




DEPARTMENT OF CORRECTIONAL SERVICES
ANNUAL REPORT
2017/18



correctional services

Department:
Correctional Services
REPUBLIC OF SOUTH AFRICA





**DEPARTMENT OF CORRECTIONAL SERVICES
VOTE NO. 18
ANNUAL REPORT
2017/18 FINANCIAL YEAR**

**RP410/2018
ISBN: 978-0-621-46851-9**



FOR TO BE FREE IS NOT
MERELY TO CAST OFF
ONE'S CHAINS,
BUT TO LIVE
IN A WAY THAT RESPECTS
AND ENHANCES THE
FREEDOM OF OTHERS

NELSON MANDELA



correctional services

Department:
Correctional Services
REPUBLIC OF SOUTH AFRICA

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PART A
GENERAL INFORMATION

PART A: GENERAL INFORMATION

1. DEPARTMENT GENERAL INFORMATION

Table 1: Department - General Information

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WESTERN CAPE	
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GAUTENG REGION	
POSTAL ADDRESS	PHYSICAL ADDRESS
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2. LIST OF ABBREVIATIONS/ACRONYMS

ABBREVIATIONS/ACRONYMS	
AET	Adult Education and Training
AGSA	Auditor General of South Africa
AIDS	Acquired Immune Deficiency Syndrome
APP	Annual Performance Plan
ARC	Agriculture Research Council
ART	Anti-Retroviral Therapy
ATP	Awaiting Trial Person
BAS	Basic Accounting System
CEU	Code Enforcement Unit
CJS	Criminal Justice System
CMC	Case Management Committee
CPA	Criminal Procedure Act
CRA	Continuous Risk Assessment
CSP	Correctional Sentence Plan
CSPB	Correctional Supervision and Parole Board
DBE	Department of Basic Education
DCS	Department of Correctional Services
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
DSD	Department of Social Development
EAP	Employee Assistance Programme
EM	Electronic Monitoring
EPWP	Expanded Public Works Programme
ESS	Engineered System Solution
EST	Emergency Support Team
FET	Further Education and Training
FS/NC	Free State and Northern Cape
GEMS	Government Employees Medical Scheme

ABBREVIATIONS/ACRONYMS	
HCT	HIV Counselling and Testing
HIRA	Hazard Identification and Risk Assessments
HIV	Human Immuno-deficiency Virus
HR	Human Resources
HRBP	Human Resources Budgeting and Planning Tool
ICCV	Independent Correctional Centre Visitors
ICMS	Integrated Communication and Marketing Strategy
ICT	Information and Communications Technology
IEHW	Integrated Employee Health and Wellness
IIMS	Integrated Inmate Management System
IPC	Infection Prevention and Control
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
MSETA	Manufacturing, Engineering and Related Services Sector Education and Training
MOU	Memorandum of Understanding
MPAT	Management Performance Assessment Tool
MTSF	Medium-Term Strategic Framework
NCCS	National Council of Correctional Services
NDP	National Development Plan
NGO	Non-Governmental Organisation(s)
NIP	National Inspection Plan
NPO	Non-Profit Organisation
OSD	Occupation-Specific Dispensation
PAJA	Promotion of Administrative Justice Act

ABBREVIATIONS/ACRONYMS	
PFMA	Public Finance Management Act
PPP	Public-Private Partnerships
RMC	Risk Management Committee
RD	Remand Detainee
RJ	Restorative Justice
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
SIU	Special Investigation Unit
SMS	Senior Management Service
SP	Strategic Plan
STI	Sexual Transmitted Infection(s)
TB	Tuberculosis
TOR	Terms of Reference
TVET	Technical and Vocational Education and Training
UN	United Nations
UNISA	University of South Africa
UTT	Universal Test and Treat
VOD	Victim Offender Dialogues
VOM	Victim Offender Mediation
WC	Western Cape
WSP	Workplace Skills Plan



3. Foreword by the Minister

I am honoured to present the Department of Correctional Services (DCS) Annual Report for 2017/18 financial year. The DCS mandate is principally derived from the Correctional Services Act (1998) and the 2014 White Paper on Remand Detention Management in South Africa. The legislation requires the Department to contribute to maintaining and promoting a just, peaceful and safe society by correcting offending behaviour in a safe, secure and humane environment to facilitate optimal rehabilitation and to contribute towards reduced repeat offending.

In this regard, the DCS contributes towards the achievement of Outcome 3 of the National Development Plan (NDP), i.e. All people in South Africa are and feel safe.

During the 2017/18 financial year, DCS successfully placed 86 518 (82%) sentenced offenders on various correctional programmes.

