners

Changes to planned targets

No changes to planned targets.

Linking performance with budgets

Table 53: Sub-programme expenditure: Offender Development

Sub-programme Name	2016/2017			2015/2016		
	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 Development	732,073	729,908	2,165	727,801	727,801	-
Total	732,073	729,908	2,165	727,801	727,801	-

Sub-programme: Psychological, Social Work and Spiritual Services

- Sub-programme purpose: Manage and ensure the rendering of need-based psychological, social work and spiritual services to inmates and persons under correctional supervision with the aim of improving their health and emotional well-being and assisting in their rehabilitation and reintegration into the community.

Strategic objectives:

Offender behavior is corrected through access to psychological, social work and spiritual services.

Table 54: Rehabilitation: Sub-programme: Psychological, Social Work and Spiritual Services — Performance indicator

PROGRAMME 3: REHABILITATION						
Sub-programme: Psychological, Social Work and Spiritual Services						
Strategic objective	Strategic indicator	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement for 2016/2017	Comment on deviations
Offender behaviour is corrected through access to psychological, social work and spiritual services	Percentage of incarcerated offenders and those sentenced to correctional supervision who are involved in social work services per year	49.40% (91 013 / 184 227)	67% (134 369 / 200 550)	59% (109 690 / 187 101)	8%	The vacant posts in some of the Regions had a negative impact on the achievement of the set target Going forward, the Department will ensure that all social work financed vacant posts are filled

Table 55: Rehabilitation: Sub-programme: Psychological, Social Work and Spiritual Services — Performance indicator

Sub-programme: Psychological, Social Work and Spiritual Services						
Performance indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement for 2016/2017	Comment on deviations
Percentage of inmates who are involved in psychological services per year	14.77% (23 565 / 159 563)	20.08% (32 523 / 161 984)	16% (25 417 / 158 853)	22% (36 014 / 161 054)	6%	Community Service Psychologists start their one year service at different points in the financial year. They are expected to carry the same load as permanent psychologists, and they are not factored in when the target is set at the beginning of the financial year DCS will work directly with the Department of Health to ensure that Community Services Psychologists are included in target setting going forward

Sub-programme: Psychological, Social Work and Spiritual Services						
Performance indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement for 2016/2017	Comment on deviations
Percentage of inmates who benefit from spiritual services per year	83.87% (133 826 / 159 563)	83.19% (134 760 / 161 984)	57% (90 546 / 158 853)	82% (132 364 / 161 054)	25%	<p>The over achievement is due to marketing of spiritual care services and programmes as a result of the following:</p> <ul style="list-style-type: none"> • Formalisation of partnerships with different churches and faiths <p>3 MOUs were entered into between DCS and churches/faiths in 2015/2016 and 2 in 2016/2017</p> <p>Knowledge and understanding of the spiritual care policy and procedures by HCC, CC: Ops, SMDC, Chaplains, spiritual care workers and all other line function managers who were involved in the spiritual care policy and procedure consultation sessions which were held in each Region during the 2015/2016 financial year</p> <ul style="list-style-type: none"> • Involvement by managers to ensure appointment of staff to manage spiritual care services which increased the number of SMDC who were appointed in each of the 246 correctional centers and 42 Chaplain in each management areas out of 46 • A higher and more dedicated involvement by different churches and faiths which resulted in ± 379 spiritual care service provider, ±758 volunteers and ± 1 452 temporary spiritual workers of different churches and faiths in 2016/2017

Changes to planned targets

No changes to planned targets.

Linking performance with budgets

Table 56: Sub-programme expenditure: Psychological, Social Work and Spiritual Services

Sub-programme Name	2016/2017			2015/2016		
	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
Psychological, Social Work and Spiritual Services	428,178	428,178	-	376,668	376,668	-
Total	428,178	428,178	-	376,668	376,668	-

4.4. PROGRAMME 4: CARE

Table 57: Programme 4: Care: Sub-programmes

Sub-programmes	Sub-programme purpose	Strategic objectives
Health and Hygiene Services	Ensure that inmates are provided with appropriate access to health care and hygiene services	Provide inmates with comprehensive health and hygiene services during the period of incarceration
Nutritional Services	Provide inmates with appropriate nutritional services during the period of incarceration	Provide inmates with appropriate nutritional services

Sub-Programme: Health and Hygiene Services

- Sub-programme purpose: Ensure that inmates are provided with appropriate access to health care services.

Strategic objectives:

Provide inmates with HIV and AIDS and TB services to improve life expectancy.

Table 58: Care : Sub-programme: Health and Hygiene Services — Performance indicator

PROGRAMME 4: CARE						
Sub-programme: Health and Hygiene Services						
Strategic objective	Strategic indicator	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement for 2016/2017	Comment on deviations
Provide inmates with comprehensive health and hygiene services during the period of incarceration	Percentage of inmates on ART	98.10% (21 722 / 22 142)	98% (24 721 / 25 226)	98% (24 506 / 25 042)	None	N/A
	TB (New pulmonary) cure rate of offenders	83.43% (1 239 / 1 485)	85% (2 031 / 2 389)	83% (1 034 / 1 250)	2%	Offenders on TB treatment are released before being cured. However, DCS will continue to collaborate with stakeholders both internally and externally for continuity of care in ensuring that treatment outcomes for TB are obtained

Table 59: Care: Sub-programme: Health and Hygiene Services — Performance indicator

Sub-programme: Health and Hygiene Services					
Performance indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement for 2016/2017
Percentage of inmates tested for HIV and know their results	111.03% (177 172 / 159 563)	123.31% (199 750 / 161 984)	99% (157 264 / 158 853)	136 % (218 654 / 161 054)	37%
					The support from partners resulted in more inmates being tested Inmates are offered HIV Counselling and Testing (HCT) at different frequencies which is in line with the Guidelines for the Management of HIV, TB, and Sexually Transmitted Infections (STIs) in correctional facilities which implies that one inmate can be tested more than once

Changes to planned targets

No changes to planned targets.

Linking performance with budgets

Table 60: Sub-programme expenditure: Health and Hygiene Services

Sub-programme Name	2016/2017			2015/2016		
	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 and Hygiene Services	916,884	916,884	-	820,319	820,319	-
Total	916,884	916,884	-	820,319	820,319	-

Sub-programme: Nutritional Services

- Sub-programme purpose: Provide inmates with appropriate nutritional services during the period of incarceration.

Strategic objectives:

Provide inmates with appropriate nutritional services.

Table 61: Care: Sub-programme: Nutritional Services — Performance indicator

Performance indicator	Sub-programme: Nutritional Services					
	Actual achievement 2014/2015	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement for 2016/2017	Comment on deviations
Percentage of therapeutic diets prescribed for inmates	6.40% (9 643 / 159 563)	9.06% (14 674 / 161 984)	15% (23 828 / 158 853)	10% (15 694 / 161 054)	5%	Inmates on therapeutic diets are reviewed regularly based on their medical conditions Going forward, the Department will explore the possibility of reviewing the target to a lower percentage

Changes to planned targets

No changes to planned targets.

Linking performance with budgets

Table 62: Sub-programme expenditure: Nutritional Services

Sub-programme Name	2016/2017			2015/2016		
	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
Nutritional Services	1,318,210	1,318,210	-	1,268,162	1,268,162	-
Total	1,318,210	1,318,210	-	1,268,162	1,268,162	-

4.5. PROGRAMME 5: SOCIAL REINTEGRATION

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

Table 63: Programme 5: Social Reintegration — Sub-programmes

Sub-programmes	Sub-programme purpose	Strategic bjectives
Supervision	Provide effective supervision of offenders placed under correctional and parole supervision in order to enhance public safety	Improve compliance on conditions set for parolees and probationers under Community Corrections
Community Reintegration	Provide and facilitate support systems for the reintegration of offenders into society	Improve victims/offended, offenders, parolees and probationers participation in Restorative Justice processes
Office accommodation - community corrections	Facilitate the provision of Community Corrections offices, including satellite offices and service points, to enhance community reintegration	Improve accessibility to community corrections services through increasing service points

Sub-programme: Supervision

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

Strategic objectives:

Improve compliance on conditions set for parolees and probationers under Community Corrections.

Table 64: Care: Sub-programme: Supervision - Performance Indicators

PROGRAMME 5: SOCIAL REINTEGRATION						
Sub-programme: Supervision						
Strategic objective	Strategic indicator	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement for 2016/2017	Comment on deviations
Improve compliance on conditions set for parolees and probationers under Community Corrections	Percentage of parolees without violations per year	98.78% (51 307 / 51 937)	96% (59 230 / 61 698)	99% (51 161 / 51 785)	3%	The following measures contributed to the actual achievement: 1) Introduction and implementation of the Procedure Manual: Supervision (Volume 5) 2) Training of Community Corrections officials 3) Monitoring and Evaluation on the implementation of the Procedure Manual: Supervision (Volume 5)
	Percentage of probationers without violations per year	98.65% (16 416 / 16 640)	95% (18 429 / 19 399)	99 % (16 016 / 16 178)	4%	

Table 65: Social Reintegration: Sub-programme: Supervision — Performance indicator

Sub-programme: Supervision					
Performance indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement for 2016/2017
Number of persons (parolees, probationers and awaiting trial persons) placed under the Electronic Monitoring System	604	1.11% (870 / 78 221)	1 000	1 454	454
					Tags are reused on other persons (parolees, probationers and awaiting trial persons) after detagging

Changes to planned targets

No changes to planned targets.

Linking performance with budgets

Table 66: Sub-programme expenditure: Supervision

Sub-programme Name	2016/2017			2015/2016		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
Supervision	R'000	R'000	R'000	R'000	R'000	R'000
	788,503	788,503	-	743,252	743,252	-
Total	788,503	788,503	-	743,252	743,252	-

Sub-programme: Community Reintegration

- Sub-programme purpose: Provide and facilitate support systems for the reintegration of offenders into society.

Strategic objectives:

Improve victims/offended, offenders, parolees and probationers' participation in Restorative Justice Processes.

Table 67: Social Reintegration: Sub-programme: Community Reintegration — Performance indicator

PROGRAMME 5: SOCIAL REINTEGRATION						
Sub-programme: Community Reintegration						
Strategic objective	Strategic indicator	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement for 2016/2017	Comment on deviations
Improve victims / offended, offenders, parolees and probationers' participation in Restorative Justice processes	Number of victims / offended, offenders, parolees and probationers who participate in Restorative Justice processes (VOM/VOD)	6 491 Victims 3 630 Offenders	9 000 Victims / Offended 9 000 Offender, parolees and probationers	Total 9 886 Victims 6 593 offenders / parolees and probationers	886 Victims / 2 407 offenders	Continuous education and marketing of the restorative justice (RJ) focusing on the benefits of the programme. There is still reluctance from the offenders to participate in the RJ programme Encourage the use of audio-visual system VOD should take place mostly before offenders are placed out on parole

Table 68: Social Reintegration: Sub-programme: Community Reintegration — Performance indicator

Sub-programme: Community Reintegration						
Performance indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement for 2016/2017	Comment on deviations
Number of parolees and probationers reintegrated back into communities through Halfway House partnerships	81 parolees reintegrated through Halfway House partnership	79.28% (111 / 140)	140 parolees / probationers reintegrated	127	13	The underperformance was due to renovations of the Halfway House in JHB for a period of six months. The Halfway House only started operating from October 2016

Strategy to overcome areas of under performance

A task team has been established to review the Halfway House policy and develop a framework to address these challenges.

Changes to planned targets

No changes to planned targets.

Linking performance with budgets

Table 69: Sub-programme expenditure: Community Reintegration

Sub-programme Name	2016/2017			2015/2016		
	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
Community Reintegration	30,094	30,094	-	35,012	35,012	-
Total	30,094	30,094	-	35,012	35,012	-

Sub-programme: Office Accommodation Community Corrections

- Sub-programme purpose: Facilitate the provision of Community Corrections offices, including satellite offices and service points to enhance community reintegration

Strategic objectives:

Improve accessibility to Community Corrections services through increasing service points.

Table 70: Social Reintegration: Sub-programme: Office Accommodation Community Corrections — Performance indicator

Sub-programme: Office Accommodation Community Corrections						
Performance indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement for 2016/2017	Comment on deviations
Number of service points established in Community Corrections	237	103	24	228	204	Some of the existing service points were formalised. These service points were existing and not formalised

Changes to planned targets

No changes to planned targets.

Linking performance with budgets

Table 71: Sub-programme expenditure: Office Accommodation Community Corrections

Sub-programme Name	2016/2017			2015/2016		
	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
Office Accommodation Community Corrections	35,130	35,130	-	22,700	22,700	-
Total	35,130	35,130	-	22,700	22,700	-

5. TRANSFER PAYMENTS

The table below reflects the transfer payments made for the period 1 April 2016 to 31 March 2017

Table 72: Transfer payments made for the period 1 April 2016 to 31 March 2017

Name of Public Entity	Services rendered by the public entity	Amount transferred to the public entity	Amount spent by the public entity	Achievements of the public entity
SASSETA	Sector Education and Training Authority	R20,822,906	R3,771,940	350 officials and 40 offenders trained in various skills programmes

6. CONDITIONAL GRANTS

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

7. DONOR FUNDS

7.1. Donor Funds Received

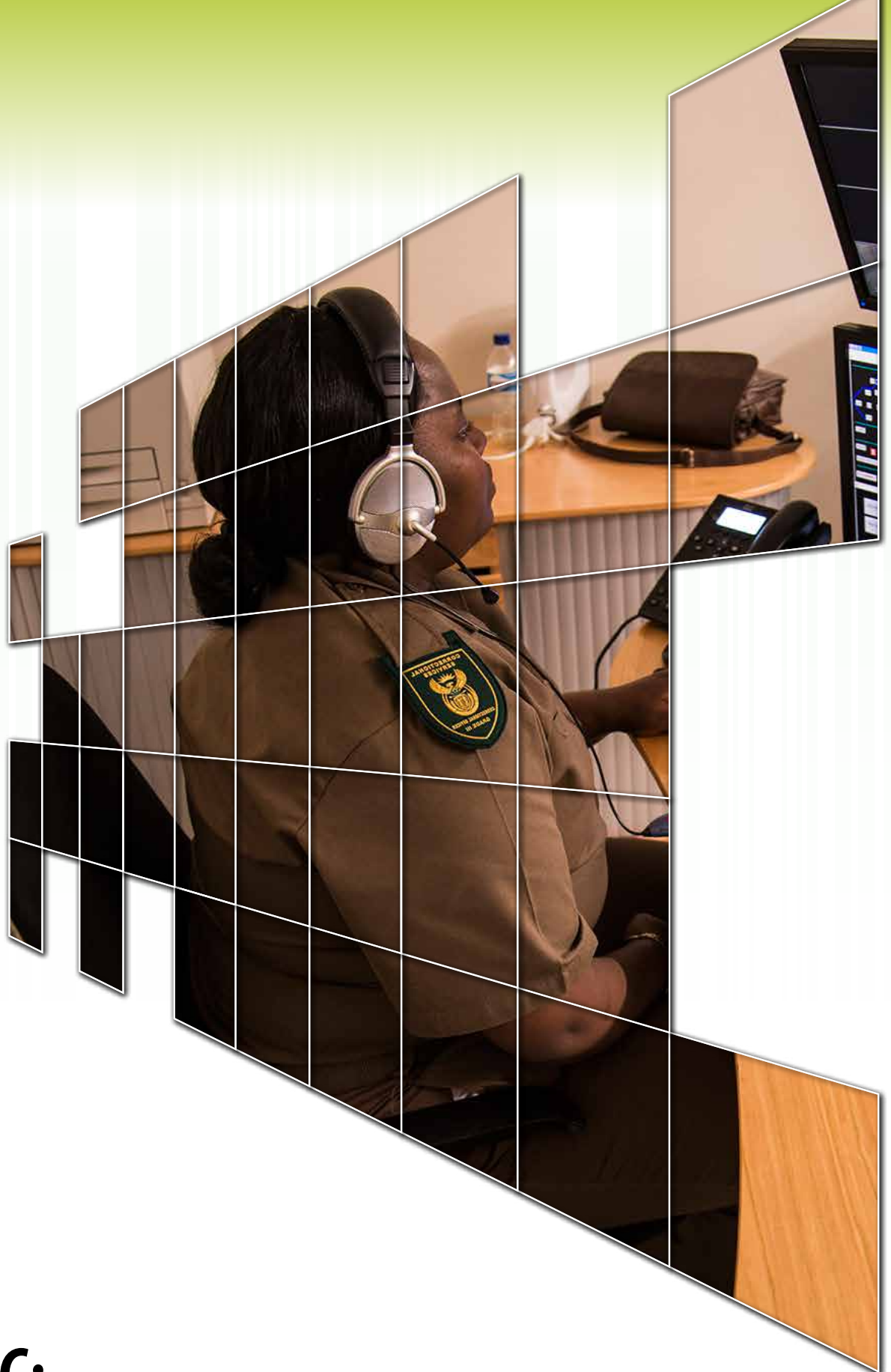
An amount of R2, 250 million was received in cash from Manufacturing, Engineering and Related Services Sector Education and Training Authority (MERSETA) for tools, equipment and raw materials.

8. CAPITAL INVESTMENT

8.1. Capital investment, maintenance and asset management plan

Table 73: Capital investment, maintenance and asset management plan

Infrastructure projects	2016/2017			2015/2016		
	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	635,185	620,511	14,674	661,323	662,550	(1,227)
Maintenance and repairs	162,979	162,979		136,240	136,240	
Infrastructure transfer	-	-	-	-	-	-
Current	-	-	-	-	-	-
Capital	-	-	-	-	-	-
Total	788,854	738,489	14,674	797,563	798,790	(1,227)



PART C:

GOVERNANCE

1. INTRODUCTION

The Department is committed to maintaining the highest standards of governance which is fundamental to the management of public finances and resources. Users want assurance that the Department has good governance structures in place to effectively, efficiently and economically utilise the state resources, which is funded by the tax payer.

2. RISK MANAGEMENT

The Risk Management Committee (RMC) of the Department met at least four times in 2016/2017 to discharge its responsibilities as required in terms of its Charter and the Treasury Regulations.

In terms of risk management rollout in the 2016/2017 financial year, the Risk Management Unit (RMU) completed 39 (69%) of planned risk management activities in the following areas:

- The RMU appointed and trained the Risk Management Champions (for both Head Office and Regions)
- The Regional Risk Management Committees were established
- Strategic Risk and Operational Risk monitoring were conducted on a quarterly basis whereupon business units/functions are expected to monitor and report to the RMU on measures undertaken to mitigate risks

Generally, the risk mitigation outcomes indicate that the Department has effectively improved controls on financial management aspects, even though significant effort is needed to achieve similar efforts on Performance Information measures and controls.

3. FRAUD AND CORRUPTION

Part of the Department's anti-corruption strategy focuses 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, to deal with fraud, corruption, theft and maladministration, namely, the Departmental Investigation Unit (DIU) which conducts investigations and the Code Enforcement Unit (CEU) which institutes disciplinary proceedings emanating from the investigations conducted by the DIU.

Whistle Blowers are at liberty to report incidents to the National Anti-Corruption Hotline (0800 701 701) which is under the control of the Public Service Commission, alternatively incidents can be reported directly to the Departmental Investigation Unit telephonically, in writing, "walk-ins" or via line management. All incidents received by the DIU are recorded and investigated. The DIU plays a role in ensuring that corruption and fraud is prevented by all officials in the DCS. The Department, as part of its anti-corruption campaign, ensures that prevention is rolled out in the form of awareness campaigns/workshops, distribution of posters and pamphlets on corruption and fraud.

The purpose of the workshops is to sensitise the DCS officials on the following:

- Matters of corruption and fraud
- How the officials can report corruption and fraud safely and the reasons why they should report corruption, and
- Fraud that is taking place within their areas of responsibility. There were 47 workshops conducted on Ethics, Fraud Prevention and Anti-Corruption including whistle blowing during the 2016/17 financial year

Reported incidents are investigated by the Investigation Unit and if prima facie evidence is found of misconduct in relation to fraud, theft, corruption and maladministration, the investigation report is forwarded to the Code Enforcement Unit (CEU) to initiate disciplinary proceedings.

The Code Enforcement Unit finalised 40 cases of officials, resulting in 37 officials being found guilty (a 92.50% success rate on convictions) in disciplinary hearings. The sanctions meted out were as follows:

- 19 Dismissals, 10 final written warnings
- Seven written warnings
- One verbal warning
- Three officials were found not guilty
- Two officials resigned

4. MINIMISING CONFLICT OF INTEREST

The Public Service Regulations, 2016 section 18.1 and the directive from the Department of Public Services and Administration on e-disclosure requires that all

members of Senior Management Service disclose not later than 30 April of each year to the Head of Department particulars of their financial interest.

The status of financial disclosure as at the 30 April 2017 is as follows:

Total number of SMS	205
Registered officials who submitted disclosure by due date	165
Registered officials who submitted after due date	34
Registered officials who did not submit disclosure	04
Unregistered officials	02

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.

All learners who are prospective employees and 549 DCS officials were inducted and orientated on the Code of Conduct.

6. HEALTH, SAFETY AND ENVIRONMENTAL ISSUES

The Occupational Health and Safety Act (85 of 1993) requires that the employer provides and maintains a working environment that is safe and without risk to the health of its employees. In line with this, hazard identification and risk assessment (HIRA) and occupational hygiene surveys were conducted at Six (6) management areas (Leeuwkop, Baviaanspoort, Durban, Pietermaritzburg, Kirkwood and Bizzah Makhate) and critical findings that reflect non-compliance with legislation were identified by means of formal reports, and addressed with the relevant stakeholders.

Officials (1 088) who have a potential exposure to hepatitis A, B and Rabies were vaccinated for hepatitis A, B and Rabies. Furthermore, (2 361) officials participated in the flu vaccination programme nationally.

The Department has a challenge of old and dilapidated buildings of which contravention notices were issued by the local municipalities and the Department of Labour. Currently, the Occupational Health and Safety Office and Facilities Management are in the process of addressing the challenges with the landlords and the Department of Public Works.

7. PORTFOLIO COMMITTEES

DATE OF MEETING	FOCUS AREA
12 April 2016	DCS on its 2016 Strategic and Annual Performance Plans
13 April 2016	Judicial Inspectorate for Correctional Services report
17 May 2016	National Council for Correctional Services Vacancies
23 August 2016	DCS on its 4th Quarter 2015/2016 and 1st Quarter 2016/2017 performance Recommendations for Vacant Posts at SA Human Rights Commission
20 September 2016	Correctional Supervision and Parole: Successes, Challenges and Future Developments
21 September 2016	Judicial Inspectorate for DCS Impact: Consultative meeting
11 October 2016	DCS and Judicial Inspectorate 2015/2016 audit outcomes: Auditor-General briefing
16 November 2016	Halfway Houses & NGO challenges with rehabilitation programmes
02 November 2016	Correctional Supervision and Parole: National Council for Correctional Services; Department of Correctional Services 1st Quarter 2016/2017
16 November 2016	DCS Mid-Year performance
01 February 2017	Halfway Houses Rehabilitation and reintegration of parolees/ex-offenders Correctional Services status report

Matters raised by the Portfolio Committee and how has the Department addressed these matters

Matter raised by the Portfolio Committee	DCS Interventions
The Committee encourages the DCS to consider and implement all recommendations made by the AGSA. The development of audit action plans responding to the findings and recommendations would go a long way towards reducing the matters of emphasis and ensuring that the DCS sustains its positive audit outcome	The Internal Control and Compliance function regularly monitors the AGSA's Audit Findings Action Plans on a monthly and quarterly basis. Submissions by Branches/Components/Regions are continuously monitored and are advised (where necessary) to review submissions for relevance and appropriateness to findings raised. Reports on AGSA findings are also provided to the Audit Committee and National Management Committee of the Department
The DCS incurred unauthorised expenditure to the amount of R121,000, and reported sharp increases in irregular expenditure. In both cases, the expenditure was attributed to non-adherence to legislation, Treasury Regulations and Practice Notes	A total of 234 officials received Asset Management training and 255 officials received Financial Management training in the 2016/2017 financial year

8. SCOPA RESOLUTIONS

During the 2016/2017 financial year, there was no resolution taken that had an impact on the Department for reporting purposes.

9. PRIOR MODIFICATIONS TO AUDIT REPORTS

The Department received an unqualified audit outcome in the financial year 2015/2016 with emphasis of matters in specific focus areas. Notwithstanding

that, the Department is working to improve the audit outcomes by continuously conducting quality review sessions and has embarked on workshops and training to enhance the quality of performance information across the entire Department including Regions to evaluate and improve the quality of such information.

In respect of financial management, various circulars and directives were issued to guide and direct activities to enhance controls in this component.

The following table indicates areas that gave rise to emphasis of matters in the 2015/2016 financial year:

Nature of emphasis of matters	Financial year in which it first occurred	Progress made in clearing/resolving the matter
Restatement of corresponding figures: The corresponding figures for 31 March 2015 have been restated as a result of an error discovered during 2016 in the financial statements of the Department at, and for the year ended 31 March 2015	2013/2014	The officials within Financial and Accounting Management were trained on the Modified Cash Standards (MCS) requirements to enhance their understanding on accounting requirements. In addition, the Finance component is continuously issuing circulars and directives to improve internal controls on the Annual Financial Statements and financials records
Payables: Payables which exceed the payment term of 30 days as required in terms of Treasury Regulation 8.2.3. amount to R282,402,000. This amount, in turn, exceeds the voted funds to be surrendered of R-nil as per the statement of financial performance by R282,402,000. The above amount would therefore have constituted additional unauthorised expenditure had the amounts due been paid in a timely manner	2014/2015	The officials within Financial and Accounting Management were trained on the Modified Cash Standards (MCS) requirements to enhance their understanding on accounting requirements. In addition, the Finance component is continuously issuing circulars and directives to improve internal controls on the Annual Financial Statements and financials records
Impairments: Impairments to the amount of R52,396,000 were provided for, as a result of irrecoverable receivables	2014/2015	The officials within Financial and Accounting Management were trained on the Modified Cash Standards (MCS) requirements to enhance their understanding on accounting requirements. In addition, the Finance component is continuously issuing circulars and directives to improve internal controls on the Annual Financial Statements and financials records

Nature of emphasis of matters	Financial year in which it first occurred	Progress made in clearing/resolving the matter
Significant Uncertainties: The Department is a defendant in various lawsuits. The ultimate outcome of the matters cannot presently be determined	2015/2016 as emphasis of matter	The Department issued a circular to align accounting treatment to MCS. In addition, Legal Services assessed and re-assessed all contingencies to ensure full compliance to MCS

10. INTERNAL CONTROL UNIT

The Inspectorate Directorate under the Internal Control and Compliance component investigated a total of 595 cases of Irregular Expenditure and 73 cases of Wasteful and Fruitless Expenditure, totalling 668 cases, which constituted 76% of the total cases to be investigated.

Of the total number of cases investigated, 56 were finalised with final written warnings issued to officials. In addition, two officials were found not guilty, one verbal warning was issued and one official was referred for counselling.

The Department has consulted National Treasury regarding 10 cases of companies that failed to disclose their relations with DCS officials to ensure adequate sanctions are implemented.

The Departmental Investigation Unit (DIU) is in the process of scrutinising an additional 92 cases for finalisation. The National Commissioner approved condonement of 96 cases.

The Internal Control function monitored and assessed the quality of audit implementation and improvement plans. There has been significant improvement in the implementation of action plans to resolve the 2015/2016 financial year audit findings with only four out of 666 (0.60%) findings not yet implemented. This is significant progress when compared to the previous year (2014/2015 financial year) had 65 out of 588 (11.39%) findings not implemented.

To enhance the processes and controls around monitoring audit findings across the Department, the Internal Control function developed an Audit Action Implementation Checklist and workshopped Regions on the approach to enhance the quality of action plans and progress reports. This included issuing of circulars to direct activities.

11. INTERNAL AUDIT AND AUDIT COMMITTEES

The Internal Audit function of DCS is established in terms of section 38(1)(a)(ii) of the Public Finance Management Act (Act No. 1 of 1999 as amended) (PFMA) and Treasury Regulations. The function exists to assist the Department in the accomplishment of its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of risk management, internal control and governance processes through its independent, objective assurance and consulting services that are designed to add value and improve the Department's operations.

In line with the requirements of Treasury Regulation 27.2.8 the Internal Audit function reports administratively to the Accounting Officer and functionally to the Audit Committee. During the period under review; no scope limitations were imposed by Management on the Internal Audit function.

In fulfilling its mandate, the Internal Audit function performed a number of audit assignments to evaluate the adequacy and effectiveness of the Department's internal controls and made recommendations for corrective action. The following audit projects, which formed part of the Annual Internal Audit Plan approved by the Audit Committee, were amongst the 19 audits completed by Internal Audit during 2016/2017:

- Review of Quarterly and Annual Financial Statements
- Audits of Rehabilitation and Health Care Services
- Review of In-year monitoring reports
- Review of Performance Information reports
- MPAT Review
- Audit of Inventory Management
- Audit of Condition and Security in Correctional Facilities

- Audit of Supply Chain Management
- Audit of Asset Management
- Financial Discipline & Contingent Liabilities
- Follow-up audit on Information Technology General Controls
- Audit of Transfers made and received

The Internal Audit function reports on its performance against the approved Annual Audit Plan to the Audit Committee which is an oversight committee that was established in accordance with section 38(1)(a)(ii) and section 76(4)(d) of the PFMA read with section 3.1.2 of the Treasury Regulations.

The Audit Committee provides independent oversight over governance, risk management and control processes in the Department. The responsibilities of the Audit Committee include providing oversight on:

- Effectiveness of the internal audit function
- The activities of the internal audit function, including the strategic plan and annual work programme, coordination with other assurance providers, the reports of significant investigations and the responses of management to specific recommendations
- The effectiveness of the DCS system of internal control

- The adequacy and effectiveness risk management frameworks, strategies, policies and procedures
- The risk areas of the Department's operations to be covered in the scope of internal and external audits
- The quality of in-year management/monthly and quarterly reports submitted in terms of the PFMA and Division of Revenue Act, and evaluation of the Annual Financial Statements with a view to determine whether they are complete and consistent with the information known to committee members; assess whether the financial statements reflect appropriate accounting principles
- Any accounting and auditing concerns identified as result of audits by internal and external audit
- The adequacy and effectiveness of the Corporate Governance of ICT framework and structures of the Department
- The Department's compliance with legal and regulatory provisions
- Investigate matters within its powers, as identified in the Audit Committee Charter.

Attendance of Audit Committee meetings by audit committee members

Name	Qualifications	Internal or external	If internal, position in the Department	Date appointed	Date Resigned	No. of Meetings attended
Ms. T Njozela	BCom, BCompt (Hons), MBA, EDP, CCSA, CRMA, CIA	External	N/A	23/10/2014	N/A	7
Ms. B Manzana	B. Iuris, LLB, admitted Attorney	External	N/A	23/10/2014	N/A	7
Mr. B Ledwaba	BSc (Computer Science), BSc (Hons), MBA	External	N/A	28/10/2015	N/A	7
Ms. J Meissner	BCom, BCompt (Hons), CA (SA)	External	N/A	28/10/2015	February 2017	7
Mr. C Nyathi	BSc, BSc (Hons), MSc (Electronics)	External	N/A	28/10/2015	February 2017	7

12. AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2017.

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from section 38 (1) (a) (ii) of the Public Finance Management Act and Treasury Regulation 3.1.13. The audit committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein, except that we have not reviewed changes in accounting policies and practices.

The Effectiveness of Internal Control

Based on the assurance provided by Management and Internal Audit, and discussions with the Auditor-General of South Africa (AGSA) on the audit results, the Audit Committee remains concerned about the overall status of key controls within the Department. The slow progress made in filling the vacant positions at SMS level is concerning and there is need to improve the internal control environment in a number of areas particularly management's oversight responsibility, leadership and culture, record keeping, and compliance monitoring. In addition, Management needs to improve the performance management and reporting system to ensure quality reporting which will further enhance delivery against strategies and plans.

The Audit Committee monitored the internal audit assessment of the system of internal control and based on the results of the assessment, as well as information and explanations given by management; the Audit Committee identified the following concerns:

- The Audit Committee is not satisfied with Management's audit action plans in that there were repeat audit findings were noted in the Management Report from the AGSA
- The Department's disciplinary processes are inadequate and resulted in prolonged suspensions with pay.
- Long outstanding investigations on irregular, fruitless and wasteful expenditure.
- Non achievement of targets performance targets and their alignment to budget.

- Inadequate progress made to improve the Information Technology General Controls environment.
- Continuous implementation of IT projects without following the project management methodology.
- The financial liability of the Department is a concern due to the increase in the accruals and payables compared to the 2015/2016 financial year.
- Inadequate and ineffective controls over the management of assets.
- The risk management process of is inadequate and the function is not adequately capacitated.
- There is still a challenge regarding compliance with laws and regulations and the irregular review of policies.
- Slow improvement has been noted in the management of debtors.
- Although the Department is making significant progress in transforming to a corrections environment there is a concern about the delivery on Rehabilitation and Health Care services.
- The conditions and security in the Department's correctional facilities remain a concern.

In addition the Audit Committee reports that Internal Audit function did not complete the annual audit plan approved by the audit Committee due to leadership instability, staff competencies and capacity constraints.

In-Year Management and Monthly/Quarterly Report

The Department has been reporting monthly and quarterly to the Treasury as required by the PFMA. The Audit Committee is however still not satisfied with the content and quality of quarterly and annual financial reports prepared and issued by the Department.

Evaluation of Financial Statements

The Audit Committee has:

- Reviewed and discussed the audited Annual Financial Statements to be included in the Annual Report, with the AGSA and the Accounting Officer
- Reviewed the Audit Report of the AGSA
- Reviewed the AGSA's Management Report and Management's response thereto

- Reviewed the Department's compliance with legal and regulatory provisions
- Reviewed significant adjustments resulting from the audit

Auditor General's Report

The Audit Committee concurs and accepts the conclusions of the Auditor-General on the Annual Financial Statements and is of the opinion that the audited Annual Financial Statements be accepted and read together with the report of the Auditor-General.



Ms. Thobeka Njozela

Chairperson of the Audit Committee

Department of Correctional Services

Date: 7 August 2017



PART D:

HUMAN RESOURCE MANAGEMENT

1. INTRODUCTION

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

2. OVERVIEW OF HUMAN RESOURCES

As at the 31 March 2017, the Departmental post establishment was at 41 994 with 39 259 positions filled while 2 735 were vacant. The Departmental vacancy rate is at 6.5%.

A total number of 2 825 appointments were finalised in 2016/17 and the occupational band with the highest appointments is semi-skilled which represent entry level positions at salary levels 3-5. This is significant to the Department Human Resources Development (HRD) Strategy where Departmental capacity is generated from the Learnership and Internship programmes.

During the reporting period, the Department exceeded the APP target on training by 30% and the shift from concentration on support and security training to rehabilitation has been noted which clearly indicates the improvement towards the implementation of the White Paper on Corrections.

The DCS workplace is a unique entity – a complete system or community with its distinct characteristics, culture, norms, stresses and values. Health in any entity of work is often equated with productivity which is achieved by meeting the goals of the organisation in time and cost effectively. When problems arise with individual employees, it impacts negatively on the health of the organisation as a whole and vice versa. The whole rationale for wellness interventions in DCS is to manage the impact of the workplace on the individual employee and the impact of the individual employee on the workplace. Employee wellness comprises the Employee Assistance Programme, HIV/Aids, Biokinetics and Sport and Recreation components.

A rollout of Integrated Employee Health and Wellness programme (IEHW) was conducted in 10 management areas. The integrated rollout in management areas is a direct response to addressing employee and employer health rights and responsibilities as it provides a platform for implementation and coordination in a

synergistic manner by stressing the virtues of health as a priority for our workforce. This is part of the DCS contribution to developing and maintaining a sustainable future through contributing to productive employees. Notwithstanding interventions being explored, the Department continued to experience high turnover rates.

3. HUMAN RESOURCES OVERSIGHT STATISTICS

3.1. Personnel related expenditure

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

- Amount spent on personnel
- Amount spent on salaries, overtime, homeowners' allowances and medical aid

Table 3.1.1 Personnel expenditure by programme for the period 1 April 2016 and 31 March 2017

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training 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	3,879,599	2,857,420	70,362	-	73.7	64
Incarceration	13,388,093	9,171,874	-	-	68.5	205
Rehabilitation	1,185,661	885,657	-	-	74.7	20
Care	2,235 094	771,685	-	-	34.5	17
Social reintegration	853,727	730,531	-	-	85.6	16
Total	21,542 174	14,417 167	70,362	-	66.9	322

*The training expenditure for all programmes is budgeted under Programme: Administration

Table 3.1.2 Personnel costs by salary band for the period 1 April 2016 and 31 March 2017

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)	149	-	1	149
Skilled (Levels 3-5)	1,518,122	10.74	7 546	201
Highly skilled production (Levels 6-8)	9,560,270	67.66	27 045	353
Highly skilled supervision (Levels 9-12)	2,506,377	17.74	4 379	572
Senior and Top management (Levels 13-16)	229,146	1.61	219	1,046
Contract (Levels 3-5)	78,155	0.55	411	190
Contract (Levels 6-8)	5,058	0.04	16	316
Contract (Levels 9-12)	69,036	0.49	156	442
Contract (Levels 13-16)	16,815	0.12	17	989
Periodical Remunerations	64,094	0.45	1 995	32
Abnormal Appointment	83,606	0.59	3 014	27
Total	14,130,828	100	44 799	4,317

*The table above reflects data as extracted from the PERSAL system only.

Table 3.1.3 Salaries, Overtime, Homeowners' Allowance and Medical Aid by programme for the period 1 April 2016 and 31 March 2017

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	1,829,414	70.5	6,754	0.3	49,083	1.9	143,731	5.5
Incarceration	5,981,394	66.5	64,846	0.7	197,933	2.2	632,219	7
Rehabilitation	642,411	69.8	1,289	0.1	15,185	1.6	47,205	5.1
Care	566,972	65	68,127	7.8	12,733	1.5	42,199	4.8
Social reintegration	548,315	66.9	1,513	0.2	18,879	2.3	51,764	6.3
Total	9,568,506	67.4	142,529	1	293,813	2.1	917,118	6.5

Table 3.1.4 Salaries, Overtime, Homeowners' Allowance and Medical Aid by salary band for the period 1 April 2016 and 31 March 2017

Salary band	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
Lower skilled (Levels 1-2)	234	71.8	0	0	32	9.8	20	6.1
Skilled (Levels 3-5)	976,452	65.1	8,868	0.6	44,276	3	118,972	7.9
Highly skilled production (Levels 6-8)	6,357,650	66.4	79,173	0.8	217,687	2.3	693,215	7.2
Highly skilled supervision (Levels 9-12)	1,735,025	69.7	54,273	2.2	29,703	1.2	102,612	4.1
Senior management (Levels 13-16)	183,344	76.8	12	0	2,076	0.9	2,208	0.9
Contract (Levels 1-2)	18	32.7	-	-	-	-	-	-
Contract (Levels 3-5)	144,634	96.2	137	0.1	-	-	-	-
Contract (Levels 6-8)	5,035	96.1	-	-	-	-	-	-
Contract (Levels 9-12)	67,664	96	66	0.1	-	-	35	0
Contract (Levels 13-16)	15,424	89.7	-	-	39	0.2	56	0.3
Abnormal Appointment	83,026	99.2	-	-	-	-	-	-
Total	9,568,506	67.4	142,529	1	293,813	2.1	917,118	6.5

3.2. a) 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 on 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

Table 3.2.1 Employment and vacancies by programme as on 31 March 2017

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy rate	Number of employees additional to the establishment
Administration	7 098	6 170	13.1	63
Incarceration	28 222	27 122	3.9	189
Rehabilitation	2 433	2 137	12.2	74
Care	2 020	1 813	10.2	43
Social reintegration	2 221	2 017	9.2	6
Total	41 994	39 259	6.5	375

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2017

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	-	-
Skilled (Levels 3-5)	8 014	7 645	4.6	-
Highly skilled production (Levels 6-8)	28 529	27 010	5.3	1
Highly skilled supervision (Levels 9-12)	5 235	4 388	16.2	-
Senior management (Levels 13-16)	215	187	13	-
Contract (Levels 3-5)	-	1	-	264
Contract (Levels 6-8)	-	1	-	15
Contract (Levels 9-12)	-	25	-	78
Contract (Levels 13-16)	-	1	-	17
Total	41 994	39 259	6.5	375

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2017

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy rate	Number of employees additional to the establishment
Custodian and security personnel	35 662	34 370	3.6	190
Educationists	600	515	14.2	-
Medical practitioners	18	9	50	-
Pharmacists	52	42	19.2	42
Professional nurses	1 028	890	13.4	1
Psychologists and vocational counsellors	94	83	11.7	25
Social work and related professionals	640	595	7	51
Total	38 094	36 504	4.2	309

3.3. b) 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 2017

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	1	100	-	-
Salary Level 16	2	1	50	1	50
Salary Level 15	15	8	53.3	7	46.7
Salary Level 14	37	29	78.4	8	21.6
Salary Level 13	160	148	92.5	12	7.5
Total	215	187	87	28	13

Table 3.3.2 SMS post information as on 30 September 2016

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	1	100	-	-
Salary Level 16	2	1	50	1	50
Salary Level 15	15	9	60	6	40
Salary Level 14	37	29	78.4	8	21.6
Salary Level 13	160	143	89.3	17	10.6
Total	215	184	85.1	32	14.9

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2016 and 31 March 2017

SMS Level	Advertising	Filling of Posts	
	Number of vacancies per level advertised in 6 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	-	-	-
Salary Level 16	-	-	-
Salary Level 15	-	-	-
Salary Level 14	5	1	1
Salary Level 13	12	7	2
Total	17	8	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 2016 and 31 March 2017

Reasons for vacancies not advertised within six months
Reprioritisation of organisational needs

Reasons for vacancies not filled within 12 months
Reprioritisation of organisational needs

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 2016 and 31 March 2017

Reasons for vacancies not advertised within six months
None

Reasons for vacancies not filled within six months
None

3.4. c) Job Evaluation

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 2016 and 31 March 2017

Salary band	Number of posts on approved establishment	Number of jobs evaluated	% of posts evaluated by salary bands	Posts upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower skilled (Levels 1-2)	1	-	-	-	-	-	-
Skilled (Levels 3-5)	8 014	-	-	-	-	-	-
Highly skilled production (Levels 6-8)	28 529	-	-	-	-	-	-
Highly skilled supervision (Levels 9-12)	5 235	-	-	-	-	-	-
Senior Management Service Band A	160	-	-	-	-	-	-
Senior Management Service Band B	37	-	-	-	-	-	-
Senior Management Service Band C	15	-	-	-	-	-	-
Senior Management Service Band D	3	-	-	-	-	-	-
Total	41 994	-	-	-	-	-	-

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 2016 and 31 March 2017

Gender	African	Indian	Coloured	White	Total
Female	-	-	-	-	-
Male	-	-	-	-	-
Total	-	-	-	-	-
Employees with a disability					-

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 2016 and 31 March 2017

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Total number of employees whose salaries exceeded the level determined by job evaluation				
Percentage of total employed				

The following table summarises the beneficiaries of the above in terms of race, gender and disability:

Table 3.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2016 and 31 March 2017

Total number of employees whose salaries exceeded the grades determine 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 (see definition in notes below).

Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2016 and 31 March 2017

Salary band	Number of employees at beginning of period-1 April 2016	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
Lower skilled (Levels 1-2)	1	-	-	-
Skilled (Levels 3-5)	5 800	239	86	1.5
Highly skilled production (Levels 6-8)	27 824	231	892	3.2
Highly skilled supervision (Levels 9-12)	4 426	111	265	6
Senior Management Service Bands A	132	12	9	6.8
Senior Management Service Bands B	31	2	6	19.4
Senior Management Service Bands C	10	-	2	20
Senior Management Service Bands D	2	-	-	-
Contracts (Levels 3-5)	138	2 125	110	79.7
Contracts (Levels 6-8)	5	17	2	40
Contracts (Levels 9-12)	71	80	114	160.6
Contract (Levels 13-16)	12	8	2	16.7
Total	38 452	2 825	1 488	3.9

Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2016 to 31 March 2017

Critical occupation	Number of employees at beginning of period-April 2016	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
Custodian and security personnel	31 624	2181	1 066	3.4
Educationists	504	39	27	5.4
Medical practitioners	7	2	1	14.3
Pharmacists	78	50	44	56.4
Professional nurse	857	84	51	6
Psychologists and vocational counsellors	93	44	23	24.7
Social work and related professionals	629	52	19	3
Total	33 792	2 452	1 219	3.6

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

Table 3.5.3 Reasons why staff left the Department for the period 1 April 2016 to 31 March 2017

Termination Type	Number	% of total Resignations
Death	182	12.2
Resignation	461	31
Expiry of contract	210	14.1
Dismissal – misconduct	118	7.9
Discharged due to ill-health	54	3.6
Retirement	395	26.5
Transfer to other Public Service Departments	68	4.6
Total	1 488	100
Number of employees who left as a % of total employment		3.8

Table 3.5.4 Promotions by critical occupation for the period 1 April 2016 to 31 March 2017

Occupation	Employees 1 April 2016	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
Custodian and security personnel	31 624	144	0.5	3 568	11.3
Educationists	504	11	2.2	289	57.3
Medical practitioners	7	0	0	5	71.4
Pharmacists	78	0	0	21	26.9
Professional nurse	857	18	2.1	102	11.9
Psychologists and vocational counsellors	93	1	1.1	38	40.9
Social work and related professionals	629	7	1.1	170	27
Total	33 792	181	0.5	4 193	12.4

Table 3.5.5 Promotions by salary band for the period 1 April 2016 to 31 March 2017

Salary Band	Employees 1 April 2016	Promotions to another salary level	Salary bands 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)	1	0	0	1	100
Skilled (Levels3-5)	5 800	8	0.1	2 556	44.1
Highly skilled production (Levels 6-8)	27 824	153	0.5	2 168	7.8
Highly skilled supervision (Levels 9-12)	4 426	199	4.5	916	20.7
Senior Management (Levels 13 – 16)	175	15	8.6	24	13.7
Contracts (Levels 3-5)	138	-	-	-	-
Contracts (Levels 6-8)	5	-	-	-	-
Contracts (Levels 9-12)	71	-	-	-	-
Contracts (Levels 13-16)	12	-	-	-	-
Total	38 452	375	1	5 665	14.7

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 2017

Occupational category	Female				Male				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	71	8	1	2	95	13	5	10	205
Professionals	1 050	148	35	123	547	49	11	51	2 014
Technicians and associate professionals	1 148	208	28	203	678	161	26	357	2 809
Clerks	1 342	134	25	87	1 581	222	28	199	3 618
Service shop and market sales workers	7 531	1 189	140	326	15 311	2 936	380	2 779	30 592
Craft and related trade workers	47	2	-	-	233	52	4	58	396
Total	11 189	1 689	229	741	18 445	3 433	454	3 454	39 634
Employees with disabilities	87	9	2	6	125	20	2	31	282

Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2017

Occupational band	Female				Male				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1	-	1	-	7	-	-	1	10
Senior Management	63	8	-	2	79	12	5	8	177
Professionally qualified and experienced specialists and mid-management	1 533	177	41	185	1 618	252	62	520	4 388
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	6 208	1 075	125	438	13 235	2 757	339	2 834	27 011
Semi-skilled and discretionary decision making	3 251	400	50	82	3 354	385	47	76	7 645
Unskilled and defined decision making	-	-	-	-	1	-	-	-	1
Contract (Senior Management), Permanent	7	-	-	-	9	1	-	1	18
Contract (Professionally qualified), Permanent	18	7	12	31	21	2	1	11	103
Contract (Skilled Technical)	7	1	-	-	8	-	-	-	16
Contract (Semi-skilled), Permanent	101	21	-	3	113	24	-	3	265
Total	11 189	1 689	229	741	18 445	3 433	454	3 454	39 634
Employees with disabilities	87	9	2	6	125	20	2	31	282

Table 3.6.3 Recruitment for the period 1 April 2016 to 31 March 2017

Occupational band	Female				Male				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	-	-	-	-	-	-	-	-	-
Senior Management	3	-	-	-	9	-	1	1	14
Professionally qualified and experienced specialists and mid-management	60	4	2	3	39	1	1	1	111
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	111	7	1	2	105	4	-	1	231
Semi-skilled and discretionary decision making	124	13	-	5	90	6	-	1	239
Contract (Senior Management) contract	2	-	-	-	5	1	-	-	8
Contract (Professionally qualified), contract	11	6	12	32	7	1	1	10	80
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	7	1	-	-	8	-	-	1	17
Contract (Semi-skilled), contract	828	103	10	21	997	126	13	27	2 125
Total	1 146	134	25	63	1 260	139	16	42	2 825
Employees with disabilities	28	1	1	0	32	1	1	1	65

Table 3.6.4 Promotions for the period 1 April 2016 to 31 March 2017

Occupational band	Female				Male				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	-	-	-	-	-	-	-	-	-
Senior Management	6	2	-	-	4	1	-	2	15
Professionally qualified and experienced specialists and mid-management	67	7	1	-	106	13	3	2	199
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	63	3		1	82	2	1	1	153
Semi-skilled and discretionary decision making	3	1	-	1	3	-	-	-	8
Unskilled and defined decision making	-	-	-	-	-	-	-	-	-
Total	139	13	1	2	195	16	4	5	375
Employees with disabilities	4	-	-	1	5	1	-	-	11

Table 3.6.5 Terminations for the period 1 April 2016 to 31 March 2017

Occupational band	Female				Male				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1	-	-	1	-	-	-	-	2
Senior Management	2	1			8	2	1	1	15
Professionally qualified and experienced specialists and mid-management	57	18	3	18	86	24	2	57	265
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	112	22	-	28	501	107	7	115	892
Semi-skilled and discretionary decision making	23	2	-	1	49	6	3	2	86
Contract (Senior Management)	-	-	-	-	2	-	-	-	2
Contract (Professionally qualified)	32	3	8	23	30	10	2	6	114
Contract (Skilled technical)	-	-	-	-	1	-	-	1	2
Contract (Semi-skilled)	72	5	-	-	32	1	-	-	110
Total	299	51	11	71	709	150	15	182	1 488
Employees with disabilities	-	1	-	1	4	-	-	-	6

Table 3.6.6 Disciplinary action for the period 1 April 2016 to 31 March 2017

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Corrective counselling	219	107	7	23	69	21	-	2	448
Verbal warning	605	90	11	61	172	28	3	5	975
Written warning	514	105	11	41	134	26	8	5	844
Final written warning	309	58	9	33	62	14	3	3	491
Suspension without pay	71	18	-	13	10	4	1	1	118
Demotion	1	1	-	1	-	-	-	-	3
Dismissal	64	20	2	15	9	3	-	4	117
Not guilty	62	7	1	4	8	-	-	1	83
Withdrawal	57	8	3	8	12	-	-	2	90
Pending	148	19	2	14	19	6	1	1	210
Total	2 050	433	46	213	495	102	16	24	3 379

Table 3.6.7 Skills development for the period 1 April 2016 to 31 March 2017

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	706	439	144	308	1 005	468	118	172	3 360
Professionals	208	111	33	71	241	188	33	77	962
Technicians and associate professionals	122	13	3	14	121	10	1	9	293
Clerks	94	77	8	23	142	23	19	35	421
Service and sales workers	8 787	2 771	754	1 361	6 823	1 556	350	574	22 976
Skilled agriculture and fishery workers	-	-	-	-	-	-	-	-	-
Craft and related trades workers	82	49	27	40	-	-	-	-	198
Plant and machine operators and assemblers	-	-	-	-	-	-	-	-	-
Total	9 999	3 460	969	1 817	8 332	2 245	521	867	28 210
Employees with disabilities	72	9	4	5	53	9	-	-	152

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 is presented here.

Table 3.7.1 Signing of Performance Agreements by SMS members as on 31 May 2016

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	1	1	100%
Salary Level 16	2	1	-	-
Salary Level 15	15	10	5	50%
Salary Level 14	37	31	23	74.19%
Salary Level 13	160	137	104	75.91%
Total	215	180	133	73.88%

Table 3.7.2 Reasons for not having concluded Performance Agreements for all SMS members as on 31 May 2016

Reasons
Non-compliance

Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance Agreements as on 31 May 2016

Reasons
Non-compliance letters were issued and pay progression was forfeited

3.8. Performance Rewards

To encourage good performance, the Department has 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 2016 to 31 March 2017

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employee	% of total within group	Cost (R'000)	Average cost per employee
African	6 755	29 634	22.8	53,264	7,885
Male	2 554	11 189	22.9	19,414	7,601
Female	4 201	18 445	22.8	33,850	8,058
Asian	200	683	29.3	1,938	9,690
Male	54	229	23.6	464	8,590
Female	146	454	32.2	1,474	10,097
Coloured	1 353	5 122	26.4	11,511	8,508
Male	465	1 689	27.5	3,544	7,622
Female	888	3 433	25.9	7,966	8,971
White	1 206	4 195	28.7	12,647	10,487
Male	272	741	36.7	2,790	10,258
Female	934	3 454	27	9,857	10,554
Employees with disabilities	59	282	20.9	462	7,826
Total	9 514	36 504	26.2	79,361	8, 341

Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2016 to 31 March 2017

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)	-	1	-	-	-	-
Skilled (Levels 3-5)	966	7 645	12.6	4,608	4 770	0.03
Highly skilled production (Levels 6-8)	7 359	26 698	27.6	58,508	7 951	0.41
Highly skilled supervision (Levels 9-12)	1 184	4 388	27	16,108	13 604	0.12
11 Contract (Levels 3-5)	-	265	-	-	-	-
12 Contract (Levels 6-8)	-	16	-	-	-	-
13 Contract (Levels 9-12)	1	103	1	18	17 533	0.00
Total	9 510	36 299	26.2	79,241	8 332	0.57

Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2016 to 31 March 2017

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total cost (R'000)	Average cost per employee
Custodian and security personnel	7 996	34 584	23.1	62,892	7,865
Educationists	137	515	26.6	1,385	10,111
Medical practitioners	1	9	11.1	35	35,116
Pharmacists	11	84	13.1	188	17,083
Professional nurse	230	891	25.8	2,946	12,808
Psychologists and vocational counsellors	14	108	13	316	22,570
Social work and related professionals	143	646	22.1	1,472	10,296
Total	8 532	36 837	23.2	69,235	8,115

Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2016 to 31 March 2017

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	4	148	2.7	119	29,834	0.04
Band B	0	29	0	0	0	0
Band C	0	8	0	0	0	0
Band D	0	2	0	0	0	0
Contract Band A	0	14	0	0	0	0
Contract Band B	0	4	0	0	0	0
Total	4	205	2	119	29,834	0.04

One (1) performance bonus payment was made to an interdepartmentally transferred official and three (3) payments were made to DCS SMS officials who actually qualified in their previous ranks before appointment on SMS level.

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 2016 and 31 March 2017

Salary band	01-Apr-16		31-Mar-17		Change	
	Number	% of total	Number	% of total	Number	% Change
Highly skilled production (Levels 6-8)	3	15.8	3	18.8	-	-
Highly skilled supervision (Levels 9-12)	1	5.3	1	6.3	-	-
Periodical Remuneration	15	78.9	12	75	3	100
Total	19	100	16	100	3	100

Table 3.9.2 Foreign workers by major occupation for the period 1 April 2016 and 31 March 2017

Major occupation	01-Apr-16		31-Mar-17		Change	
	Number	% of total	Number	% of total	Number	% change
National security and custodian personnel	11	57.9	8	50	3	100
Professionals and managers	7	36.8	7	43.8	-	-
Service workers	1	5.3	1	6.3	-	-
TOTAL	19	100	16	100	3	100

3.10. Leave utilisation

The Public Service Commission identified the need for 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 2016 to 31 December 2016

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 Skills (Levels 1-2)	22	63.64	9	0.02	2.44	11
Skilled (Levels 3-5)	75 164	55.21	9 403	22.52	7.99	54,331
Highly skilled production (Levels 6-8)	302 696	54.1	27 014	64.69	11.21	359,955
Highly skilled supervision (Levels 9 -12)	38 896	51.94	4 042	9.68	9.62	76,132
Senior management (Levels 13-16)	1 446	51.45	182	0.44	7.95	5,572
Contract (Levels 3-5)	2 579	30.1	919	2.2	2.81	1,604
Contract (Levels 6-8)	58	41.38	17	0.04	3.41	78
Contract (Levels 9-12)	1 102	40.38	161	0.39	6.84	2,228
Contract (Levels 13-16)	72	23.61	13	0.03	5.54	279
Total	422 035	53.9	41 760	100	10.11	500,190

Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2016 to 31 December 2016

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)
Lower skilled (Levels 1-2)	-	-	-	-	-	-
Skilled (Levels 3-5)	4 336	100	80	9.79	54.2	3,089
Highly skilled production (Levels 6-8)	34 408	100	632	77.36	54.44	43,017
Highly skilled supervision (Levels 9-12)	5 224	100	97	11.87	53.86	9,680
Senior management (Levels 13-16)	87	100	1	0.12	87	307
Contract (Levels 3-5)	42	100	3	0.37	14	25
Contract (Levels 6-8)	18	100	1	0.12	18	25
Contract (Levels 9-12)	23	100	3	0.37	7.67	50
Total	44 138	100	817	100	54.02	56,193

Table 3.10.3 Annual Leave for the period 1 January 2016 to 31 December 2016

Salary band	Total days taken	Average Days per Employee	Number of Employees who took leave
Lower skilled (Levels 1-2)	37	3.7	10
Skilled (Levels 3-5)	141 594	10.93	12 960
Highly skilled production (Levels 6-8)	712 821	24.52	29 066
Highly skilled supervision (Levels 9-12)	117 703	25.43	4 629
Senior management (Levels 13-16)	5 495	24	229
Contract (Levels 3-5)	6 029	4.19	1 439
Contract (Levels 6-8)	165	6.88	24
Contract (Levels 9-12)	2 879	15.82	182
Contract (Levels 13-16)	304	17.88	17
Total	987 027	20.33	48 556

Table 3.10.4 Capped leave for the period 1 January 2016 to 31 December 2016

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 on 31 March 2017
Lower skilled (Levels 1-2)	-	-	-	-
Skilled (Levels 3-5)	0	0	0	10.58
Highly skilled production (Levels 6-8)	4 405.17	587	7.5	30.69
Highly skilled supervision (Levels 9-12)	1 269.32	141	9	48.86
Senior management (Levels 13-16)	146.3	20	7.32	58.27
Total	5 820.79	748	7.78	34.31

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

Table 3.10.5 Leave payouts for the period 1 April 2016 and 31 March 2017

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Leave payout for 2015/16 due to non-utilisation of leave for the previous cycle	90	2	45
Capped leave payout on termination of service for 2016/17	75,028	1 220	61
Current leave payout on termination of service for 2016/17	5,909	372	16
Total	81,027	1,594	51

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"> Health care professionals Food handlers Officials working on sewerage purification plants Officials working in hospitals 	<ul style="list-style-type: none"> Officials (941) vaccinated against Hepatitis A & B
<ul style="list-style-type: none"> Dog handlers and trainers Horse riders 	<ul style="list-style-type: none"> Officials (147) vaccinated against rabies infection

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		Mr. MM Ngubo, Deputy Commissioner: Integrated Employee Health and Wellness.

Question	Yes	No	Details, if yes
2. Does the Department have a dedicated unit or has it 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 9. • No budget was provided for HIV/AIDS programme during the financial year 2016/17. • Employee Assistance Programme's (EAP's) assist with counselling on HIV & AIDS. • There are 42 EAP posts filled nationally, at salary level 8, 4 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 Sport and Recreation sub-directorate 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. <ul style="list-style-type: none"> - The annual budget is approximately R 1,322,000 (EAP) million for compensation of employees and for programmes R 485,000 (EAP). - OHS Directorate has 3 (1 X Director, 1 X DD and 1 X ASD) officials at Head Office, and there are 6 Regional Coordinators (5 filled and 1 vacant). The annual budget for occupational hygiene surveys, risk assessment, medical surveillance and vaccinations for officials is R 9 160 000.00.
3. Has the Department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/ services of this Programme.	X		<p>THERAPEUTIC SERVICES</p> <p>Number of employees seen by EAP's 2016/17(1494 employees)</p> <p>TRAININGS</p> <p>The EAP's reached 2901 employees on the followings trainings: Supervisory training, other(stress management and relaxation techniques, EAP video conferencing induction, personal finance(in the money) x2 old mutual facilitated training on GEPP, training on building happy & healthy relationships in the workplace, confidential formal referral form, relationship and marriage enrichment.</p> <p>WELLNESS</p> <p>EAP's reached 603 employees and 384 programmes. They rendered the following programmes: diabetic awareness, wellness days, cancer awareness, 16 days of activism, breast cancer pamphlets and awareness, stress management, aerobics, fun walk, condom distributions and STI pamphlet, healthy lifestyle presentation, soccer match, GEPP presentation, TB screening by TB/HIV Care, retirement workshop, suicide prevention, domestic violence, burn out and stress, sexual harassment, disability awareness, women and men's prayer, healthy lifestyle, TB awareness, condom awareness, consumer rights, planning and setting life goals, GEMS presentations, wellness day, prayer day, nutrition, child protection, trauma awareness, equity in the workplace, trauma debriefing, team building, conflict management.</p> <p>MARKETING</p> <p>The EAP's reached 11077 employees on marketing and information sharing.</p>

Question	Yes	No	Details, if yes
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"> The terms of reference for the committee have been approved. The TOR are being consulted and marketed with the Regions during the rollouts.
5. Has the Department reviewed its employment policies and practices 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"> HIV/AIDS, STI's and TB Management policy is developed and is in the process of approval by the Minister. This policy will be amending the Integrated Employee Health and Wellness Policy and procedure which was approved in 2012 and still operational until the amended one is approved. The draft HIV/AIDS, STI's and TB Management policy principles strictly addresses issues relating to unfair discrimination for employees infected with HIV and TB. <ul style="list-style-type: none"> The Integrated Employee Health and Wellness Policy which is our source of reference currently addresses unfair discrimination on principle 9 and 11. The other policies are the Employment Equity Plan, Gender Policy, 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 namely the Code of Conduct, the Integrated Employee Health and Wellness Policy and Procedures, the Employment Equity Plan, Gender Policy, the Basic Conditions of Employment Act, the Constitution of South Africa. Any contravention against the above codes and policies is addressed through the DCS Disciplinary Policy and Procedure. The following principles from the Integrated Employee Wellness Policy has reference. <ul style="list-style-type: none"> Every employee shall have a right to confidentiality non-disclosure and privacy regarding their health status and medical records Health and wellness professionals and practitioners shall maintain neutrality. Participation in integrated health and wellness programmes shall not prejudice an employee's job security.
7. Does the Department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	X		<ul style="list-style-type: none"> A total of 1 928 employees were reached during awareness presentation on HIV and TB. 674 employees (292 males & 382 females) participated in HCT.
8. Has the Department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	X		<ul style="list-style-type: none"> The Department developed and implemented a 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 ARV's; 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 2016 and 31 March 2017

Total number of Collective Agreements	One (Departmental Bargaining Chamber Settlement Agreement 1 of 2016 – an addendum to GPSSBC Resolution 2 of 2009)
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The following table summarises the outcome of disciplinary hearings conducted within the Department for the year under review.

Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2016 and 31 March 2017

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	448	14.1
Verbal warning	975	30.8
Written warning	844	26.6
Final written warning	491	15.5
Suspended without pay	118	3.7
Fine	0	0.0
Demotion	3	0.1
Dismissal	117	3.7
Not guilty	83	2.6
Case withdrawn	90	2.8
Total	3 169	100

Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2016 and 31 March 2017

Type of misconduct	Number	% of total
Fails to comply with, or contravenes an Act, regulation or legal obligation	929	27.5
Mismanages the finances of the State	12	0.4
Without permission possesses or wrongfully uses the property of the State, another employee and/or a visitor	35	1.0
Misuse/abuse of movable/immovable property of the State	9	0.3
Damage to and or cause loss of State property	42	1.2
Endangers the lives of self or others by disregarding safety rules or regulations	32	0.9
Prejudice the administration, discipline or efficiency of a department, office or institution of the State	82	2.4
Misuse of 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	51	1.5
Accepts any compensation in cash or otherwise from a member of the public, another employee or an offender for performing her or his duties without written approval from the Department	3	0.1
Fails to carry out a lawful order or routine instruction without just or reasonable cause	209	6.2
Absence or repeated absence from work without a valid reason or permission	926	27.4
Commits an act of sexual harassment	6	0.2
Discriminates on the basis of race, gender, disability, sexuality or other grounds outlawed by the Constitution	1	0.0
Poor or inadequate performance for reasons other than incapacity	37	1.1
Dereliction of duties	220	6.5
Allowing a disciplinary hearing to fall away (Refer to clause 7.3.2 of the Procedure)	1	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	4	0.1
Breaching the conditions pertaining to authorised private work.	1	0.0
Sleeping on duty	36	1.1
While on duty, is under the influence of an intoxicating, illegal, unauthorised, habit-forming and/or stupefying drug	67	2.0
Being in possession of alcohol in the workplace	2	0.1
Being in possession of illegal, unauthorised, habit-forming and/or stupefying drug on Departmental premises	14	0.4
Permitting an offender to take alcohol or any prohibited drug or to have these substances in his/her possession	2	0.1
While on duty, conducts herself or himself in an improper, disgraceful and unacceptable manner	63	1.9
Contravention of the DCS Code of Conduct	257	7.6
Assault, attempts or threatens to assault another employee or person while on duty	100	3.0
Incites other personnel to un-procedural and unlawful conduct	1	0.0
Displays disrespect towards others in the workplace or demonstrates abusive or insolent behaviour	37	1.1
Intimidation or victimisation of fellow employees or other persons	3	0.1

Type of misconduct	Number	% of total
Prevents/force other employees from belonging/not belonging to any trade union or employee organisation	0	0
Operates any money lending scheme for employees for own benefit during working hours in the workplace	0	0
Carries or keeps firearms or other dangerous weapons in the workplace without the written authorisation of the employer	3	0.1
Misuse of firearms and/or other dangerous weapons in the workplace	3	0.1
Breaching of security measures	146	4.3
Furnishing of false statements or evidence in the execution of his or her duties	26	0.8
Falsification of records or any other documentation	16	0.5
Participation in un-procedural, unprotected and/or unlawful industrial action	1	0.0
Commitment of a common law or statutory offence whilst on duty and/or on State premises	2	0.1
Total	3 379	100

Table 3.12.4 Grievances logged for the period 1 April 2016 and 31 March 2017

Grievances	Number	% of Total
Number of grievances finalised	846	77.1
Number of grievances pending	251	22.9
Total number of grievances lodged	1 097	100

Table 3.12.5 Disputes logged with Councils for the period 1 April 2016 and 31 March 2017

Disputes	Number	% of Total
Number of disputes upheld	57	18.3
Number of disputes dismissed	55	17.6
Withdrawn	22	7.1
Settled	20	6.4
No jurisdiction- GPSSBC	25	8.0
Arbitrations pending	133	42.6
Total number of disputes lodged	312	100

Table 3.12.6 Strike actions for the period 1 April 2016 and 31 March 2017

Total number of persons working days lost	0
Total costs of 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 2016 and 31 March 2017

Number of people suspended	330
Number of people whose suspension exceeded 30 days	200
Average number of days suspended	59.58
Cost of suspension (R'000)	12,395

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 2016 and 31 March 2017

Occupational category	Gender	Number of employees as at 1 April 2016	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	74	-	59	-	59
	Male	101	-	29	-	29
Professionals	Female	1 222	-	697	194	891
	Male	605	-	345	179	524
Technicians and associate professionals	Female	1 625	-	764	170	937
	Male	1 303	-	1 628	250	1 878
Clerks	Female	1 458	-	153	30	183
	Male	1 979	-	527	-	527
Service and sales workers	Female	8 416	-	5 609	933	6 542
	Male	21 025	-	8 433	-	8 433
Skilled agriculture and fishery workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Craft and related trades workers	Female	46	-	-	-	-
	Male	370	-	200	-	200
Plant and machine operators and assemblers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Elementary occupations	Female	-	-	-	-	-
	Male	2	-	-	-	-
Sub-total	Female	12 841	823	7 282	1 327	8 609
	Male	25 385	1 241	10 962	429	11 391
Total		38 226	2 064	18 244	1 756	20 000

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

Table 3.13.2 Training provided for the period 1 April 2016 and 31 March 2017

Occupational category	Gender	Number of employees as at 1 April 2016	Training provided within the reporting period			
			Learnerships	Skills programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	74	-	1 632	226	1 858
	Male	101	-	1 202	299	1 501
Professionals	Female	1 222	-	423	116	539
	Male	605	-	346	77	423
Technicians and associate professionals	Female	1 625	-	113	29	142
	Male	1 303	-	130	21	151
Clerks	Female	1 458	-	155	63	218
	Male	1 979	-	202	-	202
Services and sales workers	Female	8 416	-	6 358	2 945	9 303
	Male	21 025	-	10 402	3 270	13 672
Skilled agriculture and fishery workers	Female	-	-	1	-	1
	Male	-	-	1	-	1
Crafts and trade related workers	Female	46	-	-	-	-
	Male	370	-	198	-	198
Elementary occupations	Female	-	1 385	-	-	-
	Male	2	1 619	-	-	-
Sub-total	Female	12 841	1 385	8 683	3 379	12 062
	Male	25 385	1 619	12 480	3 668	16 148
TOTAL		38 226	3 004	21 163	7 047	28 210

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 2016 and 31 March 2017

Nature of injury on duty	Number	% of total
Required basic medical attention only	136	28.3
Temporary Total Disablement	341	70.9
Permanent Disablement	-	-
Fatal	4	0.8
Total	481	100

3.15. Utilisation of Consultants

The following tables relate information on the utilisation of consultants in the Department.

Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2016 and 31 March 2017

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
Review of the Annual Financial Statements for the 2016/17 financial year	1	5	65,664.00
Health Risk Management Solutions (Alexander Forbes)	1	254 Claim based on the filled post establishment	R4,545,990.99
Health Risk Management Solutions (Metropolitan)	1	254 Claim based on number of temporary incapacity leave applications processed	R919,030.58

Total number of projects	Total individual consultants	Total duration work days	Total contract value in Rand
1	1	5	R 65,664.00
2	2	508	R 5,465,021.57

Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDI) for the period 1 April 2016 and 31 March 2017

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
Review of the Annual Financial Statements for the 2016/17 financial year	none	none	none
Health Risk Management Solutions (Alexander Forbes)	16.24	6.16	0
Health Risk Management Solutions (Metropolitan)	17	8.25	0

Table 3.15.3 Report on consultant appointments using Donor Funds for the period 1 April 2016 and 31 March 2017

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

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

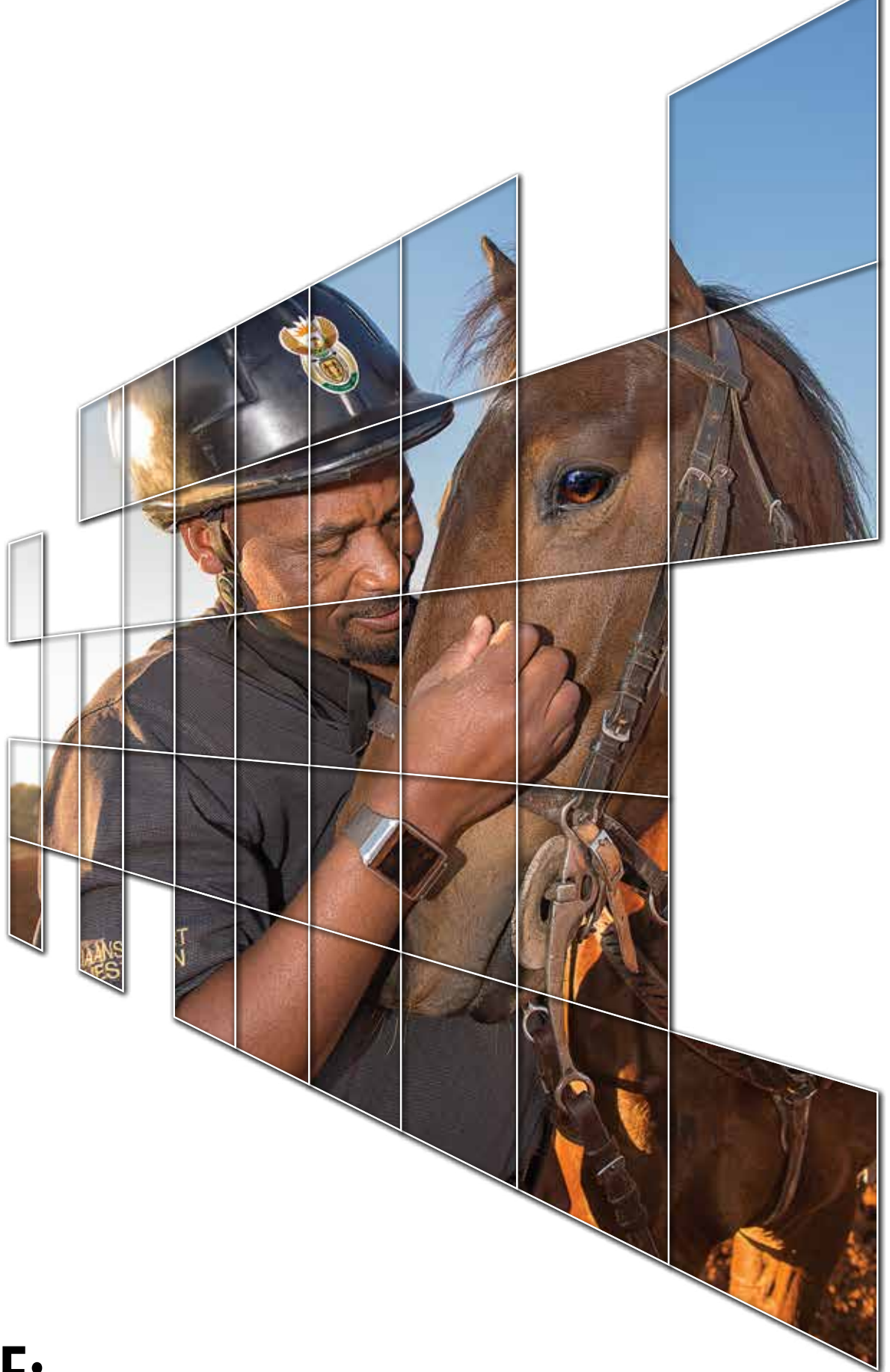
Table 3.15.4 Analysis of consultant appointments using Donor Funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2016 and 31 March 2017

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

3.16. Severance Packages

Table 3.16.1 Granting of employee initiated severance packages for the period 1 April 2016 and 31 March 2017

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)	-	-	-	-
Skilled (Levels 3-5)	-	-	-	-
Highly skilled production (Levels 6-8)	-	-	-	-
Highly skilled supervision(Levels 9-12)	-	-	-	-
Senior management (Levels 13-16)	-	-	-	-
Total	-	-	-	-



PART E:

FINANCIAL INFORMATION

1. REPORT OF THE AUDITOR-GENERAL

Report of the auditor-general to Parliament on vote no. 18: Department of Correctional Services

Report on the audit of the financial statements

Qualified opinion

1. I have audited the financial statements of the Department of Correctional Services set out on pages 120 to 204, which comprise the appropriation statement, the statement of financial position as at 31 March 2017, 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 to the financial statements, including a summary of significant accounting policies.
2. In my opinion, except for the possible effects of the matters described in the basis for qualified opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the Department of Correctional Services as at 31 March 2017, and its financial performance and cash flows for the year then ended in accordance with Modified Cash Standards (MCS) and the requirements of the Public Finance Management Act of South-Africa, 1999 (Act. No. 1 of 1999) (PFMA).

Basis for qualified opinion

Immovable tangible capital assets

3. The Department did not properly account for the immovable tangible capital assets as disclosed in note 34 of the financial assets in accordance with the chapter on Capital assets, paragraph 101 of the Modified Cash Standard as prescribed by National Treasury, as the Department did not record capital work in progress. I was unable to determine the full extent of the understatement of the immovable tangible capital assets as it was impracticable to do so.
4. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of

my report.

5. I am independent of the Department in accordance with the International Ethics Standards Board for Accountants' Code of ethics for professional accountants (IESBA code) together with the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
6. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of matters

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

Uncertainty relating to the future outcome of exceptional litigation

8. As disclosed in note 20 to the financial statements, contingent liabilities, the Department is the defendant in various law suits. The ultimate outcome of these matters cannot currently be determined and no provision for any liability that may result has been made in the financial statements.

Accruals and payables not recognised

9. As disclosed in note 22 to the financial statements, payables, which exceed the payment term of 30 days as required in Treasury Regulation 8.2.3, amounted to R374 213 000. This amount, in turn, exceeds the voted funds to be surrendered of R38 017 000 as per the statement of financial performance. The amount of R336 196 000 would therefore have constituted unauthorised expenditure had the amounts due been paid in a timely manner.

Restatement of corresponding figures

10. As disclosed in note 37 to the financial statements, the corresponding figures for 31 March 2016 have been restated as a result of an error in the financial statements of the Department at, and for the year ended, 31 March 2017.

Other matter

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

Unaudited supplementary schedules

12. The supplementary information set out on pages 205 to 218 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.

Responsibilities of accounting officer responsible for the financial statements

13. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with Modified Cash Standards of Accounting (MCS) 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.
14. In preparing the financial statements, the accounting officer is responsible for assessing the Department of Correctional Services' ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless there is an intention to either liquidate the Department or to cease operations, or there is no realistic alternative but to do so.

Auditor-general's responsibilities for the audit of the financial statements

15. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
16. A further description of my responsibilities for the audit of the financial statements is included in the annexure to the auditor's report.

Report on the audit of the annual performance report

Introduction and scope

17. 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 material findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report. I performed procedures to identify findings, but not to gather evidence to express assurance.
18. My procedures address the reported performance information, which must be based on the approved performance planning documents of the department. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
19. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programmes presented in the annual performance report of the Department for the year ended 31 March 2017:

Programmes	Pages in the annual performance report
Programme 2 – Incarceration	49 – 58
Programme 3 – Rehabilitation	58 – 66
Programme 4 – Care	66 – 69
Programme 5 – Social reintegration	69– 74

20. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported

performance information to determine whether it was valid, accurate and complete.

21. The material finding in respect of the reliability of the selected programmes is as follows:

Programme 2 – Incarceration

Percentage of overcrowding in correctional centres and remand detention facilities in excess of approved capacity

22. I was unable to obtain sufficient appropriate audit evidence for the reported achievement of the target of 32% [38 123/119 134]. This was due to management's inability to provide all the required information to substantiate the reported approved accommodation. I was unable to confirm the reported achievement by alternative means. Consequently, I was unable to determine whether any adjustments were required to the actual reported achievement of 35% [41 146/119 134].
23. I did not identify any material findings on the usefulness and reliability of the reported performance information for the following programmes:

Programme 3 – Rehabilitation

Programme 4 – Care

Programme 5 – Social reintegration

Other matters

24. I draw attention to the matters below.

Achievement of planned targets

25. Refer to the annual performance report on page(s) 49 to 58; 58 to 66; 66 to 69; 69 to 74] for information on the achievement of planned targets for the year and explanations provided for the under-/overachievement of a significant number of targets. This information should be considered in the context of the material findings expressed on the reliability of the reported performance information in paragraph(s) [22; 23; 24] of this report.

Adjustment of material misstatements

26. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were on the reported performance information of Incarceration and Social Reintegration. As management

subsequently corrected only some of the misstatements, I reported material findings on the reliability of the reported performance information. Those that were not corrected are included in the material findings reported.

Report on audit of compliance with legislation

Introduction and scope

27. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the compliance of the Department with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
28. The material findings in respect of the compliance criteria for the applicable subject matters are as follows:

Annual financial statements, performance and annual reports

29. 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.
30. Material misstatements on contingent liabilities, agent-principal arrangements and prior period errors identified by the auditors in the submitted financial statements were corrected, but the uncorrected material misstatements on immovable capital work-progress resulted in the financial statements receiving a qualified audit opinion.

Expenditure management

31. 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 of the PFMA. The majority of the irregular expenditure was caused by extensions made without obtaining timeous approval / following proper approval procedures.
32. Money was spent on a contract without the approval of a properly authorised official, as required by treasury regulation 8.2.1.
33. Contractual obligations and/or money owed by the Department were not met and/or settled within 30 days, as required by section 38(1)(f) of the PFMA and treasury regulation 8.2.3.

Strategic planning and performance management

34. 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 the public service regulations 25(1), 25(3)(a and b) and 29.

Procurement and contract management

35. Sufficient appropriate audit evidence could not be obtained that some contracts were awarded in accordance with the legislative requirements, as some bidding documents could not be provided for selected contracts audited.
36. Some goods and services of a transaction value above R500 000 were procured without inviting competitive bids, as required by treasury regulations 16A6.1.
37. Some contracts were extended without the approval of a properly delegated official as required by treasury regulations 8.2.2, section 44 of the PFMA.

Other information

38. The Department of Correctional Services' accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report thereon and those selected programmes presented in the annual performance report that have been specifically reported on in the auditor's report.
39. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.
40. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

41. If, based on the work I have performed, I conclude that there is a material misstatement of this other information; I am required to report that fact. I have nothing to report in this regard.

Internal control deficiencies

42. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance thereon. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for qualified opinion, the findings on the annual performance report and the findings on compliance with legislation included in this report.

Leadership

43. The accounting officer did not adequately exercise oversight of the financial and performance reporting and compliance with laws and regulations.

Financial and performance management

44. Management did not prepare regular, accurate and complete financial and performance reports that were supported and evidenced by reliable information.
45. Management did not adequately review and monitor compliance with applicable laws and regulations.

Other reports

46. I draw attention to the following engagements conducted by various parties that had, or could have, an impact on the matters reported in the department's financial statements, reported performance information, compliance with applicable legislation and other related matters. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.
47. The president proclaimed the following two investigations which have been gazetted for the special investigation unit (SIU):
- Proclamation R.18 of 2016 to investigate irregularities in the procurement of an electronic monitoring system between 1 June 2011 and 15 April 2016.

- Proclamation R.20 of 2016 to investigate the appointment of a service provider to render project management services and condition assessments in respect of correctional facilities between 10 May 2013 and 15 April 2016.

48. On 15 June 2016 the National Treasury issued a report to the national commissioner on a review of the bidding process for the appointment of a service provider for the supply, installation, commission and maintenance of a development framework for an integrated inmate management system. This matter is still the subject of a legal process.

Auditor-general

Pretoria

31 July 2017



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure – Auditor-general's responsibility for the audit

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements, and the procedures performed on reported performance information for selected programmes and on the department's compliance with respect to the selected subject matters.

Financial statements

2. In addition to my responsibility for the audit of the financial statements as described in the auditor's report, I also:
 - identify and assess the risks of material misstatement of the financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery,

intentional omissions, misrepresentations, or the override of internal control.

- obtain an understanding of internal control relevant to the audit 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 department's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting officer.
- conclude on the appropriateness of the accounting officer's use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Department of Correctional Services' ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial statements. My conclusions are based on the information available to me at the date of the auditor's report. However, future events or conditions may cause a Department to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also confirm to the accounting officer that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and here applicable, related safeguards.

DEPARTMENT OF CORRECTIONAL SERVICES

VOTE 18

APPROPRIATION STATEMENT

for the year ended 31 March 2017

2. AUDITED ANNUAL FINANCIAL STATEMENTS

Appropriation per programme									
Programme	Adjusted Appropriation	Shifting of Funds	Virement	2016/17			Expenditure as % of final appropriation	2015/16	
				Final Appropriation	Actual Expenditure	Variance		Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Administration	3,876,194	-	3,405	3,879,599	3,879,599	-	100.0%	4,015,015	4,015,015
2. Incarceration	13,701,515	-	(277,570)	13,423,945	13,388,093	35,852	99.7%	12,554,955	12,555,076
3. Rehabilitation	1,219,589	-	(31,763)	1,187,826	1,185,661	2,165	99.8%	1,129,139	1,129,139
4. Care	1,975,116	-	259,978	2,235,094	2,235,094	-	100.0%	2,088,481	2,088,481
5. Social Reintegration	807,777	-	45,950	853,727	853,727	-	100.0%	800,964	800,964
Subtotal	21,580,191	-	-	21,580,191	21,542,174	38,017	99.8%	20,588,554	20,588,675

	2016/17			2015/16	
	Final Appropriation	Actual Expenditure		Final Appropriation	Actual Expenditure
TOTAL (brought forward)					
ADD					
Departmental receipts	147,484			129,317	
Actual amounts per statement of financial performance (total revenue)	21,727,675			20,717,871	
ADD					
Aid assistance		1,278			130
Actual amounts per statement of financial performance (total expenditure)		21,543,452			20,588,805

DEPARTMENT OF CORRECTIONAL SERVICES

VOTE 18

APPROPRIATION STATEMENT

for the year ended 31 March 2017

APPROPRIATION PER ECONOMIC CLASSIFICATION									
	2016/17					2015/16			
	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	20,453,132	-	95,661	20,548,793	20,528,963	19,830	99.9%	19,192,499	19,236,312
Compensation of employees	14,821,416	-	-	14,821,416	14,417,167	404,249	97.3%	13,155,095	13,189,485
Salaries and wages	12,059,431	-	43,685	12,103,116	11,698,867	404,249	96.7%	10,580,905	10,580,905
Social contributions	2,761,985	-	(43,685)	2,718,300	2,718,300	-	100.0%	2,574,190	2,608,580
Goods and services	5,631,716	-	95,661	5,727,377	6,111,482	(384,105)	106.7%	6,037,404	6,045,168
Administrative fees	8,674	-	(3,133)	5,541	5,541	-	100.0%	5,993	5,993
Advertising	13,140	-	(6,665)	6,475	6,475	-	100.0%	11,063	11,063
Minor assets	49,020	-	(36,397)	12,623	12,623	-	100.0%	20,325	20,325
Audit costs: External	45,973	-	(9,326)	36,647	36,647	-	100.0%	42,737	42,737
Bursaries: Employees	3,362	-	1,407	4,769	4,769	-	100.0%	3,885	3,885
Catering: Departmental activities	17,841	-	(2,002)	15,839	15,839	-	100.0%	36,149	36,149
Communication	81,242	-	18,743	99,985	99,985	-	100.0%	93,836	93,836
Computer services	123,623	-	(18,202)	105,421	105,421	-	100.0%	113,844	113,844
Consultants: Business and advisory services	42,695	-	(30,825)	11,870	11,870	-	100.0%	29,078	29,078
Infrastructure and planning services	1,551	-	1,374	2,925	2,925	-	100.0%	2,685	2,685
Laboratory services	10,479	-	7,008	17,487	17,487	-	100.0%	13,019	13,019
Legal services	33,602	-	(5,704)	27,898	27,898	-	100.0%	40,090	40,090
Contractors	225,639	-	(88)	225,551	225,551	-	100.0%	215,519	215,519

DEPARTMENT OF CORRECTIONAL SERVICES

VOTE 18

APPROPRIATION STATEMENT

for the year ended 31 March 2017

APPROPRIATION PER ECONOMIC CLASSIFICATION									
2016/17						2015/16			
	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	646,635	-	909,051	1,555,686	1,668,194	(112,508)	107.2%	760,811	760,811
Entertainment	473	-	(386)	87	87	-	100.0%	221	221
Fleet services	156,884	-	70,530	227,414	227,414	-	100.0%	245,995	245,995
Housing	2	-	(2)	-	-	-	-	-	-
Inventory: Clothing material and supplies	101,989	-	(14,909)	87,080	87,080	-	100.0%	59,898	59,898
Inventory: Farming supplies	79,233	-	83,389	162,622	198,122	(35,500)	121.8%	190,613	190,613
Inventory: Food and food supplies	297,829	-	92,681	390,510	396,109	(5,599)	101.4%	377,233	377,233
Inventory: Fuel, oil and gas	23,566	-	(5,531)	18,035	18,035	-	100.0%	23,027	23,027
Inventory: Learner and teacher support material	6,389	-	(3,442)	2,947	2,947	-	100.0%	5,412	5,412
Inventory: Materials and supplies	64,684	-	(7,909)	56,775	56,775	-	100.0%	86,887	86,887
Inventory: Medical supplies	3,985	-	(2,411)	1,574	1,574	-	100.0%	1,297	1,297
Inventory: Medicine	57,593	-	26,721	84,314	84,314	-	100.0%	79,352	79,352
Inventory: Other supplies	22,027	-	(20,605)	1,422	1,422	-	100.0%	4,779	4,779
Consumable supplies	273,957	-	(36,741)	237,216	285,080	(47,864)	120.2%	303,686	303,686

DEPARTMENT OF CORRECTIONAL SERVICES

VOTE 18

APPROPRIATION STATEMENT

for the year ended 31 March 2017

APPROPRIATION PER ECONOMIC CLASSIFICATION									
	2016/17					2015/16			
	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
Consumable: Stationery, printing and office supplies	96,155	-	(33,758)	62,397	62,397	-	100.0%	71,439	71,439
Operating leases	2,022,222	-	(1,121,878)	900,344	918,935	(18,591)	102.1%	1,951,564	1,951,564
Property payments	865,874	-	290,408	1,156,282	1,320,325	(164,043)	114.2%	929,488	937,252
Transport provided: Departmental activity	5,683	-	1,898	7,581	7,581	-	100.0%	5,221	5,221
Travel and subsistence	202,186	-	(33,067)	169,119	169,119	-	100.0%	259,351	259,351
Training and development	17,834	-	(13,006)	4,828	4,828	-	100.0%	12,638	12,638
Operating payments	22,942	-	865	23,807	23,807	-	100.0%	29,266	29,266
Venues and facilities	6,422	-	(4,280)	2,142	2,142	-	100.0%	2,838	2,838
Rental and hiring	311	-	1,853	2,164	2,164	-	100.0%	8,165	8,165
Interest and rent on land	-	-	-	-	314	(314)	0.0%	-	1,659
Interest	-	-	-	-	314	(314)	0.0%	-	1,659
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	132,091	-	-	132,091	131,448	643	99.5%	121,443	109,225
Provinces and municipalities	5,916	-	(177)	5,739	5,739	-	100.0%	5,378	5,378
Provinces	-	-	1,510	1,510	1,510	-	100.0%	1,417	1,417
Provincial agencies and funds	-	-	1,510	1,510	1,510	-	100.0%	1,417	1,417
Municipalities	5,916	-	(1,687)	4,229	4,229	-	100.0%	3,961	3,961
Municipal bank accounts	5,916	-	(1,687)	4,229	4,229	-	100.0%	3,961	3,961

DEPARTMENT OF CORRECTIONAL SERVICES

VOTE 18

APPROPRIATION STATEMENT

for the year ended 31 March 2017

APPROPRIATION PER ECONOMIC CLASSIFICATION									
	2016/17					2015/16			
	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
Departmental agencies and accounts	9,900	-	10,923	20,823	20,823	-	100.0%	3,300	-
Departmental agencies	9,900	-	10,923	20,823	20,823	-	100.0%	3,300	-
Public corporations and private enterprises	-	-	1,857	1,857	1,857	-	100.0%	5,935	5,935
Private enterprises	-	-	1,857	1,857	1,857	-	100.0%	5,935	5,935
Other transfers to private enterprises	-	-	1,857	1,857	1,857	-	100.0%	5,935	5,935
Households	116,275	-	(12,603)	103,672	103,029	643	99.4%	106,830	97,912
Social benefits	94,896	-	(19,136)	75,760	75,117	643	99.2%	84,442	75,524
Other transfers to households	21,379	-	6,533	27,912	27,912	-	100.0%	22,388	22,388
Payments for capital assets	994,968	-	(95,661)	899,307	874,405	24,902	97.2%	1,274,612	1,243,138
Buildings and other fixed structures	770,829	-	-	770,829	748,092	22,737	97.1%	856,588	857,815
Buildings	770,829	-	-	770,829	748,092	22,737	97.1%	856,588	857,815
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	221,928	-	(96,111)	125,817	123,652	2,165	98.3%	402,522	382,300
Transport equipment	49,292	-	19,298	68,590	68,590	-	100.0%	261,446	261,446
Other machinery and equipment	172,636	-	(115,409)	57,227	55,062	2,165	96.2%	141,076	120,854
Biological assets	2,211	-	450	2,661	2,661	-	100.0%	3,023	3,023

DEPARTMENT OF CORRECTIONAL SERVICES

VOTE 18

APPROPRIATION STATEMENT

for the year ended 31 March 2017

APPROPRIATION PER ECONOMIC CLASSIFICATION									
2016/17								2015/16	
	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
Software and Intangible assets	-	-	-	-	-	-	-	12,479	-
Payments for financial assets	-	-	-	-	7,358	(7,358)	-	-	-
Total	21,580,191	-	-	21,580,191	21,542,174	38,017	99.8%	20,588,554	20,588,675

DEPARTMENT OF CORRECTIONAL SERVICES

VOTE 18

APPROPRIATION STATEMENT

for the year ended 31 March 2017

PROGRAMME 1: ADMINISTRATION									
	2016/17						2015/16		
	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	34,622		(9,532)	25,090	25,090	-	100.0%	23,081	23,081
2. Judicial Inspectorate for Correctional Services	65,309		(23,799)	41,510	41,510	-	-	39,477	39,477
3. Management	739,863	-	(14,332)	725,531	725,543	(12)	100.0%	715,048	716,230
4. Human Resources	1,670,267	-	48,725	1,718,992	1,617,025	101,967	94.1%	1,560,238	1,591,328
5. Finance	957,027	-	74,676	1,031,703	1,115,067	(83,364)	108.1%	1,322,147	1,322,147
6. Internal Audit	95,286	-	(24,184)	71,102	71,102	-	100.0%	67,885	67,885
7. Information Technology	235,292	-	(63,624)	171,668	171,668	-	100.0%	225,178	192,906
8. Office Accommodation	78,528	-	15,475	94,003	112,594	(18,591)	119.8%	61,961	61,961
Total for sub programmes	3,876,194	-	3,405	3,879,599	3,879,599	-	100.0%	4,015,015	4,015,015
Economic classification									
Current payments	3,726,405	-	15,596	3,742,001	3,742,001	-	100.0%	3,654,166	3,690,167
Compensation of employees	2,964,573	-	15,599	2,980,172	2,857,420	122,752	95.9%	2,602,115	2,636,505
Salaries and wages	2,265,491	-	(59,598)	2,205,893	2,083,141	122,752	94.4%	1,883,227	1,883,227
Social contributions	699,082	-	75,197	774,279	774,279	-	100.0%	718,888	753,278
Goods and services	761,832	-	(3)	761,829	884,532	(122,703)	116.1%	1,052,051	1,052,051
Administrative fees	7,398	-	(2,527)	4,871	4,871	-	100.0%	5,209	5,209
Advertising	12,338	-	(5,934)	6,404	6,404	-	100.0%	10,686	10,686
Minor assets	15,116	-	(13,974)	1,142	1,142	-	100.0%	2,680	2,680
Audit costs: External	45,973	-	(9,326)	36,647	36,647	-	100.0%	42,737	42,737
Bursaries: Employees	3,362	-	1,407	4,769	4,769	-	100.0%	3,885	3,885

DEPARTMENT OF CORRECTIONAL SERVICES

VOTE 18

APPROPRIATION STATEMENT

for the year ended 31 March 2017

PROGRAMME 1: ADMINISTRATION									
	2016/17						2015/16		
	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
Catering: Departmental activities	11,169	-	83	11,252	11,252	-	100.0%	22,976	22,976
Communication	45,988	-	15,347	61,335	61,335	-	100.0%	58,760	58,760
Computer services	123,562	-	(18,202)	105,360	105,360	-	100.0%	113,157	113,157
Consultants: Business and advisory services	39,483	-	(28,005)	11,478	11,478	-	100.0%	27,641	27,641
Laboratory services	94	-	(94)	-	-	-	-	-	-
Legal services	33,602	-	(5,704)	27,898	27,898	-	100.0%	40,090	40,090
Contractors	6,544	-	3182	9,726	9,726	-	100.0%	5,177	5,177
Agency and support / outsourced services	10,182	-	38	10,220	30,968	(20,748)	303.0%	38,074	38,074
Entertainment	442	-	(355)	87	87	-	100.0%	212	212
Fleet services	95,849	-	43,322	139,171	139,171	-	100.0%	154,721	154,721
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and supplies	23,807	-	(8,845)	14,962	14,962	-	100.0%	23,871	23,871
Inventory: Farming supplies	1	-	-	1	35,501	(35,500)	3550100.0%	43,148	43,148
Inventory: Food and food supplies	112	-	1,040	1,152	1,152	-	100.0%	33,806	33,806
Inventory: Fuel, oil and gas	1,077	-	5,049	6,126	6,126	-	100.0%	6,589	6,589
Inventory: Learner and teacher support material	35	-	(40)	(5)	(5)	-	100.0%	(37)	(37)
Inventory: Materials and supplies	1,543	-	20,640	22,183	22,183	-	100.0%	32,747	32,747

DEPARTMENT OF CORRECTIONAL SERVICES

VOTE 18

APPROPRIATION STATEMENT

for the year ended 31 March 2017

PROGRAMME 1: ADMINISTRATION										
	2016/17						2015/16			
	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: Medical supplies	194	-	(24)	170	170	-	100.0%	195	195	
Inventory: Medicine	2,960	-	(2,447)	513	513	-	100.0%	19,544	19,544	
Inventory: Other supplies	380	-	(882)	(502)	(502)	-	100.0%	(110)	(110)	
Consumable supplies	13,518	-	(4,041)	9,477	57,341	(47,864)	605.1%	46,291	46,291	
Consumable: Stationery, printing and office supplies	25,524	-	6,015	31,539	31,539	-	100.0%	42,648	42,648	
Operating leases	59,527	-	5,457	64,984	83,575	(18,591)	128.6%	62,551	62,551	
Property payments	24,992	-	13,058	38,050	38,050	-	100.0%	7,414	7,414	
Transport provided: Departmental activity	4,887	-	1,136	6,023	6,023	-	100.0%	4,634	4,634	
Travel and subsistence	121,939	-	(11,291)	110,648	110,648	-	100.0%	159,760	159,760	
Training and development	8,464	-	(5,180)	3,284	3,284	-	100.0%	10,718	10,718	
Operating payments	18,831	-	1,712	20,543	20,543	-	100.0%	25,870	25,870	
Venues and facilities	2,778	-	(2,213)	565	565	-	100.0%	1,959	1,959	
Rental and hiring	161	-	1,595	1,756	1,756	-	100.0%	4,448	4,448	
Interest and rent on land	-	-	-	-	49	(49)	-	-	1,611	
Interest	-	-	-	-	49	(49)	-	-	1,611	
Transfers and subsidies	17,704	-	25,363	43,067	43,067	-	100.0%	33,001	29,701	
Provinces and municipalities	5,916	-	(177)	5,739	5,739	-	100.0%	5,378	5,378	
Provinces	-	-	1,510	1,510	1,510	-	100.0%	1,417	1,417	
Provincial agencies and funds	-	-	1,510	1,510	1,510	-	100.0%	1,417	1,417	
Municipalities	5,916	-	(1,687)	4,229	4,229	-	100.0%	3,961	3,961	

DEPARTMENT OF CORRECTIONAL SERVICES

VOTE 18

APPROPRIATION STATEMENT

for the year ended 31 March 2017

PROGRAMME 1: ADMINISTRATION									
	2016/17						2015/16		
	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
Municipal bank accounts	5,916	-	(1,687)	4,229	4,229	-	100.0%	3,961	3,961
Departmental agencies and accounts	9,900	-	10,923	20,823	20,823	-	100.0%	3,300	-
Departmental agencies	9,900	-	10,923	20,823	20,823	-	100.0%	3,300	-
Public corporations and private enterprises	-	-	1,857	1,857	1,857	-	100.0%	5,935	5,935
Private enterprises	-	-	1,857	1,857	1,857	-	100.0%	5,935	5,935
Other transfers to private enterprises	-	-	1,857	1,857	1,857	-	100.0%	5,935	5,935
Households	1,888	-	12,760	14,648	14,648	-	100.0%	18,388	18,388
Social benefits	1,888	-	10,945	12,833	12,833	-	100.0%	18,301	18,301
Other transfers to households	-	-	1,815	1,815	1,815	-	100.0%	87	87
Payments for capital assets	132,085	-	(37,554)	94,531	94,531	-	100.0%	327,848	295,147
Machinery and equipment	132,085	-	(37,529)	94,556	94,556	-	100.0%	315,369	295,147
Transport equipment	49,265	-	18,722	67,987	67,987	-	100.0%	259,846	259,846
Other machinery and equipment	82,820	-	(56,251)	26,569	26,569	-	100.0%	55,523	35,301
Biological assets	-	-	(25)	(25)	(25)	-	100.0%	-	-
Software and Intangible assets	-	-	-	-	-	-	-	12,479	-
Total	3,876,194	-	3,405	3,879,599	3,879,599	-	100.0%	4,015,015	4,015,015

DEPARTMENT OF CORRECTIONAL SERVICES

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for the year ended 31 March 2017

1.1 SUB PROGRAMME 1: MINISTRY										
2016/17							2015/16			
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	33, 502	-	(8,731)	24,771	24,771	-	100.0%	22,669	22,669	
Compensation of employees	14, 823	-	(3,719)	11, 104	11, 104	-	100.0%	11, 030	11, 030	
Goods and services	18, 679	-	(5,012)	13,667	13,667	-	100.0%	11,639	11,639	
Transfers and subsidies	-	-	8	8	8	-	100.0%	-	-	
Provinces and municipalities	-	-	-	-	-	-	-	-	-	
Households	-	-	8	8	8	-	100.0%	-	-	
Payments for capital assets	1, 120	-	(809)	311	311	-	100.0%	412	412	
Machinery and equipment	1, 120	-	(809)	311	311	-	100.0%	412	412	
Payments for financial assets	-	-	-	-	-	-	-	-	-	

DEPARTMENT OF CORRECTIONAL SERVICES

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APPROPRIATION STATEMENT

for the year ended 31 March 2017

1.2 SUB PROGRAMME 2: JUDICIAL INSPECTORATE FOR CORRECTIONAL SERVICES										
2016/17							2015/16			
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	65,148	-	(23,906)	41,242	41,242	-	100.0%	37,869	37,869	
Compensation of employees	57,380	-	(21,798)	35,582	35,582	-	100.0%	31,438	31,438	
Goods and services	7,768	-	(2,108)	5,660	5,660	-	100.0%	6,431	6,431	
Transfers and subsidies	11	-	8	19	19	-	100.0%	29	29	
Provinces and municipalities	-	-	11	11	11	-	-100.0%	13	13	
Households	11	-	(3)	8	8	-	100.0%	16	16	
Payments for capital assets	150	-	99	249	249	-	100.0%	1,579	1,579	
Machinery and equipment	150	-	99	249	249	-	100.0%	1,579	1,579	
Payments for financial assets	-	-	-	-	-	-	-	-	-	

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for the year ended 31 March 2017

1.3 SUB PROGRAMME 3: MANAGEMENT										
	2016/17						2015/16			
	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	735,620	-	(22,321)	713,299	713,311	(12)	100.0%	697,281	698, 892	
Compensation of employees	617,141	-	(8,566)	608,575	608,575	-	100.0%	545,816	545,816	
Goods and services	118,479	-	(13,755)	104,724	104,724	-	100.0%	151,465	151,465	
Interest and rent on land	-	-	-	-	12	(12)	-	-	1,611	
Interest	-	-	-	-	12	(12)	-	-	1,611	
Rent on land	-	-	-	-	-	-	-	-	-	
Transfers and subsidies	734	-	8,789	9,523	9,523	-	100.0%	11,177	11,177	
Provinces and municipalities	-	-	1	1	1	-	100.0%	-	-	
Public corporations and private enterprises	-	-	1,857	1,857	1,857	-	100.0%	5,935	5,935	
Households	734	-	6,931	7,665	7,665	-	100.0%	5,242	5,242	
Payments for capital assets	3,509	-	(800)	2,709	2,709	-	100.0%	6,590	6,161	
Machinery and equipment	3,509	-	(800)	2,709	2,709	-	100.0%	6,161	6,161	
Software and Intangible assets	-	-	-	-	-	-	-	429	-	
Payments for financial assets	-	-	-	-	-	-	-	-	-	

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for the year ended 31 March 2017

1.4 SUB PROGRAMME 4: HUMAN RESOURCES									
2016/17							2015/16		
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	1,650,913	-	32,935	1,683,848	1,581,881	101,967	93.9%	1,536,767	1,571,157
Compensation of employees	1,461,000	-	38,232	1,499,232	1,376,480	122,752	91.8%	1,284,276	1,318,666
Goods and services	189,913	-	(5,297)	184,616	205,364	(20,748)	111.2%	252,491	252,491
Interest and rent on land	-	-	-	-	37	(37)	-	-	-
Transfers and subsidies	10,854	-	14,320	25,174	25,174	-	100.0%	12,490	9,190
Departmental agencies and accounts	9,900	-	10,923	20,823	20,823	-	-	3,300	-
Households	954	-	3,397	4,351	4,351	-	100.0%	9,190	9,190
Payments for capital assets	8,500	-	1,470	9,970	9,970	-	100.0%	10,981	10,981
Machinery and equipment	8,500	-	1,470	9,970	9,970	-	100.0%	10,981	10,981
Payments for financial assets	-	-	-	-	-	-	-	-	-

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for the year ended 31 March 2017

1.5 SUB PROGRAMME 5: FINANCE										
	2016/17						2015/16			
	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	885,040	-	67,098	952,138	1,035,502	(83,364)	108.8%	1,051,505	1,051,505	
Compensation of employees	709,562	-	9,144	718,706	718,706	-	100.0%	638,472	638,472	
Goods and services	175,478	-	57,954	233,432	316,796	(83,364)	135.7%	413,033	413,033	
Transfers and subsidies	5,922	-	2,312	8,234	8,234	-	100.0%	8,060	8,060	
Provinces and municipalities	5,915	-	(189)	5,726	5,726	-	100.0%	5,364	5,364	
Households	7	-	2,501	2,508	2,508	-	100.0%	2,696	2,696	
Payments for capital assets	66,065	-	5,266	71,331	71,331	-	100.0%	262,582	262,582	
Machinery and equipment	66,065	-	5,291	71,356	71,356	-	100.0%	262,582	262,582	
Biological assets	-	-	(25)	(25)	(25)	-	-	-	-	
Payments for financial assets	-	-	-	-	-	-	-	-	-	

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1.6 SUB PROGRAMME 6: INTERNAL AUDIT										
	2016/17						2015/16			
	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	94,539	-	(24,596)	69,943	69,943	-	100.0%	66,142	66,142	
Compensation of employees	64,491	-	(7,237)	57,254	57,254	-	100.0%	50,127	50,127	
Goods and services	30,048	-	(17,359)	12,689	12,689	-	100.0%	16,015	16,015	
Transfers and subsidies	183	-	(108)	75	75	-	100.0%	1,175	1,175	
Provinces and municipalities	1	-	-	1	1	-	100.0%	1	1	
Households	182	-	(108)	74	74	-	100.0%	1,174	1,174	
Payments for capital assets	564	-	520	1,084	1,084	-	100.0%	568	568	
Machinery and equipment	564	-	520	1,084	1,084	-	100.0%	568	568	
Payments for financial assets	-	-	-	-	-	-	-	-	-	

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1.7 SUB PROGRAMME 7: INFORMATION TECHNOLOGY									
	2016/17					2015/16			
	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	183,115	-	(20,358)	162,757	162,757	-	100.0%	179,972	179,972
Compensation of employees	40,176	-	9,543	49,719	49,719	-	100.0%	40,956	40,956
Goods and services	142,939	-	(29,901)	113,038	113,038	-	100.0%	139,016	139,016
Transfers and subsidies	-	-	34	34	34	-	100.0%	70	70
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Households	-	-	34	34	34	-	100.0%	70	70
Payments for capital assets	52,177	-	(43,300)	8,877	8,877	-	100.0%	45,136	12,864
Machinery and equipment	52,177	-	(43,300)	8,877	8,877	-	100.0%	33,086	12,864
Software and other intangible assets	-	-	-	-	-	-	-	12,050	-
Payments for financial assets	-	-	-	-	-	-	-	-	-

1.8 SUB PROGRAMME 8: OFFICE ACCOMMODATION									
	2016/17					2015/16			
	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	78,528	-	15,475	94,003	112,594	(18,591)	119.8%	61,961	61,961
Goods and services	78,528	-	15,475	94,003	112,594	(18,591)	119.8%	61,961	61,961

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PROGRAMME 2: INCARCERATION									
2016/17							2015/16		
Sub 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. Security Operations	6,775,685	-	(37,404)	6,738,281	6,560,858	177,423	97.4%	5,978,988	5,979,036
2. Facilities	3,949,612	-	3,153	3,952,765	4,094,071	(141,306)	103.6%	4,001,339	4,010,330
3. Remand Detention	684,532	-	(108,178)	576,354	576,354	-	100.0%	555,463	555,463
4. Offender Management	2,291,686	-	(135,141)	2,156,545	2,156,810	(265)	100.0%	2,019,165	2,010,247
Total for sub programmes	13,701,515	-	(277,570)	13,423,945	13,388,093	35,852	99.7%	12,554,955	12,555,076
Economic classification									
Current payments	12,783,915	-	(205,872)	12,578,043	12,558,213	19,830	99.8%	11,590,400	11,598,212
Compensation of employees	9,584,610	-	(228,598)	9,356,012	9,171,874	184,138	98.0%	8,423,108	8,423,108
Salaries and wages	7,897,229	-	(96,069)	7,801,160	7,617,022	184,138	97.6%	6,930,462	6,930,462
Social contributions	1,687,381	-	(132,529)	1,554,852	1,554,852	-	100.0%	1,492,646	1,492,646
Goods and services	3,199,305	-	22,726	3,222,031	3,386,074	(164,043)	105.1%	3,167,292	3,175,056
Administrative fees	56	-	97	153	153	-	100.0%	103	103
Advertising	12	-	(4)	8	8	-	100.0%	40	40
Minor assets	25,631	-	(19,353)	6,278	6,278	-	100.0%	5,926	5,926
Catering: Departmental activities	1,041	-	1,286	2,327	2,327	-	100.0%	3,336	3,336
Communication	17,606	-	1,420	19,026	19,026	-	100.0%	16,457	16,457
Computer services	12	-	21	33	33	-	100.0%	486	486

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PROGRAMME 2: INCARCERATION										
	2016/17						2015/16			
	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	
Consultants: Business and advisory services	2,380	-	(2,024)	356	356	-	100.0%	752	752	
Laboratory services	-	-	19	19	19	-	100.0%	-	-	
Contractors	187,404	-	(6,822)	180,582	180,582	-	100.0%	163,165	163,165	
Agency and support / outsourced services	1,413	-	890,587	892,000	892,000	-	100.0%	1,619	1,619	
Fleet services	32,290	-	17,185	49,475	49,475	-	100.0%	53,263	53,263	
Inventory: Clothing material and supplies	36,181	-	25,249	61,430	61,430	-	100.0%	22,386	22,386	
Inventory: Farming supplies	3,498	-	897	4,395	4,395	-	100.0%	3,781	3,781	
Inventory: Food and food supplies	811	-	277	1,088	1,088	-	100.0%	1,168	1,168	
Inventory: Fuel, oil and gas	8,868	-	(4,120)	4,748	4,748	-	100.0%	8,575	8,575	
Inventory: Materials and supplies	33,479	-	(9,332)	24,147	24,147	-	100.0%	30,006	30,006	
Inventory: Medical supplies	133	-	(52)	81	81	-	100.0%	133	133	
Inventory: Medicine	239	-	-	239	239	-	100.0%	111	111	
Inventory: Other supplies	1,328	-	(32)	1,296	1,296	-	100.0%	4,809	4,809	
Consumable supplies	56,981	-	(6,853)	50,128	50,128	-	100.0%	57,304	57,304	
Consumable: Stationery, printing and office supplies	14,423	-	(970)	13,453	13,453	-	100.0%	14,273	14,273	
Operating leases	1,898,458	-	(1,130,506)	767,952	767,952	-	100.0%	1,810,682	1,810,682	
Property payments	839,343	-	275,573	1,114,916	1,278,959	(164,043)	114.7%	919,285	927,049	

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PROGRAMME 2: INCARCERATION										
2016/17							2015/16			
	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	34,501	-	(7,844)	26,657	26,657	-	100.0%	47,597	47,597	
Training and development	108	-	4	112	112	-	100.0%	255	255	
Operating payments	2,066	-	(1,068)	998	998	-	100.0%	993	993	
Venues and facilities	1,043	-	(1,042)	1	1	-	100.0%	41	41	
Rental and hiring	-	-	133	133	133	-	100.0%	746	746	
Interest and rent on land	-	-	-	-	265	(265)	-	-	48	
Interest	-	-	-	-	265	(265)	-	-	48	
Transfers and subsidies	113,799	-	(44,554)	69,225	68,582	643	99.1%	77,557	68,639	
Households	113,779	-	(44,554)	69,225	68,582	643	99.1%	77,557	68,639	
Social benefits	92,400	-	(47,202)	45,198	44,555	643	98.6%	56,012	47,094	
Other transfers to households	21,379	-	2,648	24,027	24,027	-	100.0%	21,545	21,545	
Payments for capital assets	803,821	-	(27,144)	776,677	753,940	22,737	97.1%	886,998	888,225	
Buildings and other fixed structures	770,829	-	-	770,829	748,092	22,737	97.1%	856,588	857,815	
Buildings	770,829	-	-	770,829	748,092	22,737	97.1%	856,588	857,815	
Other fixed structures	-	-	-	-	-	-	-	-	-	
Machinery and equipment	31,592	-	(26,617)	4,975	4,975	-	100.0%	29,300	29,300	
Transport equipment	27	-	410	437	437	-	100.0%	670	670	
Other machinery and equipment	31,565	-	(27,027)	4,538	4,538	-	100.0%	28,630	28,630	

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PROGRAMME 2: INCARCERATION									
2016/17							2015/16		
	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
Biological assets	1,400	-	(527)	873	873	-	100.0%	1,110	1,110
Payments for financial assets	-	-	-	-	7,358	(7,358)	-	-	-
Total	13,701,515	-	(277,570)	13,423,945	13,388,093	35,852	99.7%	12,554,955	12,555,076

2.1 SUB PROGRAMME 1: SECURITY OPERATIONS									
2016/17							2015/16		
	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	6,655,079	-	51,644	6,706,723	6,522,585	184,138	97.3%	5,922,488	5,922,536
Compensation of employees	6,547,358	-	24,669	6,572,027	6,387,889	184,138	97.2%	5,796,953	5,796,953
Goods and services	107,721	-	26,975	134,696	134,696	-	100.0%	125,535	125,535
Interest and rent on land	-	-	-	-	-	-	-	-	48
Transfers and subsidies	91,573	-	(62,997)	28,576	27,933	643	97.7%	30,413	30,413
Households	91,573	-	(62,997)	28,576	27,933	643	97.7%	30,413	30,413
Payments for capital assets	29,033	-	(26,051)	2,982	2,982	-	100.0%	26,087	26,087
Buildings and other fixed structures	-	-	-	-	-	-	-	526	526
Machinery and equipment	27,633	-	(25,524)	2,109	2,109	-	100.0%	24,451	24,451

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2.1 SUB PROGRAMME 1: SECURITY OPERATIONS									
2016/17							2015/16		
	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	1,400	-	(527)	873	873	-	100.0%	1,110	1,110
Biological assets	-	-	-	-	7,358	(7,358)	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-

2.2 SUB PROGRAMME 2: FACILITIES									
2016/17							2015/16		
	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	3,175,354	-	5,048	3,180,402	3,344,445	(164,043)	105.2%	3,143,277	3,151,041
Current payments	162,868	-	(10,878)	151,990	151,990	-	100.0%	159,273	159,273
Compensation of employees	3,012,486	-	15,926	3,028,412	3,192,455	(164,043)	105.4%	2,984,004	2,991,768
Goods and services	2,480	-	(1,751)	729	729	-	100.0%	1,125	1,125
Transfers and subsidies	2,480	-	(1,751)	729	729	-	100.0%	1,125	1,125
Households	771,778	-	(144)	771,634	748,897	22,737	97.1%	856,937	858,164
Payments for capital assets	770,829	-	-	770,829	748,092	22,737	97.1%	856,062	857,289
Buildings and other fixed structures	949	-	(144)	805	805	-	100.0%	875	875
Machinery and equipment	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-

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for the year ended 31 March 2017

2.3 SUB PROGRAMME 3: REMAND DETENTION										
2016/17							2015/16			
	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	684,265	-	(111,777)	572,488	572,488	-	100.0%	552,120	552,120	
Compensation of employees	642,199	-	(97,801)	544,398	544,398	-	100.0%	535,327	535,327	
Goods and services	42,066	-	(13,976)	28,090	28,090	-	100.0%	16,793	16,793	
Transfers and subsidies	-	-	3,510	3,510	3,510	-	100.0%	2,659	2,659	
Households	-	-	3,510	3,510	3,510	-	100.0%	2,659	2,659	
Payments for capital assets	267	-	89	356	356	-	100.0%	684	684	
Machinery and equipment	267	-	89	356	356	-	100.0%	684	684	
Payments for financial assets	-	-	-	-	-	-	-	-	-	

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2.4 SUB PROGRAMME 4: OFFENDER MANAGEMENT									
2016/17							2015/16		
	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	2,269,217	-	(150,787)	2,118,430	2,118,695	(265)	100.0%	1,972,515	1,972,515
Compensation of employees	2,232,185	-	(144,588)	2,087,597	2,087,597	-	100.0%	1,931,555	1,931,555
Goods and services	37,032	-	(6,199)	30,833	30,833	-	100.0%	40,960	40,960
Interest and rent on land	-	-	-	-	265	(265)			
Transfers and subsidies	19,726	-	16,684	36,410	36,410	-	100.0%	43,360	34,442
Households	19,726	-	16,684	36,410	36,410	-	100.0%	43,360	34,442
Payments for capital assets	2,743	-	(1,038)	1,705	1,705	-	100.0%	3,290	3,290
Machinery and equipment	2,743	-	(1,038)	1,705	1,705	-	100.0%	3,290	3,290
Payments for financial assets	-	-	-	-	-	-	-	-	-

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PROGRAMME 3: REHABILITATION									
Sub programme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	2015/16	
								Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Correctional Programmes	50,681	-	(23,106)	27,575	27,575	-	100.0%	24,670	24,670
2. Offender Development	797,869	-	(65,796)	732,073	729,908	2,165	99.7%	727,801	727,801
3. Psychological, Social and Spiritual Services	371,039	-	57,139	428,178	428,178	-	100.0%	376,668	376,668
Total for sub programmes	1,219,589	-	(31,763)	1,187,826	1,185,661	2,165	99.8%	1,129,139	1,129,139
Economic classification									
Current payments	1,168,743	-	(8,305)	1,160,438	1,160,438	-	100.0%	1,072,831	1,072,831
Compensation of employees	844,531	-	41,126	885,657	885,657	-	100.0%	778,751	778,751
Salaries and wages	713,725	-	34,124	747,849	747,849	-	100.0%	651,247	651,247
Social contributions	130,806	-	7,002	137,808	137,808	-	100.0%	127,504	127,504
Goods and services	324,212	-	(49,431)	274,781	274,781	-	100.0%	294,080	294,080
Administrative fees	493	-	(201)	292	292	-	100.0%	325	325
Advertising	267	-	(206)	61	61	-	100.0%	162	162
Minor assets	3,828	-	(29)	3,799	3,799	-	100.0%	7,878	7,878
Catering: Departmental activities	3,248	-	(2,114)	1,134	1,134	-	100.0%	5,659	5,659
Communication	5,096	-	12	5,108	5,108	-	100.0%	4,984	4,984
Computer services	-	-	25	25	25	-	100.0%	176	176
Consultants: Business and advisory services	832	-	(796)	36	36	-	100.0%	275	275

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PROGRAMME 3: REHABILITATION										
	2016/17						2015/16			
	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	1,551	-	1,374	2,925	2,925	-	100.0%	2,685	2,685	
Laboratory services	326	-	(151)	175	175	-	100.0%	131	131	
Contractors	11,696	-	(1,254)	10,442	10,442	-	100.0%	16,806	16,806	
Agency and support / outsourced services	3,360	-	(1,086)	2,274	2,274	-	100.0%	2,479	2,479	
Entertainment	5	-	(5)	-	-	-	-	9	9	
Fleet services	6,857	-	1,459	8,316	8,316	-	100.0%	8,157	8,157	
Housing	2	-	(2)	-	-	-	-	-	-	
Inventory: Clothing material and supplies	39,450	-	(37,187)	2,263	2,263	-	100.0%	3,086	3,086	
Inventory: Farming supplies	74,937	-	82,976	157,913	157,913	-	100.0%	143,289	143,289	
Inventory: Food and food supplies	182	-	4,393	4,575	4,575	-	100.0%	3,126	3,126	
Inventory: Fuel, oil and gas	13,113	-	(6,483)	6,630	6,630	-	100.0%	7,540	7,540	
Inventory: Learner and teacher support material	6,349	-	(3,397)	2,952	2,952	-	100.0%	5,449	5,449	
Inventory: Materials and supplies	27,400	-	(18,172)	9,228	9,228	-	100.0%	21,647	21,647	
Inventory: Medical supplies	743	-	(703)	40	40	-	100.0%	26	26	
Inventory: Medicine	3,124	-	146	3,270	3,270	-	100.0%	3,403	3,403	
Inventory: Other supplies	11,838	-	(11,719)	119	119	-	100.0%	15	15	
Consumable supplies	63,420	-	(39,698)	23,722	23,722	-	100.0%	13,872	13,872	

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PROGRAMME 3: REHABILITATION									
2016/17							2015/16		
	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
Consumable: Stationery, printing and office supplies	17,469	-	(10,716)	6,753	6,753	-	100.0%	6,912	6,912
Operating leases	55	-	(55)	-	-	-	-	178	178
Property payments	223	-	1,082	1,305	1,305	-	100.0%	638	638
Transport provided: Departmental activity	80	-	(80)	-	-	-	-	-	-
Travel and subsistence	21,422	-	(3,090)	18,332	18,332	-	100.0%	30,514	30,514
Training and development	3,712	-	(2,707)	1,005	1,005	-	100.0%	1,420	1,420
Operating payments	761	-	739	1,500	1,500	-	100.0%	1,421	1,421
Venues and facilities	2,265	-	(1,913)	352	352	-	100.0%	28	28
Rental and hiring	108	-	127	235	235	-	100.0%	1,790	1,790
Transfers and subsidies	59	-	3,967	4,026	4,026	-	100.0%	2,530	2,530
Households	59	-	3,967	4,026	4,026	-	100.0%	2,530	2,530
Social benefits	59	-	3,967	4,026	4,026	-	100.0%	2,530	2,530
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	50,787	-	(27,425)	23,362	21,197	2,165	90.7%	53,778	53,778
Machinery and equipment	49,976	-	(28,427)	21,549	19,384	2,165	90.0%	51,865	51,865
Transport equipment	-	-	166	166	166	-	100.0%	930	930
Other machinery and equipment	49,976	-	(28,593)	21,383	19,218	2,165	89.9%	50,935	50,935
Biological assets	811	-	1,002	1,813	1,813	-	100.0%	1,913	1,913
Total	1,219,589	-	(31,763)	1,187,826	1,185,661	2,165	99.8%	1,129,139	1,129,139

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for the year ended 31 March 2017

3.1 SUB PROGRAMME 1: CORRECTIONAL PROGRAMMES									
Economic classification	2016/17					2015/16			
	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	50,487	-	(22,973)	27,514	27,514	-	100.0%	24,326	24,326
Compensation of employees	46,290	-	(20,805)	25,485	25,485	-	100.0%	21,367	21,367
Goods and services	4,197	-	(2,168)	2,029	2,029	-	100.0%	2,959	2,959
Transfers and subsidies	-	-	20	20	20	-	100.0%	39	39
Households	-	-	20	20	20	-	100.0%	39	39
Payments for capital assets	194	-	(153)	41	41	-	100.0%	305	305
Machinery and equipment	194	-	(153)	41	41	-	100.0%	305	305
Payments for financial assets	-	-	-	-	-	-	-	-	-

3.2 SUB PROGRAMME 2: OFFENDER DEVELOPMENT									
Economic classification	2016/17					2015/16			
	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	747,870	-	(41,814)	706,056	706,056	-	100.0%	672,915	672,915
Compensation of employees	445,943	-	2,638	448,581	448,581	-	100.0%	404,141	404,141
Goods and services	301,927	-	(44,452)	257,475	257,475	-	100.0%	268,774	268,774
Transfers and subsidies	58	-	3,029	3,087	3,087	-	100.0%	1,798	1,798
Households	58	-	3,029	3,087	3,087	-	100.0%	1,798	1,798
Payments for capital assets	49,941	-	(27,011)	22,930	20,765	2,165	90.6%	53,088	53,088

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3.2 SUB PROGRAMME 2: OFFENDER DEVELOPMENT									
2016/17							2015/16		
	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									
Machinery and equipment	49,130	-	(28,013)	21,117	18,952	2,165	89.7%	51,175	51,175
Biological assets	811	-	1,002	1,813	1,813	-	100.0%	1,913	1,913

3.3 SUB PROGRAMME 3: PSYCHOLOGICAL, SOCIAL AND SPIRITUAL SERVICES									
2016/17							2015/16		
	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	370,386	-	56,482	426,868	426,868	-	100.0%	375,590	375,590
Compensation of employees	352,298	-	59,293	411,591	411,591	-	100.0%	353,243	353,243
Goods and services	18,088	-	(2,811)	15,277	15,277	-	100.0%	22,347	22,347
Transfers and subsidies	1	-	918	919	919	-	100.0%	693	693
Households	1	-	918	919	919	-	100.0%	693	693
Payments for capital assets	652	-	(261)	391	391	-	100.0%	385	385
Machinery and equipment	652	-	(261)	391	391	-	100.0%	385	385

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PROGRAMME 4: CARE									
Sub programme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	2015/16	
								Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Nutritional Services	1,130,810	-	187,400	1,318,210	1,318,210	-	100.0%	1,268,162	1,268,162
2. Health and Hygiene Services	844,306	-	72,578	916,884	916,884	-	100.0%	820,319	820,319
Total for sub programmes	1,975,116	-	259,978	2,235,094	2,235,094	-	100.0%	2,088,481	2,088,481
Economic classification									
Current payments	1,968,359	-	254,890	2,223,249	2,223,249	-	100.0%	2,080,348	2,080,348
Compensation of employees	738,385	-	130,659	869,044	771,685	97,359	88.8%	688,568	688,568
Salaries and wages	617,214	-	127,422	744,636	647,277	97,359	86.9%	573,152	573,152
Social contributions	121,171	-	3,237	124,408	124,408	-	100.0%	115,416	115,416
Goods and services	1,229,974	-	124,231	1,354,205	1,451,564	(97,359)	107.2%	1,391,780	1,391,780
Administrative fees	309	-	(87)	222	222	-	100.0%	332	332
Advertising	236	-	(234)	2	2	-	100.0%	64	64
Minor assets	2,582	-	(1,507)	1,075	1,075	-	100.0%	3,001	3,001
Catering: Departmental activities	1,583	-	(965)	618	618	-	100.0%	1,770	1,770
Communication	4,391	-	(304)	4,087	4,087	-	100.0%	3,612	3,612
Computer services	38	-	(35)	3	3	-	100.0%	-	-
Consultants: Business and advisory services	-	-	-	-	-	-	-	410	410
Laboratory services	10,059	-	7,234	17,293	17,293	-	100.0%	12,888	12,888

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PROGRAMME 4: CARE									
	2016/17					2015/16			
	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	19,914	-	4,852	24,766	24,766	-	100.0%	30,182	30,182
Agency and support / outsourced services	627,470	-	21,442	648,912	740,672	(91,760)	114.1%	715,933	715,933
Entertainment	6	-	(6)	-	-	-	-	-	-
Fleet services	7,288	-	1,354	8,642	8,642	-	100.0%	8,550	8,550
Inventory: Clothing material and supplies	2,385	-	5,920	8,305	8,305	-	100.0%	10,425	10,425
Inventory: Farming supplies	682	-	(371)	311	311	-	100.0%	390	390
Inventory: Food and food supplies	296,724	-	86,971	383,695	389,294	(5,599)	101.5%	339,133	339,133
Inventory: Fuel, oil and gas	499	-	31	530	530	-	100.0%	320	320
Inventory: Learner and teacher support material	5	-	(5)	-	-	-	-	-	-
Inventory: Materials and supplies	1,995	-	(891)	1,104	1,104	-	100.0%	2,354	2,354
Inventory: Medical supplies	2,906	-	(1,625)	1,281	1,281	-	100.0%	940	940
Inventory: Medicine	51,270	-	29,022	80,292	80,292	-	100.0%	56,294	56,294
Inventory: Other supplies	8,411	-	(7,913)	498	498	-	100.0%	60	60
Consumable supplies	138,846	-	14,289	153,135	153,135	-	100.0%	185,094	185,094
Consumable: Stationery, printing and office supplies	34,464	-	(29,157)	5,307	5,307	-	100.0%	4,346	4,346
Operating leases	133	-	(133)	-	-	-	-	118	118
Property payments	1,313	-	521	1,834	1,834	-	100.0%	2,098	2,098

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PROGRAMME 4: CARE										
	2016/17						2015/16			
	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 provided: Departmental activity	662	-	896	1,558	1,558	-	100.0%	587	587	
Travel and subsistence	14,144	-	(4,145)	9,999	9,999	-	100.0%	12,168	12,168	
Training and development	1,080	-	(654)	426	426	-	100.0%	162	162	
Operating payments	424	-	(119)	305	305	-	100.0%	333	333	
Venues and facilities	143	-	(143)	-	-	-	-	-	-	
Rental and hiring	12	-	(7)	5	5	-	100.0%	216	216	
Transfers and subsidies	373	-	8,493	8,866	8,866	-	100.0%	4,349	4,349	
Households	373	-	8,493	8,866	8,866	-	100.0%	4,349	4,349	
Social benefits	373	-	6,643	7,016	7,016	-	100.0%	3,594	3,594	
Other transfers to households	-	-	1,850	1,850	1,850	-	100.0%	755	755	
Payments for capital assets	6,384	-	(3,405)	2,979	2,979	-	100.0%	3,784	3,784	
Machinery and equipment	6,384	-	(3,405)	2,979	2,979	-	100.0%	3,784	3,784	
Other machinery and equipment	6,384	-	(3,405)	2,979	2,979	-	100.0%	3,784	3,784	
Total	1,975,116	-	259,978	2,235,094	2,235,094	-	100.0%	2,088,481	2,088,481	

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4.1 SUB PROGRAMME 1: NUTRITIONAL SERVICES									
2016/17							2015/16		
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	1,127,548	-	188,299	1,315,847	1,315,847	-	100.0%	1,266,049	1,266,049
Compensation of employees	233,209	-	91,394	324,603	227,244	97,359	70.0%	208,935	208,935
Goods and services	894,339	-	96,905	991,244	1,088,603	(97,359)	109.8%	1,057,114	1,057,114
Transfers and subsidies	213	-	1,312	1,525	1,525	-	100.0%	1,058	1,058
Households	213	-	1,312	1,525	1,525	-	100.0%	1,058	1,058
Payments for capital assets	3,049	-	(2,211)	838	838	-	100.0%	1,055	1,055
Machinery and equipment	3,049	-	(2,211)	838	838	-	100.0%	1,055	1,055

4.2 SUB PROGRAMME 2: HEALTH AND HYGIENE SERVICES									
2016/17							2015/16		
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	840,811	-	66,591	907,402	907,402	-	100.0%	814,299	814,299
Compensation of employees	505,176	-	39,265	544,441	544,441	-	100.0%	479,633	479,633
Goods and services	335,635	-	27,326	362,961	362,961	-	100.0%	334,666	334,666
Transfers and subsidies	160	-	7,181	7,341	7,341	-	100.0%	3,291	3,291
Households	160	-	7,181	7,341	7,341	-	100.0%	3,291	3,291
Payments for capital assets	3,335	-	(1,194)	2,141	2,141	-	100.0%	2,729	2,729
Machinery and equipment	3,335	-	(1,194)	2,141	2,141	-	100.0%	2,729	2,729

DEPARTMENT OF CORRECTIONAL SERVICES

VOTE 18

APPROPRIATION STATEMENT

for the year ended 31 March 2017

PROGRAMME 5: SOCIAL REINTEGRATION									
Sub programme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	2015/16	
								Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Supervision	733,412	-	55,091	788,503	788,503	-	100.0%	743,252	743,252
2. Community Reintegration	42,696	-	(12,602)	30,094	30,094	-	100.0%	35,012	35,012
3. Office Accommodation Community Corrections	31,669	-	3,461	35,130	35,130	-	100.0%	22,700	22,700
Total for sub programmes	807,777	-	45,950	853,727	853,727	-	100.0%	800,964	800,964
Economic classification									
Current payments	805,710	-	39,352	845,062	845,062	-	100.0%	794,754	794,754
Compensation of employees	689,317	-	41,214	730,531	730,531	-	100.0%	662,553	662,553
Salaries and wages	565,772	-	37,806	603,578	603,578	-	100.0%	542,817	542,817
Social contributions	123,545	-	3,408	126,953	126,953	-	100.0%	119,736	119,736
Goods and services	116,393	-	(1,862)	114,531	114,531	-	100.0%	132,201	132,201
Administrative fees	418	-	(415)	3	3	-	100.0%	24	24
Advertising	287	-	(287)	-	-	-	100.0%	111	111
Minor assets	1,863	-	(1,534)	329	329	-	100.0%	840	840
Catering: Departmental activities	800	-	(292)	508	508	-	100.0%	2,408	2 408
Communication	8,161	-	2,268	10,429	10,429	-	100.0%	10,023	10,023
Computer services	11	-	(11)	-	-	-	-	25	25
Contractors	81	-	(46)	35	35	-	100.0%	189	189

DEPARTMENT OF CORRECTIONAL SERVICES

VOTE 18

APPROPRIATION STATEMENT

for the year ended 31 March 2017

PROGRAMME 5: SOCIAL REINTEGRATION										
	2016/17						2015/16			
	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	4, 210	-	(1,930)	2,280	2,280	-	100.0%	2,706	2,706	
Entertainment	20	-	(20)	-	-	-	-	-	-	
Fleet services	14,600	-	7,210	21,810	21,810	-	100.0%	21,304	21,304	
Inventory: Clothing material and supplies	166	-	(46)	120	120	-	100.0%	130	130	
Inventory: Farming supplies	115	-	(113)	2	2	-	100.0%	5	5	
Inventory: Fuel, oil and gas	9	-	(8)	1	1	-	100.0%	3	3	
Inventory: Materials and supplies	267	-	(154)	113	113	-	100.0%	133	133	
Inventory: Medical supplies	9	-	(7)	2	2	-	100.0%	3	3	
Inventory: Other supplies	70	-	(59)	11	11	-	100.0%	5	5	
Consumable supplies	1,192	-	(438)	754	754	-	100.0%	1,125	1,125	
Consumable: Stationery, printing and office supplies	4,275	-	1,070	5,345	5,345	-	100.0%	3,260	3,260	
Operating leases	64,049	-	3,359	67,408	67,408	-	100.0%	78,035	78,035	
Property payments	3	-	174	177	177	-	100.0%	53	53	
Transport provided: Departmental activity	54	-	(54)	-	-	-	-	-	-	
Travel and subsistence	10,180	-	(6,697)	3,483	3,483	-	100.0%	9,312	9,312	
Training and development	4,470	-	(4,469)	1	1	-	100.0%	83	83	
Operating payments	860	-	(399)	461	461	-	100.0%	649	649	

DEPARTMENT OF CORRECTIONAL SERVICES

VOTE 18

APPROPRIATION STATEMENT

for the year ended 31 March 2017

PROGRAMME 5: SOCIAL REINTEGRATION									
	2016/17						2015/16		
	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
Venues and facilities	193	-	1,031	1,224	1,224	-	100.0%	810	810
Rental and hiring	30	-	5	35	35	-	100.0%	965	965
Transfers and subsidies	176	-	6,731	6,907	6,907	-	100.0%	4,006	4,006
Households	176	-	6,731	6,907	6,907	-	100.0%	4,006	4,006
Social benefits	176	-	6,511	6,687	6,687	-	100.0%	4,005	4,005
Other transfers to households	-	-	220	220	220	-	100.0%	1	1
Payments for capital assets	1,891	-	(133)	1,758	1,758	-	100.0%	2,204	2,204
Machinery and equipment	1,891	-	(133)	1,758	1,758	-	100.0%	2,204	2,204
Other machinery and equipment	1,891	-	(133)	1,758	1,758	-	100.0%	2,204	2,204
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	807,777		45,950	853,727	853,727	-	100.0%	800,964	800,964

DEPARTMENT OF CORRECTIONAL SERVICES

VOTE 18

APPROPRIATION STATEMENT

for the year ended 31 March 2017

5.1 SUB PROGRAMME 1: SUPERVISION									
2016/17							2015/16		
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	731,500	-	48,463	779,963	779,963	-	100.0%	737,411	737,411
Compensation of employees	660,631	-	45,309	705,940	705,940	-	100.0%	637,773	637,773
Goods and services	70,869	-	3,154	74,023	74,023	-	100.0%	99,638	99,638
Transfers and subsidies	176	-	6,691	6,867	6,867	-	100.0%	3,814	3,814
Households	176	-	6,691	6,867	6,867	-	100.0%	3,814	3,814
Payments for capital assets	1,736	-	(63)	1,673	1,673	-	100.0%	2,027	2,027
Machinery and equipment	1,736	-	(63)	1,673	1,673	-	100.0%	2,027	2,027

5.2 SUB PROGRAMME 2: COMMUNITY REINTEGRATION									
2016/17							2015/16		
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	42,541	-	(12,596)	29,972	29,972	-	100.0%	34,643	34,643
Compensation of employees	28,686	-	(4,095)	24,591	24,591	-	100.0%	24,780	24,780
Goods and services	13,855	-	(8,474)	5,381	5,381	-	100.0%	9,863	9,863
Transfers and subsidies	-	-	40	40	40	-	100.0%	192	192
Households	-	-	40	40	40	-	100.0%	192	192
Payments for capital assets	155	-	(73)	82	82	-	100.0%	177	177
Machinery and equipment	155	-	(73)	82	82	-	100.0%	177	177

DEPARTMENT OF CORRECTIONAL SERVICES

VOTE 18

APPROPRIATION STATEMENT

for the year ended 31 March 2017

5.3 SUB PROGRAMME 3: OFFICE ACCOMMODATION COMMUNITY CORRECTIONS										
	2016/17						2015/16			
	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	31,669	-	3,458	35,127	35,127	-	100.0%	22,700	22,700	
Goods and Services	31,669	-	3,458	35,127	35,127	-	100.0%	22,700	22,700	
Transfers and subsidies	-	-	-	-	-	-	-	-	-	
Payments for capital assets	-	-	3	3	3	-	100.0%	-	-	
Machinery and Equipment	-	-	3	3	3	-	100.0%	-	-	

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 -D) 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
Administration	3,879,599	3,879,599	0	0.0%

Changes to Sub-programme Structure

Two new sub-programmes were created under this programme namely Judicial Inspectorate for Correctional Services and Information Technology, to enhance transparency in external reporting. The new sub-programmes were previously under sub-programme Management. The sub-programme Residential Accommodation has been removed from program Administration and incorporated to program Social Re-Integration, sub-programme Office Accommodation.

The sub-programme Corporate Services renamed to Human Resources.

The activities of the other sub-programmes within the Programme Administration have remained unchanged.

Explanation of Internal Charges:

Internal charges is a fund on the Basic Accounting System and is allocated a negative budget. 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.

4.2. Per programme	Final Appropriation	Actual Expenditure	Variance R'000	Variance as a % of Final Appropriation
Incarceration	13,423,945	13,388,093	35,852	0.3%

Changes to Sub-programme Structure

The sub-programme Parole Administration under programme Social Reintegration has been moved to programme Incarceration.

Comparative figures have been restated.

NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2017

4.3. Per programme	Final Appropriation	Actual Expenditure	Variance R'000	Variance as a % of Final Appropriation
Rehabilitation	1,187,826	1,185,661	2,165	0.2%

4.4. Per programme	Final Appropriation	Actual Expenditure	Variance R'000	Variance as a % of Final Appropriation
Care	2,235,094	2,235,094	0	0.0%

Changes to Sub-programme Structure

Health and Hygienic Services sub-programmes have been combined to a single sub-programme named Health and Hygiene Services.

4.5. Per programme	Final Appropriation	Actual Expenditure	Variance R'000	Variance as a % of Final Appropriation
Social Reintegration	853,727	853,727	0	0.0%

Changes to Sub-programme Structure

The budget of sub-programme Office Accommodation has been incorporated from the programme Administration, sub-programme Residential Accommodation.

The sub-programme Parole Administration under the programme Social Reintegration has been moved to programme Incarceration.

Comparative figures have been restated.

4.6. Per economic Classification	Final Appropriation	Actual Expenditure	Variance R'000	Variance as a % of Final Appropriation
	R'000	R'000	R'000	R'000
Current payments	20,548,793	20,528,963	19,830	0.1%
Compensation of employees	14,821,416	14,417,167	404,249	2.7%
Goods and services	5,727,377	6,111,482	(384,105)	(6.7%)
Interest and rent on land	0	314	(314)	0.0%
Transfers and subsidies	132,091	131,448	643	0.5%
Provinces and municipalities	5,739	5,739	0	0.0%
Departmental agencies and accounts	20,823	20,823	0	0.0%
Public corporations and private enterprises	1,857	1,857	0	0.0%
Households	103,672	103,029	643	0.6%
Payments for capital assets	899,307	874,405	24,902	2.8%
Buildings and other fixed structures	770,829	748,092	22,737	2.9%
Machinery and equipment	125,817	123,652	2,165	1.7%
Biological assets	2,661	2,661	0	0.0%
Payments for financial assets	-	7,358	(7,358)	0.0%

**NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2017****Compensation of employees**

The actual spending of R14,417 billion (97.3%) against the final appropriation of R14,821 billion (100%) resulting in an under spending of R404 million was due to funded vacant posts. PERSAL reported a funded permanent establishment of 41,994, of which 39,259 were funded filled posts, 375 posts were filled additional to the funded establishment, mostly on entry level, resulting in a total PERSAL head count of 39,634, but leaving 2,735 vacant funded posts (6,51%).

Virements were not effected from Compensation of Employees to any other expenditure items in order to fund the implementation of OSD phase 2.

OCCUPATIONAL SPECIFIC DISPENSATION (OSD)

On 24 June 2009, the Correctional Officials OSD Resolution 2 of 2009 was signed in the General Public Service Sector Bargaining Council (GPSSBC) in line with the provisions of Public Service Collective Bargaining Council(PSCBC) Resolution 1 of 2007, Clause 4.1.

DCS implemented this resolution during April 2010. In this regard, R2.9m was utilized and 349 Correctional officials on production levels 3 – 8 benefited.

Given the number of officials that benefited, the implementation of this resolution resulted in major labour disputes between the employer and labour unions chiefly owing to the different interpretations of the clause that deals with 'Recognition of experience' resulting in the elimination of a number of officials considered not meeting the criteria.

In an attempt to resolve the matter amicably, the employer and recognized labour entered into a Departmental Bargaining Council (DBC) agreement which was signed on 21 November 2016. This agreement essentially allowed for the prospective translation of salary notches 3 – 8 Correctional Officials who were in the employ of the Department on or before 30 June 2009.

Under this agreement, all qualifying officials currently in the employ of the Department who were on salary levels 3 – 8 at 30 June 2009 shall be translated to the newly determined salary notches they would have been as at 1 October 2016 had they been translated to the 2nd Phase OSD salary notches on 1 April 2010.

In recognizing the Department's financial constraints in implementing this clause and consequently the impact it would have on the funding and filling of posts; the agreement makes provision for 'back-payments' from 1 April 2010 to 30 September 2016 constituting 30% of the basic salary back-pay that the qualifying correctional officials would have received had they been placed on their notches on 1 April 2010 until either the date of termination of service or 30 September 2016.

The 30% back payments shall be paid by the end of the 2019/20 financial year, this is to be effected in tranches as follows:

- 17% to be paid in the 2016/17 financial year
- 6% to be paid in the 2017/18 financial year
- 4% to be paid in the 2018/19 financial year and
- 3% to be paid in the 2019/20 financial year.

At the end of 31 March 2017 the Department had not finalised the implementation of OSD phase 2. It is envisaged that the process of translation of notches and the 17% of the 30% will be finalised in 2017/18 and the remaining 13% of 30% over 2017 Medium Term Expenditure Framework period.

**NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2017****Goods and Services**

The actual spending of R6,111 billion (106.7%) against the final appropriation of R5,727 billion (100%) resulting in an overspending of R384 million is ascribed to the item: Property Payments under the activity Capital Works for municipal services where invoices amounting to R193,3 million received for the 2015/16 financial year were paid in the current financial year as well as items: Agency and Support/Outsourced services and Food and food supplies as a result of continuous increase of food prices and the outsourcing of Nutritional Services.

An amount of R841 408 million has been reclassified from Operating leases to Agency Support/Outsourced Services following a SCOA classification directive from National Treasury which was effective 01 April 2016. The SCOA classification directive from National Treasury came into effect after the finalisation of 2016 ENE and therefore the budget for PPP was allocated under Operating Leases although payments were effected under Agency Support/Outsourced Services. The total expenditure for PPP for 2016/17 financial year amounted to R890,736 million and the same amount was shifted from Operating Leases where the budget was initially allocated.

Payments for Capital Assets

The actual spending of R874 million (97.1%) against the final appropriation of R899 million (100.0%) resulting in an under-spending of R25 million is mainly on item: Buildings and other fixed structures for DPW Capital Works payments which were not processed as a result of sub-programme Facilities over expenditure due to payment of municipal services amounting to R1,3 billion which far exceeded the allocated budget of R840 million.

Payments for Financial Assets

Expenditure of R7,358 million was incurred against a zero budget as a result of irrecoverable debts and losses written off.

STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 31 March 2017

	Note	2016/17 R'000	2015/16 R'000
REVENUE			
Annual appropriation	1	21,580,191	20,588,554
Departmental revenue	2	147,484	129,317
TOTAL REVENUE		21,727,675	20,717,871
EXPENDITURE			
Current expenditure			
Compensation of employees	4	14,417,167	13,189,485
Goods and services	5	6,111,482	6,045,168
Interest and rent on land	6	314	1,659
Aid assistance	3	1,278	130
Total current expenditure		20,530,241	19,236,442
Transfers and subsidies			
Transfers and subsidies	8	131,448	109,225
Total transfers and subsidies		131,448	109,225
Expenditure for capital assets			
Tangible assets	9	874,405	1,243,138
Total expenditure for capital assets		874,405	1,243,138
Payments for financial assets	7	7,358	-
TOTAL EXPENDITURE		21,543,452	20,588,805
SURPLUS/(DEFICIT) FOR THE YEAR		184,223	129,066
Reconciliation of Net Surplus/(Deficit) for the year			
Voted funds		38,017	(121)
Annual appropriation		38,017	(121)
Departmental revenue and NRF Receipts	15	147,484	129,317
Aid assistance	3	(1,278)	(130)
SURPLUS/(DEFICIT) FOR THE YEAR		184,223	129,066

STATEMENT OF FINANCIAL POSITION

as at 31 March 2017

	Note	2016/17 R'000	2015/16 R'000
ASSETS			
Current assets		256,079	231,156
Unauthorised expenditure	10	121	121
Cash and cash equivalents	11	1,596	1,586
Prepayments and advances	12	750	3,116
Receivables	13	253,612	226,333
Non-current assets		2,989	1,918
Receivables	13	2,989	1,918
TOTAL ASSETS		259,068	233,074
LIABILITIES			
Current liabilities		232,966	206,188
Voted funds to be surrendered to the Revenue Fund	14	38,017	-
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	15	4,278	4,756
Bank overdraft	16	149,136	193,609
Payables	17	41,535	7,823
TOTAL LIABILITIES		232,966	206,188
NET ASSETS		26,102	26,886
Represented by:			
Recoverable revenue		24,512	24,018
Retained funds		1,590	2,868
TOTAL		26,102	26,886

STATEMENT OF CHANGES IN NET ASSETS

for the year ended 31 March 2017

Recoverable revenue

Opening balance	24,018	21,858
Transfers:	494	2,160
Debts recovered (included in departmental receipts)	494	2,160
Closing balance	24,512	24,018

Retained funds

Opening balance	2,868	2,998
Utilised during the year	(1,278)	(130)
Closing balance	1,590	2,868

TOTAL

26,102	26,886
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CASH FLOW STATEMENT

for the year ended 31 March 2017

	Note	2016/17 R'000	2015/16 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		21,711,677	20,710,566
Annual appropriated funds received	1.1	21,580,191	20,588,554
Departmental revenue received	2	131,271	121,690
Interest received	2.3	215	322
Net (increase)/decrease in working capital		7,728	(10,405)
Surrendered to Revenue Fund		(147,962)	(372,270)
Current payments		(20,529,927)	(19,234,662)
Interest paid	6	(314)	(1,659)
Payments for financial assets		(7,358)	-
Transfers and subsidies paid		(131,448)	(109,225)
Net cash flow available from operating activities	18	902,396	982,345
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	9	(874,405)	(1,243,138)
Proceeds from sale of capital assets	2.4	15,998	7,305
Net cash flows from investing activities		(858,407)	(1,235,833)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		494	2,160
Net cash flows from financing activities		494	2,160
Net increase/(decrease) in cash and cash equivalents		44,483	(251,328)
Cash and cash equivalents at beginning of period		(192,023)	59,305
Cash and cash equivalents at end of period	19	(147,540)	(192,023)

ACCOUNTING POLICIES
for the year ended 31 March 2017

Summary of significant accounting policies

The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. Management has concluded that the financial statements present fairly the Department's primary and secondary information.

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.

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 and the annual Division of Revenue Act.

1 Basis of preparation

The financial statements have been prepared in accordance with the Modified Cash Standard. 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.

Management has concluded that the financial statements present fairly the Department's primary and secondary information.

2 Going concern

The financial statements have been prepared on a going concern basis.

3 Presentation currency

Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the Department.

4 Rounding

Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).

5 Foreign currency translation

Cash flows arising from foreign currency transactions are translated into South African Rands using the spot exchange rates prevailing at the date of payment / receipt.

6 Comparative information**6.1 Prior period comparative information**

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.

6.2 Current year comparison with budget

A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.

7 Revenue**7.1 Appropriated funds**

Appropriated funds comprise of Departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation).

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.

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.

ACCOUNTING POLICIES
for the year ended 31 March 2017

7.2 Departmental revenue

Departmental revenue is recognised in the statement of financial performance when cash is received and is subsequently paid into the relevant revenue fund, unless stated otherwise.

Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.

7.3 Accrued departmental revenue

Accruals in respect of Departmental revenue are recorded in the notes to the financial statements when:

- 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.

The accrued revenue is measured at the fair value of the consideration receivable.

Write-offs are made according to the department's debt write-off policy

8 Expenditure**8.1 Compensation of employees****8.1.1 Salaries and wages**

Salaries and wages are recognised in the statement of financial performance on the date of payment.

8.1.2 Social contributions

Social contributions made by the Department in respect of current employees are recognised in the statement of financial performance on the date of payment.

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.

8.2 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.

8.3 Accruals and payables not recognised

Accruals and payables not recognised are 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 or in the case of transfers and subsidies when they are due and payable.

Accruals and payables not recognised are measured at cost.

8.4 Leases**8.4.1 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.

8.4.2 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:

- 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.

ACCOUNTING POLICIES
for the year ended 31 March 2017

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 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 presented 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 and bank overdrafts.

Cash held on behalf of inmates does not form part of cash and cash equivalent of the Department and is separately disclosed on the notes to the financial statements.

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 and advances are expensed when goods have been received, or in case of services, when they are rendered to 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.

Write-offs are made according to the Department's write-off policy

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.

Collective assessment of impairment is applied to groups of receivables, when there is an indication of impairment in a group of similar assets. Receivables are grouped on the basis of asset type and past due status. The loss event is based on the increased number of none payments and the payment status. Receivables outstanding for at least 3 years without any payment and legal disputes are considered as indicators for impairment and indicative of a loss event.

14 Payables

Payables are recognised in the statement of financial position at cost.

15 Capital Assets**15.1 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 are measured at fair value as at the date of acquisition.

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.

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.

Immovable capital assets are not subject to depreciation or impairment.

Subsequent expenditure that is of a capital nature is included in the carrying amount 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.

ACCOUNTING POLICIES
for the year ended 31 March 2017

15.2 Movable capital assets

Movable capital assets comprise mainly machinery and equipment as well as biological assets that are expected to be held for a period exceeding 12 months. Biological assets comprise mainly orchards and plantations as well as livestock which are held for agricultural activities.

Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition. Assets acquired through funds other than Appropriated funds are recorded in the notes to the financial statements.

Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined, the movable assets are measured at R1. In case of orchards and plantations, the fair value is determined by registered professional valuer once every three years.

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.

Movable capital assets are subsequently carried at cost or fair value and are not subject to depreciation or impairment.

Subsequent expenditure that is of a capital nature is included in the carrying amount 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.

15.3 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.

Internally generated intangible assets are recorded in the notes to the financial statements when the Department commences the development phase of the project. Assets acquired through funds other than Appropriated funds are recorded in the notes to the financial statements.

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. Assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.

Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.

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.

16 Assets under investigation

Assets under investigation are only removed from the asset register once the investigation is complete, the decision to remove has been approved by the relevant authority and control over the asset has been relinquished.

Capital and minor assets which are under investigation are disclosed separately in the notes to the financial statements.

17 Provisions and Contingents**17.1 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.

17.2 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.

The value of claims against the Department comprises management's estimate of merit and quantum of claims against the Department and legal cost. Management's estimate is based on facts, historical data and case law.

ACCOUNTING POLICIES
for the year ended 31 March 2017

17.3 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.

17.4 Commitments

Commitments (other than for transfers and subsidies) 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.

18 Unauthorised expenditure

Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either:

- 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.

Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.

19 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.

Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables for recovery.

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.

20 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.

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.

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.

21 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 restates the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

Changes in accounting estimates are applied prospectively in accordance with Modified Cash Standard.

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 restates the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

22 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.

ACCOUNTING POLICIES
for the year ended 31 March 2017

23 Principal-Agent arrangements

The Department is party to a principal-agent arrangement for short term and long term infrastructure delivery interventions, including construction, upgrades and maintenance programmes. In terms of the arrangement the Department is the principal and is responsible for needs assessment, approving and funding the programmes or projects. All related revenues, expenditures, assets and liabilities have been recognised or recorded in terms of the relevant policies listed herein. Additional disclosures have been provided in the notes to the financial statements where appropriate.

24 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.

25 Related party transactions

A related party transaction is a transfer of resources, services or obligations between the Department and a related party. Related party transactions within the Minister's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length.

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Department. The number of individuals and their full compensation is recorded in the notes to the financial statements.

26 Public-Private Partnerships

Public Private Partnerships are accounted for based on the nature and or the substance of the partnership. The transaction is accounted for in accordance with the relevant accounting policies.

A summary of the significant terms of the PPP agreement, the parties to the agreement, and the date of commencement thereof together with the description and nature of the concession fees received, the unitary fees paid, rights and obligations of the Department are recorded in the notes to the financial statements.

27 Employee benefits

The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is disclosed in the Employee benefits note.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2017

1. Annual Appropriation

1.1. Annual Appropriation

Included are funds appropriated in terms of the Appropriation Act (and the Adjustments Appropriation Act) for National Departments (Voted funds) and Provincial Departments:

	2016/17			2015/16	
	Final Appropriation	Actual Funds Received	Funds not requested/ not received	Final Appropriation	Appropriation received
	R'000	R'000	R'000	R'000	R'000
ADMINISTRATION	3,879,599	3,879,599	-	4,018,217	4,018,217
INCARCERATION	13,423,945	13,423,945	-	12,417,195	12,417,195
REHABILITATION	1,187,826	1,187,826	-	1,173,697	1,173,697
CARE	2,235,094	2,235,094	-	2,088,481	2,088,481
SOCIAL REINTEGRATION	853,727	853,727	-	890,964	890,964
Total	21,580,191	21,580,191	-	20,588,554	20,588,554

2. Departmental revenue

	Note	2016/17	2015/16
		R'000	R'000
Sales of goods and services other than capital assets	2.1	60,016	56,028
Fines, penalties and forfeits	2.2	21,757	20,087
Interest, dividends and rent on land	2.3	215	322
Sales of capital assets	2.4	15,998	7,305
Transactions in financial assets and liabilities	2.5	47,248	45,575
Transfer received		2,250	-
Departmental revenue collected		147,484	129,317

2.1. Sales of goods and services other than capital assets

	Note	2016/17	2015/16
		R'000	R'000
Sales of goods and services produced by the department		57,588	53,679
Sales by market establishment		34,877	32,183
Other sales		22,711	21,496
Sales of scrap, waste and other used current goods		2,428	2,349
Total		60,016	56,028

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2017

2.2. Fines, penalties and forfeits

	Note	2016/17	2015/16
	2	R'000	R'000
Fines		20,743	18,984
Forfeits		1,014	1,103
Total		21,757	20,087

2.3. Interest, dividends and rent on land

	Note	2016/17	2015/16
	2	R'000	R'000
Interest		215	322
Total		215	322

2.4. Sale of capital assets

	Note	2016/17	2015/16
	2	R'000	R'000
Tangible assets		15,998	7,305
Machinery and equipment	32	15,998	7,305
Total		15,998	7,305

2.5. Transactions in financial assets and liabilities

	Note	2016/17	2015/16
	2	R'000	R'000
Receivables		32,762	31,567
Other Receipts including Recoverable Revenue		14,486	14,008
Total		47,248	45,575

2.6. Transfers received

	Note	2016/17	2015/16
	2	R'000	R'000
Public corporations and private enterprises	Annex 1E	2,250	-
Total		2,250	-

3. Aid assistance

	2016/17	2015/16
	R'000	R'000
Opening Balance	-	-
Transferred from statement of financial performance	(1,278)	(130)
Transfers to or from retained funds	1,278	130
Closing Balance	-	-

DEPARTMENT OF CORRECTIONAL SERVICES
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2017

4. Compensation of employees

4.1. Salaries and Wages

	2016/17	2015/16
	R'000	R'000
Basic salary	9,349,755	8,595,703
Performance award	86,969	2,425
Service Based	22,118	19,939
Compensative/circumstantial	995,704	829,292
Periodic payments	64,538	54,376
Other non-pensionable allowances	1,179,783	1,079,171
Total	11,698,867	10,580,906

4.2. Social contributions

	2016/17	2015/16
	R'000	R'000
Employer contributions		
Pension	1,451,998	1,353,130
Medical	1,263,394	1,252,673
UIF	10	49
Bargaining council	2,898	2,727
Total	2,718,300	2,608,579
 Total compensation of employees	 14,417,167	 13,189,485
 Number of employees as on 31 March 2017	 39,634	 38,226

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2017

5. Goods and services

	Note	2016/17 R'000	2015/16 R'000
Administrative fees		5,541	5,993
Advertising		6,475	11,063
Minor assets	5.1	12,623	20,325
Bursaries (employees)		4,769	3,885
Catering		15,839	36,149
Communication		99,985	93,836
Computer services	5.2	105,421	113,844
Consultants: Business and advisory services		11,870	29,078
Infrastructure and planning services		2,925	2,685
Laboratory services		17,487	13,019
Legal services		27,898	40,090
Contractors		225,551	215,519
Agency and support / outsourced services		1,668,194	1,602,219
Entertainment		87	221
Audit cost – external	5.3	36,647	42,737
Fleet services		227,414	245,995
Inventory	5.4	846,378	828,498
Consumables	5.5	347,477	375,125
Operating leases		918,936	1,110,156
Property payments	5.6	1,320,325	937,252
Rental and hiring		2,165	8,165
Transport provided as part of the departmental activities		7,581	5,221
Travel and subsistence	5.7	169,118	259,351
Venues and facilities		2,142	2,838
Training and development		4,828	12,638
Other operating expenditure	5.8	23,806	29,266
Total		6,111,482	6,045,168

An amount of R841,408 million has been reclassified from Operating Leases to Agency Support/Outsourced Services following a Standard Chart of Accounts classification directive from National Treasury which was effective 1 April 2016.

5.1. Minor assets

	Note	2016/17 R'000	2015/16 R'000
Tangible assets	5	12,623	20,325
Biological assets		681	1,590
Machinery and equipment		11,942	18,735
Total		12,623	20,325

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2017

5.2. Computer services

	Note	2016/17	2015/16
	5	R'000	R'000
SITA computer services		97,386	108,626
External computer service providers		8,035	5,218
Total		105,421	113,844

Audit cost – External

	Note	2016/17	2015/16
	5	R'000	R'000
Regularity audits		36,453	41,117
Computer audits		194	1,620
Total		36,647	42,737

5.3. Inventory

	Note	2016/17	2015/16
	5	R'000	R'000
Clothing material and accessories		87,080	59,898
Farming supplies		198,122	190,613
Food and food supplies		396,109	377,233
Fuel, oil and gas		18,035	23,027
Learning, teaching and support material		2,947	5,412
Materials and supplies		56,775	86,887
Medical supplies		1,574	1,297
Medicine		84,314	79,352
Other supplies	5.4.1	1,422	4,779
Total		846,378	828,498

5.3.1. Other supplies

	Note	2016/17	2015/16
	5	R'000	R'000
Ammunition and security supplies		1,050	4,599
Assets for distribution		12	27
Other assets for distribution		12	27
Other		360	153
Total		1,422	4,779

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2017

5.4. Consumables

	Note	2016/17	2015/16
	5	R'000	R'000
Consumable supplies		285,080	303,686
Uniform and clothing		8,172	7,850
Household supplies		229,811	251,949
Building material and supplies		28,390	26,629
Communication accessories		27	274
IT consumables		3,934	7,077
Other consumables		14,746	9,907
Stationery, printing and office supplies		62,397	71,439
Total		347,477	375,125

5.5. Property payments

	Note	2016/17	2015/16
	5	R'000	R'000
Municipal services		1,305,715	924,427
Property maintenance and repairs		88	27
Other		14,522	12,798
Total		1,320,325	937,252

5.6. Travel and subsistence

	Note	2016/17	2015/16
	5	R'000	R'000
Local		168,420	256,278
Foreign		698	3,073
Total		169,118	259,351

5.7. Other operating expenditure

	Note	2016/17	2015/16
	5	R'000	R'000
Professional bodies, membership and subscription fees		1,858	1,939
Resettlement costs		11,166	13,233
Other		10,782	14,094
Total		23,806	29,266

6. Interest and rent on land

	2016/17	2015/16
	R'000	R'000
Interest paid	314	1,659
Total	314	1,659

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2017

7. Payments for financial assets

	Note	2016/17	2015/16
		R'000	R'000
Other material losses written off	7.1	5,531	-
Debts written off	7.2	1,827	-
Total		7,358	-

7.1. Other material losses written off

	Note	2016/17	2015/16
	7	R'000	R'000
Nature of losses			
Damages and losses		2,213	-
Damage to State vehicles		3,318	-
Total		5,531	-

7.2. Debts written off

	Note	2016/17	2015/16
	7	R'000	R'000
Nature of debts written off			
Staff debts written off		1,827	-
Total debt written off		1,827	-

Staff debts consist of leave without pay, overpaid salaries and over granted leave of ex-officials who terminated their services and could not be traced.

8. Transfers and subsidies

	Note	2016/17	2015/16
		R'000	R'000
Provinces and municipalities	Annex 1A	5,739	5,378
Departmental agencies and accounts	Annex 1B	20,823	-
Public corporations and private enterprises	Annex 1C	1,857	5,935
Households	Annex 1D	103,029	97,912
Total		131,448	109,225

9. Expenditure for capital assets

	Note	2016/17	2015/16
		R'000	R'000
Tangible assets		874,405	1,243,138
Buildings and other fixed structures	35	748,092	857,815
Machinery and equipment	33	123,652	382,300
Biological assets	33	2,661	3,023
Total		874,405	1,243,138

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2017

9.1. Analysis of funds utilised to acquire capital assets – 2016/17

	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
Tangible assets	874,405	-	874,405
Buildings and other fixed structures	748,092	-	748,092
Machinery and equipment	123,652	-	123,652
Biological assets	2,661	-	2,661
Total	874,405	-	874,405

9.2. Analysis of funds utilised to acquire capital assets – 2015/16

	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
Tangible assets	1,243,138	-	1,243,138
Buildings and other fixed structures	857,815	-	857,815
Machinery and equipment	382,300	-	382,300
Biological assets	3,023	-	3,023
Total	1,243,138	-	1,243,138

9.3. Finance lease expenditure included in Expenditure for capital assets

	2016/17	2015/16
	R'000	R'000
Tangible assets	141,580	209,565
Buildings and other fixed structures	127,003	195,264
Machinery and equipment	14,577	14,301
Total	141,580	209,565

10. Unauthorised expenditure**10.1. Reconciliation of unauthorised expenditure**

	2016/17	2015/16
	R'000	R'000
Opening balance	121	-
Unauthorised expenditure – discovered in current year (as restated)	-	121
Closing balance	121	121

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2017

10.2. Analysis of unauthorised expenditure awaiting authorisation per economic classification

	2016/17	2015/16
	R'000	R'000
Current expenditure	121	121
Total	121	121

10.3. Analysis of unauthorised expenditure awaiting authorisation per type

	2016/17	2015/16
	R'000	R'000
Unauthorised expenditure relating to overspending of the vote or a main division within the vote	121	121
Total	121	121

11. Cash and cash equivalents

	2016/17	2015/16
	R'000	R'000
Cash on hand	1,596	1,586
Total	1,596	1,586

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 R26,703 million (R16,698 million: 2015/2016).

12. Prepayments and advances

	Note	2016/17	2015/16
		R'000	R'000
Advances paid (Not expensed)	12.1	750	3,116
Total		750	3,116

12.1. Advances paid (Not expensed)

	Note	2016/17	2015/16
	7A	R'000	R'000
National Departments		750	3,116
Total		750	3,116

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2017

13. Receivables

	Note	2016/17			2015/16		
		Current	Non-current	Total	Current	Non-current	Total
		R'000	R'000	R'000	R'000	R'000	R'000
Claims recoverable	13.1	19,432	-	19,432	1,222	-	1,222
Recoverable expenditure	13.2	55,952	-	55,952	50,626	-	50,626
Staff debt	13.3	58,637	2,666	61,303	62,798	1,918	64,716
Other debtors	13.4	119,591	323	119,914	111,687	-	111,687
Total		253,612	2,989	256,601	226,333	1,918	228,251

13.1. Claims recoverable

	Note	2016/17	2015/16
		R'000	R'000
National Departments	13 and Annex 3	19,432	1,222
Total		19,432	1,222

13.2. Recoverable expenditure (disallowance accounts)

	Note	2016/17	2015/16
	13	R'000	R'000
Disallowance Miscellaneous		-	79
Disallowance Dishonoured cheque		-	1
Disallowance Damages and Losses		29,843	29,438
Disallowance Payment Fraud		5,354	5,354
Damage Vehicle		17,410	13,311
Private Telephone		8	9
Salary Disallowance		1,979	2,135
Salary Deduction Disallowance account		481	112
Salary Tax Debt		872	-
Other		5	187
Total		55,952	50,626

13.3. Staff debt

	Note	2016/17	2015/16
	13	R'000	R'000
Debt Account		61,303	64,716
Total		61,303	64,716

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2017

13.4. Other debtors

	Note	2016/17	2015/16
	13	R'000	R'000
Other Debtors		9,242	1,015
Bloemfontein Correctional Centre (PPP)		110,672	110,672
Total		119,914	111,687

13.5. Impairment of receivables

	2016/17	2015/16
	R'000	R'000
Estimate of impairment of receivables	81,562	52,396
Total	81,562	52,396

14. Voted funds to be surrendered to the Revenue Fund

	Note	2016/17	2015/16
		R'000	R'000
Opening balance		-	241,998
Transfer from statement of financial performance (as restated)		38,017	(121)
Add: Unauthorised expenditure for current year	10	-	121
Paid during the year		-	(241,998)
Closing balance		38,017	-

15. Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund

	2016/17	2015/16
	R'000	R'000
Opening balance	4,756	5,711
Transfer from Statement of Financial Performance (as restated)	147,484	129,317
Paid during the year	(147,962)	(130,272)
Closing balance	4,278	4,756

16. Bank Overdraft

	2016/17	2015/16
	R'000	R'000
Consolidated Paymaster General Account	149,136	193,609
Total	149,136	193,609

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17. Payables – current

	Note	2016/17	2015/16
		R'000	R'000
Clearing accounts	17.1	41,513	7,805
Other payables	17.2	22	18
Total		41,535	7,823

17.1. Clearing accounts

	Note	2016/17	2015/16
	17	R'000	R'000
Salary accounts		41,512	7,800
Other(receipts deposit)		1	5
Total		41,513	7,805

17.2. Other payables

	Note	2016/17	2015/16
	17	R'000	R'000
Rental Deposit		22	18
Total		22	18

18. Net cash flow available from operating activities

	2016/17	2015/16
	R'000	R'000
Net surplus/(deficit) as per Statement of Financial Performance	184,223	129,066
Add back non cash/cash movements not deemed operating activities	718,173	853,279
Increase in receivables – current	(28,350)	(10,657)
(Increase)/decrease in prepayments and advances	2,366	(1,338)
Increase in payables – current	33,712	1,711
Proceeds from sale of capital assets	(15,998)	(7,305)
Expenditure on capital assets	874,405	1,243,138
Surrenders to Revenue Fund	(147,962)	(372,270)
Net cash flow generated by operating activities	902,396	982,345

19. Reconciliation of cash and cash equivalents for cash flow purposes

	2016/17	2015/16
	R'000	R'000
Consolidated Paymaster General account	(149,136)	(193,609)
Cash on hand	1,596	1,586
Total	(147,540)	(192,023)

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20. Contingent liabilities and contingent assets

20.1. Contingent liabilities

Liable to	Nature	Note	2016/17	2015/16
			R'000	R'000
Housing loan guarantees	Employees	Annex 2A	531	996
Claims against the department		Annex 2B	253,692	139,094
Intergovernmental payables (unconfirmed balances)		Annex 4	47,731	15,691
Total			301,954	155,781

20.2. Contingent assets

Nature of contingent asset	2016/17	2015/16
	R'000	R'000
Breach of Contract	576	576
Stolen state vehicle	165	165
Total	741	741

21. Commitments

	2016/17	2015/16
	R'000	R'000
Current expenditure		
Approved and contracted	1,932,497	481,335
Approved but not yet contracted	58,084	11,427
	1,990,582	492,762
Capital expenditure		
Approved and contracted	325,694	337,924
Approved but not yet contracted	-	7
	325,694	337,931
Total Commitments	2,316,276	830,693

Commitments amounting to R 2,108 billion exceed 1 year.

The approved and contracted current and capital expenditure commitments exclude PPP commitments which are disclosed on note 30.

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22. Accruals and payables not recognised

22.1. Accruals

				2016/17	2015/16
				R'000	R'000
Listed by economic classification					
	30 Days	30+ Days	Total		Total
Goods and services	268,314	10,159	278,473		41,112
Capital Assets	2,171	2,061	4,232		96,198
Compensation of Employees	11	-	11		-
Total	270,496	12,220	282,716		137,310
				2016/17	2015/16
				R'000	R'000
Listed by programme level					
Administration			255,290		41,526
Incarceration			3,085		91,280
Care			14,600		3,168
Rehabilitation			4,913		1,161
Social Reintegration			4,828		175
Total			282,716		137,310

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22.2. Payables not recognised

			2016/17	2015/16
			R'000	R'000
Listed by economic classification				
	30 Days	30+ Days	Total	Total
Compensation of employees	176	-	176	-
Goods and services	160,301	324,450	484,751	323,299
Transfers and subsidies	-	-	-	10,244
Capital assets	93,547	49,763	143,310	25,319
Total	254,024	374,213	628,237	358,862

			2016/17	2015/16
			R'000	R'000
Listed by programme level				
Administration			125,527	119,252
Incarceration			444,977	210,321
Care			22,981	14,991
Rehabilitation			2,192	4,524
Social Reintegration			32,560	9,774
Total			628,237	358,862

	Note	2016/17	2015/16
		R'000	R'000
Included in the above totals are the following:			
Confirmed balances with other departments	Annex 4	3,269	3,849
Confirmed balances with other government entities	Annex 4	573,588	228,252
Total		576,827	232,101

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23. Employee benefits

	2016/17	2015/16
	R'000	R'000
Leave entitlement	492,604	447,098
Service bonus (Thirteenth cheque)	395,905	374,325
Performance awards	94,264	79,135
Capped leave commitments	650,237	650,037
Occupation Specific Dispensation (OSD) Phase 2	267,169	-
Other	24,296	25,022
Total	1,924,475	1,575,617

Capped leave commitment:

Included in the capped leave commitment is a negative amount of R39,420.19 for leave credits of 28,78 days.

OSD:

Payables to correctional officials who qualify in terms of DBC resolution number 1 of 2016.

Other (Long service awards):

At this stage the department is not able to reliably measure the long term portion of the long service awards.

24. Lease commitments**24.1. Operating leases expenditure**

2016/17	Land	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	17	1,102,108	59,317	1,161,442
Later than 1 year and not later than 5 years	19	2,386,355	74,147	2,460,521
Total lease commitments	36	3,488,463	133,464	3,621,963

2015/16	Land	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	16	1,111,460	59,473	1,170,949
Later than 1 year and not later than 5 years	36	1,130,127	133,553	1,263,716
Total lease commitments	52	2,241,587	193,026	2,434,665

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24.2. Finance leases expenditure**

2016/17	Machinery and equipment	Total
Not later than 1 year	12,693	12,693
Later than 1 year and not later than 5 years	10,549	10,549
Total lease commitments	23,242	23,242

2015/16	Machinery and equipment	Total
Not later than 1 year	11,794	11,794
Later than 1 year and not later than 5 years	7,783	7,783
Total lease commitments	19,577	19,577

**This note excludes leases relating to public private partnership as they are separately disclosed in note no. 30.

25. Accrued departmental revenue

	2016/17	2015/16
	R'000	R'000
Sales of goods and services other than capital assets	24	-
Total	24	-

25.1. Analysis of accrued departmental revenue

	2016/17	2015/16
	R'000	R'000
Opening balance	-	-
Add: amounts recognised	24	-
Closing balance	24	-

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26. Irregular expenditure**26.1. Reconciliation of irregular expenditure**

	Note	2016/17 R'000	2015/16 R'000
Opening balance		489,566	287,514
Prior period error			(5,345)
As restated		489,566	282,169
Add: Irregular expenditure – relating to current year		836,347	219,333
Less: Prior year amounts condoned		(454)	-
Less: Current year amounts condoned		-	(11,154)
Less: Amounts not condoned and recoverable	13	-	(1)
Less: Amounts not condoned and not recoverable		-	(781)
Irregular expenditure awaiting condonation		1,325,459	489,566
Analysis of awaiting condonation per age classification			
Current year		836,347	219,333
Prior years		489,112	270,233
Total		1,325,459	489,566

26.2. Details of irregular expenditure – added current year (relating to current and prior years)

Incident	Disciplinary steps taken/criminal proceedings	2016/17 R'000
Logistical procedures not followed	Pending	965
State Information Technology Agency Act not complied with	Pending	21,274
Bidding process not followed	Pending	1,346
Three (3) quotations not invited	Pending	83
Splitting of a case	Pending	9,294
Officials who failed to declare their interest	Pending	759
Prohibited suppliers	Pending	71
Contract variation not adequately approved	Pending	95,168
Contract not adequately approved	Pending	707,387
Total		836,347

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26.3. Details of irregular expenditure condoned

Incident	Condoned by (condoning authority)	2016/17 R'000
Three price quotations not invited	National Commissioner	211
Splitting of a case	National Commissioner	29
Procurement done with prohibited Suppliers	National Commissioner	12
No authorization from delegated authority	National Commissioner	164
Order date after invoice date	National Commissioner	20
Payment of medical accounts	National Commissioner	14
Officials who failed to declare interest	National Commissioner	3
Deficiencies on invoice	National Commissioner	1
Total		454

Twenty six (26) cases amounting to R454,000 were condoned by the Accounting Officer and were removed from the Irregular Expenditure Register.

26.4. Details of irregular expenditures under investigation (not included in the main note)

Incident	2016/17 R'000
Bid documents not availed for audit	32,826
Bidding process not properly followed	1,660,434
Total	1,693,261

26.5. Prior period error

	2015/16 R'000
Nature of prior period error	
	(5,345)
Relating to 2015/16 [affecting the opening balance]	(5,345)
Total prior period errors	(5,345)

Correction of a prior period error which was discovered during investigation into cases of irregular expenditure.

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27. Fruitless and wasteful expenditure

27.1. Reconciliation of fruitless and wasteful expenditure

	2016/17 R'000	2015/16 R'000
Opening balance	37,241	35,628
Prior period error		51
As restated	37,241	35,679
Fruitless and wasteful expenditure – relating to current year	920	1,714
Less: Amounts resolved	(310)	(152)
Closing balance	37,851	37,241

27.2. Analysis of awaiting resolution per economic classification

	2016/17 R'000	2015/16 R'000
Current	37,851	37,241
Total	37,851	37,241

27.3. Analysis of Current year's fruitless and wasteful expenditure

Incident	Disciplinary steps taken/criminal proceedings	2016/17 R'000
Travel Cancellation: Conference/Accommodation/Meals/ Catering	Pending	307
Fleet Services & Transport Payments on unexplained categories/ Travel/Licenses	Pending	11
Payments non-compliance (VAT, overpayments, Vendors)	Pending	16
Interest on late payments	Pending	17
Others	Pending	569
Total		920

27.4. Prior period error

	2015/16 R'000
Nature of prior period error	
Relating to 2015/16 [affecting the opening balance]	51
	51

Correction of a prior period error which was discovered during investigation into cases of fruitless and wasteful expenditure.

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28. Related party transactions

Department of Correctional Services is related to the Departments of Justice and Constitutional Development and the Office of the Chief Justice since they are subject to the same control of the Minister of Justice and Correctional Services, including the following entities:

List of related party entities

Guardian Fund

Legal Aid South Africa

Presidents Fund

Special Investigation Unit

The South African Human Rights Commission

The Public Protector

Third Party Fund

Criminal Assets Recovery Account

An amount of R18,080 million is payable by the Department of Justice and Constitutional Development (Integrated Justice System) for development of the Integrated Inmate Management System which is still in the development phase as at 31 March 2017. Refer to intangible asset note 33.

29. Key management personnel

	No. of Individuals	2016/17 R'000	2015/16 R'000
Political office bearers:	1	1,902	1,576
Deputy Minister of Justice and Correctional Services responsible for Correctional Services			
Officials:			
Level 15 to 16	14	20,646	15,156
Level 14	39	39,329	44,641
Family members of key management personnel	25	8,664	8,187
Total		70,541	69,560

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30. Public Private Partnership

	2016/17	2015/16
	R'000	R'000
Unitary fee paid	1,019,121	1,036,672
Fixed component	127,003	195,264
Indexed component	892,118	841,408
Analysis of indexed component	892,118	841,408
Goods and services (excluding lease payments)	892,118	841,108
Capital / (Liabilities)	127,003	195,264
Property	127,003	195,264

30.1. Public Private Partnerships (PPP)

30.1.1. 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.

30.1.2. 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 bed spaces. 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 cease.

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30.1.3. The nature and extent of:

Rights to use specified assets:

Assets are managed and maintained by the contractor for the duration of the 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 agreement.

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 Departmental 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.

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.

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Commitments

The Department is committed for the remainder of the two PPP contracts. The index fees for MCC is committed until 2026 (fixed fees commitment ended 30 June 2016). Fixed fees for KSCC will end on 15 February 2019 and index fees in 2027.

Approved and contracted

	2016/17	2015/16
	R'000	R'000
Current Expenditure (Index fee)	11,020,605	12,167,957
Capital Expenditure (Fixed fee)	174,788	293,152
Total	11,195,393	12,461,109

31. Provisions

	2016/17	2015/16
	R'000	R'000
Legal claim against the department	1,882	1,341
Total	1,882	1,341

The provision for legal claims relates to court judgements and settlement agreements.

31.1. Reconciliation of movement in provisions – 2016/17

	Legal Claims against the department	Total provisions
	R'000	R'000
Opening balance	1,341	1,341
Increase in provision	813	813
Settlement of provision	(137)	(137)
Change in provision due to change in estimation of inputs	(135)	(135)
Closing balance	1,882	1,882

31.2. Reconciliation of movement in provisions – 2015/16

	Legal Claims against the department	Total provisions
	R'000	R'000
Opening balance	-	-
Increase in provision	1,341	1,341
Closing balance	1,341	1,341

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32. Movable Tangible Capital Assets**MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017**

	Opening balance	Value adjustments	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	1,986,660	-	101,637	(84,418)	2,003,879
Transport assets	1,056,372	-	51,499	(52,580)	1,055,291
Computer equipment	345,014	-	14,743	(15,013)	344,744
Furniture and office equipment	71,971	-	6,399	(1,176)	77,194
Other machinery and equipment	513,303	-	28,996	(15,649)	526,650
BIOLOGICAL ASSETS	58,179	7,534	8,683	(11,342)	63,054
Biological assets	58,179	7,534	8,683	(11,342)	63,054
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	2,044,839	7,534	110,320	(95,760)	2,066,933

Movable Tangible Capital Assets under investigation

	Number	Value
		R'000
Included in the above total of the movable tangible capital assets per the asset register are assets that are under investigation:		
Machinery and equipment	1,295	31,796
Biological assets	77	609

Assets under investigation comprise of assets that are lost, earmarked for disposal or were not found during asset verification

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32.1. Additions**ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017**

	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	123,649	9,938	(14,577)	(17,373)	101,637
Transport assets	68,589	1,188	-	(18,278)	51,499
Computer equipment	13,567	1,739	-	(563)	14,743
Furniture and office equipment	1,918	4,370	-	111	6,399
Other machinery and equipment	39,575	2,641	(14,577)	1,357	28,996
BIOLOGICAL ASSETS	2,661	5,568	-	454	8,683
Biological assets	2,661	5,568	-	454	8,683
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	126,310	15,506	(14,577)	(16,919)	110,320

32.2. Disposals**DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017**

	Sold for cash	Non-cash disposal	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	53,341	31,077	84,418	15,998
Transport assets	51,847	733	52,580	15,998
Computer equipment	-	15,013	15,013	-
Furniture and office equipment	-	1,176	1,176	-
Other machinery and equipment	1,494	14,155	15,649	-
BIOLOGICAL ASSETS	16	11,326	11,342	-
Biological assets	16	11,326	11,342	-
TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS	53,357	42,403	95,760	15,998

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32.3. Movement for 2015/16**MOVEMENT IN TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2016**

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	1,675,807	189	395,580	84,916	1,986,660
Transport assets	825,014	757	277,320	46,719	1,056,372
Computer equipment	341,924	860	23,802	21,572	345,014
Furniture and office equipment	62,978	(363)	10,765	1,409	71,971
Other machinery and equipment	445,891	(1,065)	83,693	15,216	513,303
BIOLOGICAL ASSETS	21,315	(190)	42,724	5,670	58,179
Biological assets	21,315	(190)	42,724	5,670	58,179
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	1,697,122	(1)	438,304	90,586	2,044,839

32.3.1. Prior period error

	2015/16 R'000
Nature of prior period error	
Relating to 2014/15 [affecting the opening balance]	(1)
Machinery and equipment	189
Biological assets	(190)
Total prior period errors	(1)

Correction of a prior period error where assets were either valued or classified erroneously and have been corrected to their fair value or appropriate categories.

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32.4. Minor assets**MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2017**

	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000
Opening balance	609,209	10,398	619,607
Additions	25,070	7,367	32,437
Disposals	(23,017)	(4,489)	27,506
TOTAL MINOR ASSETS	611,262	13,276	624,538

	Intangible assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	28	17	1	46
Number of minor assets at cost	-	507,008	4,367	511,375
TOTAL NUMBER OF MINOR SSETS	28	507,025	4,368	511,421

Minor Capital Assets under investigation

	Number	Value
		R'000
Included in the above total of the minor capital assets per the asset register are assets that are under investigation:		
Machinery and equipment	4,331	4,979
Biological assets	23	53

Assets under investigation comprise of assets that are lost, earmarked for disposal or were not found during asset verification

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2016

	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000
Opening balance	594,484	5,206	599,690
Prior period error	4,022	(2,844)	1,178
Additions	36,024	10,407	46,431
Disposals	25,321	2,371	27,692
TOTAL MINOR ASSETS	609,609	10,398	619,607

	Intangible assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	28	447	13	488
Number of minor assets at cost	-	593,060	4,739	597,799
TOTAL NUMBER OF MINOR ASSETS	28	593,507	4,752	598,287

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32.4.1. Prior period error

	2015/16
	R'000
Nature of prior period error	
Relating to 2015/16 [affecting the opening balance]	1,178
Machinery and equipment	4,022
Biological assets	(2,844)
Total prior period errors	1,178

Correction of a prior period error where assets were valued erroneously and have been corrected to their fair value.

32.5. Movable assets written off**MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2017**

	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000
Assets written off	53,509	15,815	69,324
TOTAL MOVABLE ASSETS WRITTEN OFF	53,509	15,815	69,324

MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2016

	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000
Assets written off	62,844	8,022	70,866
TOTAL MOVABLE ASSETS WRITTEN OFF	62,844	8,022	70,866

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33. Intangible Capital Assets**MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017**

	Opening balance	Value adjustments	Additions	Disposals	Closing Balance
	R'000		R'000	R'000	R'000
Capital Work-in-progress	68,503	-	18,080	-	86,583
TOTAL INTANGIBLE CAPITAL ASSETS	68,503	-	18,080	-	86,583

ADDITIONS TO INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017

	Cash	Non-Cash	(Develop-ment work in progress – current costs)	Received current year, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	-	18,080	(18,080)	-	-
TOTAL ADDITIONS TO INTANGIBLE CAPITAL ASSETS	-	18,080	(18,080)	-	-

34. Immovable Tangible Capital Assets**MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017**

	Opening balance	Value adjustments	Additions	Disposals	Closing Balance
	R'000		R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	1,380	-	-	-	1,380
Non-residential buildings	1,380	-	-	-	1,380
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	1,380	-	-	-	1,380

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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34.1. Additions**ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017**

	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
BUILDING AND OTHER FIXED STRUCTURES	748,092	-	(748,092)	-	-
Dwellings	363,036	-	(363,036)	-	-
Non-residential buildings	118,512	-	(118,512)	-	-
Other fixed structures	266,544	-	(266,544)	-	-
TOTAL ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS	748,092	-	(748,092)	-	-

34.2. Movement for 2015/16**MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2016**

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	1,327	23	30	-	1,380
Non-residential buildings	1,327	23	30	-	1,380
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	1,327	23	30	-	1,380

34.2.1. Prior period error

	2015/16 R'000
Nature of prior period error	
Relating to 2014/15 [affecting the opening balance]	23
Immovable tangible assets	23
Total prior period errors	23

Correction of a prior period error where assets were classified erroneously and have been corrected to their appropriate categories.

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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35. Principal-agent arrangements

35.1. Department acting as the principal

	2016/17	2015/16
	R'000	R'000
Independent Development Trust (IDT)		
Management fees paid to IDT	13,870	19,863
Total	13,870	19,863

The total amount paid to IDT is R275,930 million (2015/16: R393,377 million)

35.2. Department acting as the agent

35.2.1. Revenue received for agency activities

	2016/17	2015/16
	R'000	R'000
National Skills Fund	-	4,942
Total	-	4,942

During 2016/17 financial year, the Department received an approval of funding from the Department of Higher Education, National Skills Development Fund, of R87,202 million for the period 2016/17 to 2018/19. No funds were received during 2016/17 financial year as the two departments were in the process of finalising the Protocol Agreement.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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36. Prior period errors**36.1. Correction of prior period errors**

	2015/16
	R'000
Assets:	
Contingent Assets	741
Movable Assets: Machinery & Equipment	189
Movable Assets: Biological Assets	(190)
Minor assets: Machinery & Equipment	4,022
Minor assets: Biological Assets	(2,844)
Immovable Tangible Assets	23
Net effect	1,941

Contingent Assets:

Correction of an omission of legal claims against other parties.

Movable, Minor and Immovable Assets:

Correction of a prior period error where assets were either valued or classified erroneously and have been corrected to their fair value or appropriate categories.

	2015/16
	R'000
Liabilities:	
Provisions that were not recorded in prior period	510
Contingent Liabilities: Claims against the Department that were not recorded in prior period	17,240
Operating leases that were not recorded in prior period	40,520
Net effect	58,270

	2015/16
	R'000
Other:	
Irregular Expenditure	(5,345)
Fruitless and wasteful expenditure	51
Principal-Agent arrangement	(373,514)
Net effect	(378,808)

Irregular, Fruitless and Wasteful Expenditure:

Correction of a prior period error which was discovered during investigation into cases of irregular and fruitless and wasteful expenditure.

Principal-Agent Arrangement:

The full amount paid to IDT was disclosed under the Principal-Agent arrangement in the previous financial year instead of only the management fee.

DEPARTMENT OF CORRECTIONAL SERVICES
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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
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ANNEXURE 1A

STATEMENT OF OTHER TRANSFERS PAID TO MUNICIPALITIES

Category of entities	GRANT ALLOCATION		TRANSFER Actual Transfer R'000	2015/16 Division of Revenue Act R'000
	Other transfers	Adjustments		
	R'000	R'000		
Provincial departments	-	1,510	1,510	1,417
Municipalities	5,916	(1,687)	4,229	3,961
TOTAL	5,916	(177)	5,739	5,378

Transfers to provincial departments responsible for transport and municipalities is expenditure relating to registration and renewal of licences for State owned vehicles.

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
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ANNEXURE 1B**STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS**

DEPARTMENT/ AGENCY/ ACCOUNT	TRANSFER ALLOCATION		TRANSFER		2015/16 Actual Transfer
	Adjusted Appropriation	Adjustments	Total Available	Actual Transfer	
	R'000	R'000	R'000	R'000	R'000
Safety and Security Sector Education and Training Authority (SASSETA)	9,900	10,923	20,823	20,823	-
TOTAL	9,900	10,923	20,823	20,823	-

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
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ANNEXURE 1C**STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES**

NAME OF PUBLIC CORPORATION/PRIVATE ENTERPRISE	TRANSFER ALLOCATION			EXPENDITURE		2015/16
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred
	R'000	R'000	R'000	R'000	R'000	%
Private Enterprises	-	-	1,857	1,857	1,857	100.0%
Transfers	-	-	1,857	1,857	1,857	100.0%
TOTAL	-	-	1,857	1,857	1,857	100.0%
						R'000
						5,935
						5,935
						5,935

Transfers to private enterprises relates to expenditure for legal claims against the department.

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ANNEXURE 1D**STATEMENT OF TRANSFERS TO HOUSEHOLDS**

	TRANSFER ALLOCATION			EXPENDITURE		2015/16 Actual Transfers
	Adjusted Appropriation Act	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	
	R'000	R'000	R'000	R'000	%	R'000
Transfers						
Leave Gratuity	94,953	(20,441)	74,512	73,869	99%	72,925
Poverty Relief	263	261	524	524	100%	1,232
Prisoner gratuity (Pocket Money)	20,949	1,628	22,577	22,577	100%	20,096
Claims	73	4,737	4,810	4,810	100%	1,059
Post Retirement benefit	-	1,249	1,249	1,249	100%	2,600
Skill Development	37	(37)	-	-	-	-
TOTAL	116,275	(12,603)	103,672	103,029		97,912

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ANNEXURE 1E

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2016/17	2015/16
		R'000	R'000
Received in cash			
merSETA	Tools, equipment and raw materials	2,250	-
Subtotal		2,250	-
Received in kind			
Various private persons	Animals	30	9
Various private persons	Sports and equipment	16	11
Various private persons	Computer equipment and software	2,270	81
Various private persons	Books	535	563
Various private persons	Food related products	19	7
Various private persons	Toiletries	8	9
Various private persons	Electrical Appliances	689	11
Various private persons	Toys, baby accessories and recreation	53	68
Various private persons	Accommodations	-	2
Various private persons	Stationery	2	2
Various private persons	Other	577	161
Subtotal		4,199	924
TOTAL		6,449	924

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ANNEXURE 1F

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE

	NATURE OF GIFT, DONATION OR SPONSORSHIP (Group major categories but list material items including name of organisation)	2016/17	2015/16
		R'000	R'000
Made in kind			
Poverty alleviation (clothing and food) to private organisations		-	27
Gifts to dignitaries		-	5
Other		9	59
TOTAL		9	91

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
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ANNEXURE 2A**STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2017 – LOCAL**

Guarantor institution	Guarantee in respect of	Opening balance 1 April 2016	Guarantees draw downs during the year	Guarantees repayments/ cancelled/ reduced/ released during the year	Closing balance 31 March 2017
		R'000	R'000	R'000	R'000
Standard Bank	Housing	464	94	355	203
First Rand Bank	Housing	73	-	73	-
ABSA	Housing	386	-	131	255
Green Start Housing Loans	Housing	36	-	-	36
Mpumalanga Housing Finance	Housing	37	-	-	37
TOTAL		996	94	559	531

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
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ANNEXURE 2B**STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2017**

Nature of Liability	Opening Balance	Prior period error	Liabilities incurred during the year	Liabilities paid/ cancelled/ reduced during the year	Closing Balance
	1 April 2016 R'000	R'000	R'000	R'000	31 March 2017 R'000
Claims against the department	35,669	2,456	24,700	4,692	58,133
Assault/ Bodily Injury	68	-	71,155	65	71,158
Breach of Contract	20	616	622	615	643
Compensation	23,446	65	4,387	2,009	25,889
Damages	52	-	7	-	59
Damages to property	1,273	-	1,496	-	2,769
Death in detention	238	-	326	156	407
Defamation	2,252	977	1,117	1,460	2,886
Injury in correctional centre	6,626	-	65	2,110	4,581
Loss of support	2,504	1,373	2,639	1,440	5,076
Motor accident	5,575	-	2,584	1,320	6,839
Others	2,059	-	120	397	1,782
Pain and suffering	28,214	11,260	25,629	10,492	54,611
Rape	188	149	122	-	459
Unlawful deduction	13,670	344	5,296	911	18,399
Unlawful detention					
TOTAL	121,854	17,240	140,265	25,667	253,692

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
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ANNEXURE 3**CLAIMS RECOVERABLE**

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total
	31/03/2017	31/03/2016	31/03/2017	31/03/2016	
	R'000	R'000	R'000	R'000	
National Departments					
Department of Telecommunications	155	75	-	75	155
Department of Social Development	-	-	-	70	-
Department of Health	-	-	-	3	-
National Treasury	-	-	-	1	-
Department of Justice	-	-	18,112	38	18,112
Department of Justice (Johannesburg)	-	-	-	67	-
Department of Water and Sanitation	-	-	920	221	920
Department of Defence	-	-	185	-	185
Department of Rural Development and Land Reform	-	-	35	-	35
Provincial Treasury : Eastern Cape	-	-	25	-	25
Department of Health: Eastern Cape	-	-	-	31	-
Department of Water and Sanitation : Western Cape	-	-	-	478	-
Department of Water and Sanitation: Standerton	-	-	-	92	-
Department of Water and Sanitation: Potchefstroom	-	-	-	53	-
Department of Water and Sanitation: Polokwane	-	-	-	18	-
Total	155	75	19,277	1,147	19,432
					1,222

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
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ANNEXURE 4
INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2017	31/03/2016	31/03/2017	31/03/2016	31/03/2017	31/03/2016
	R'000	R'000	R'000	R'000	R'000	R'000
DEPARTMENTS						
Current						
Gauteng Department of Education	-	-	-	27	-	27
Department of Labour	-	11	-	-	-	11
Department of Justice (National Prosecuting Authority)	-	38	-	-	-	38
Department of Justice	934	3,460	17,325	-	18,259	3,460
Department of Health Gauteng Province	2,320	-	15,087	4,492	17,407	4,492
Department of Women	15	-	-	-	15	-
Department of Public Works: KwaZulu-Natal	-	-	-	8	-	8
Independent Police Investigative Directorate	-	9	-	-	-	9
South African Police Services	-	89	117	556	117	645
Department of Defence	-	-	3	10	3	10
Department of Home Affairs	-	-	-	27	-	27
Department of Social Development: KwaZulu-Natal	-	-	-	26	-	26
Department of Public Works	-	-	60	-	60	-
Department of Health: KwaZulu-Natal	-	166	-	-	-	166
Department of Health: Eastern Cape	-	39	-	-	-	39
Department of Health: Free State	-	18	-	-	-	18
Department of Health: Limpopo	-	7	-	-	-	7
Department of Health: Mpumalanga	-	12	-	-	-	12
Department of Education: KwaZulu-Natal	-	-	197	-	197	-
Subtotal	3,269	3,849	32,789	5,146	36,057	8,995

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GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2017	31/03/2016	31/03/2017	31/03/2016	31/03/2017	31/03/2016
	R'000	R'000	R'000	R'000	R'000	R'000
OTHER GOVERNMENT ENTITY						
Current						
Property Management Trading Entity	492,505	208,965	-	-	492,505	208,965
Independent Development Trust	45,250	-	-	-	45,250	-
State Information Technology Agency	19,926	4,447	9,554	10,545	29,480	14,992
National Health Laboratory Services	160	671	5,388	-	5,548	671
SA Post Office	-	3	-	-	-	3
Government Employees Pension Fund	1,461	2,571	-	-	1,461	2,571
South African Qualifications Authority	-	2	-	-	-	2
Auditor-General of SA	6,196	3,853	-	-	6,196	3,853
Telkom	8,060	7,740	-	-	8,060	7,740
Subtotal	573,558	228,252	14,943	10,545	588,501	238,797
TOTAL	576,827	232,101	47,731	15,691	624,558	247,792

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
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ANNEXURE 5**INVENTORIES**

Inventory [Per major category]	Note	Quantity	2016/17 R'000	Quantity	2015/16 R'000
Opening balance		202,737	457,780	182,138	510,206
Add/(Less): Adjustments to prior year balance		38	622	3	(3,379)
Add: Additions/Purchases - Cash		598,692	846,378	828,566	828,498
Add: Additions - Non-cash		4,160	(108)	3,011	(2,718)
(Less): Disposals		(100,537)	(205,799)	(529)	(35,098)
(Less): Issues		(518,160)	41,749,051	(808,245)	(740,623)
Add/(Less): Adjustments		574	(42,303,103)	(2,207)	(99,106)
Closing balance		187,504	544,821	202,737	457,780

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
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ANNEXURE 6**MOVEMENT IN CAPITAL WORK IN PROGRESS**

MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2017				
	Opening balance	Current Year Capital WIP	Closing balance	
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	1,996,711	567,795		2,564,506
Dwellings	1,430,975	228,004		1,658,979
Non-residential buildings	56,769	78,253		135,022
Other fixed structures	508,967	261,538		770,505
SOFTWARE	68,503	18,080		86,583
Software	68,503	18,080		86,583
TOTAL	2,065,214	585,875		2,651,089

MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2016				
	Opening balance	Prior period error	Current Year Capital WIP	Closing balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	651,174	-	662,011	1,313,185
Dwellings	225,325	-	214,803	440,128
Non-residential buildings	457,749	-	49,344	95,093
Other fixed structures	380,100	-	397,864	777,964
SOFTWARE	-	-	68,503	68,503
Software	-	-	68,503	68,503
TOTAL	651,174	-	730,514	1,381,688

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ANNEXURE 7A

INTER-ENTITY ADVANCES PAID (note 12)

ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2017 R'000	31/03/2016 R'000	31/03/2017 R'000	31/03/2016 R'000	31/03/2017 R'000	31/03/2016 R'000
NATIONAL DEPARTMENTS						
Department of International Relations and cooperation	732	750	18	-	750	750
Government Communications and Information Systems	-	2,366	-	-	-	2,366
TOTAL	732	3,116	18	-	750	3,116

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Notes

Notes

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