Community Corrections has become a core component of the South African criminal justice system. It provides a useful and less costly alternative to incarceration. It similarly provides a shift in focus from sanction and deterrence to rehabilitation and reintegration.

During the year under review, the DCS has sustained outstanding performance outcomes with respect of the 70 356 probationer and parolee caseload of community corrections. From the daily average caseload of 54 225 parolees, 99% (53 615) complied with their conditions from a daily average caseload of 16 131 probationers, 99% (15 914) complied with their conditions.

The White Paper on Corrections obliges the DCS to intervene in ways that intend to turn an offender into a socially responsible and law-abiding citizen.



Advocate Michael Masutha
Minister of the Department of
Justice and Correctional Services

We are aware that deviant and criminal conduct understandably results in negative and hardened attitudes against offenders in our communities. Existing social attitudes stigmatise, marginalise and isolate parolees and probationers and impact negatively on their rehabilitation. This is one aspect which requires continuous reflection and debate so as to forge a social consensus that will be resilient enough to contribute to the social cohesion our society needs.

To contribute to the resolution of this challenge, the DCS has established a number of strategic and sustainable partnerships with other government departments, Business Against Crime, civil society and Non-Profit Organisations (NPO's). The DCS has established partnerships with various state agencies, academic institutions such as the University of South Africa (UNISA) to improve the employability of parolees and probationers through various skills training programmes.

Victim participation intended to facilitate dialogue between offenders and victims about the crimes committed has gained momentum. This is slowly but steadily resulting in the acceptance and successful reintegration of offenders into the communities from whence they come.

In this regard, the DCS has contracted an additional 50 Social Auxiliary Workers for a period of five years, to assist in the implementation of Restorative Justice Programmes. Currently, of the 6 250 target set for victim participation in the year under review, 13 679 victims participated in the Restorative Justice programmes which represents a considerable achievement.

Coordination within the criminal justice cluster has improved and continues to impact positively on the work of the DCS. Collaboration has resulted in containing the number of remand detainees.

Overcrowding continues to be one of the challenges of the correctional service system. Rooted in the socio-economic milieu of society, South Africa does not reside in this space alone. It is an international phenomenon and South Africa is no exception.

The average number of inmates within the DCS system was recorded at 160 583 against the 118 723 approved bed space during 2017/18 financial year. The problem of overcrowding within the context of the South African correctional system has been identified as a key challenge, which negatively affects the ability of the South African correctional system to rehabilitate and secure offenders.

The DCS is implementing a multipronged strategy towards the management of overcrowding. This strategy focusses mainly on managing levels of remand detainees, consideration of sentenced offenders for parole or correctional supervision, evenly spreading of offenders, provisioning of additional accommodation, advocating for non-custodial sanctions/alternatives to imprisonment and optimal use of correctional supervision. This matter is being discussed within the Criminal Justice Cluster as it is of concern to all Cluster partners.

In line with the NDP which envisages a health system that is accessible to all, the DCS provides a comprehensive package of health care services (nutrition and hygiene services, pharmaceutical services and primary health care) to the inmate population. In compliance to the National Strategic Plan (NSP) for HIV, TB and Sexually Transmitted Infections (STIs) 2017 - 2022, the DCS continued to strengthen mitigation efforts against the above mentioned epidemics.

The fight against the spread of communicable diseases such as TB in DCS facilities has improved significantly. The DCS achieved a cure rate of 87% (636/728) for offenders against a set target of 86% for the 2017/18 financial year compared to 83% for 2016/17. The achievement can be attributed to the collaborative effort between the DCS, support partners as well as the Department of Health.

The DCS has implemented the directive on Universal Test and Treat (UTT) for all HIV positive inmates so as to ensure improved health outcomes. Thus the number of inmates initiated on antiretroviral treatment during the current financial year increased by 1 936 from 24 506 in 2016/17.

Chapter 2, Section 1 (a) of the Amended Regulations of Correctional Services Act 111, 1998 dictates that Social Work Services must be rendered to sentenced prisoners and persons under community corrections who have a need for such services. Those services may be rendered only by a social worker duly registered as such in terms of the Social Work Act, 1978. The financed post establishment of Social Workers in the DCS as at the end of March 2018 was 638. The number of posts that were filled by duly registered Social Workers was 595 and 43 were vacant positions. Despite the shortfall of social workers the DCS was able to render services in excess of what was initially envisaged due to innovation.

Production workshops and farms continue to provide work opportunities for offenders, with the objective of skills utilisation and development, in order to enhance offenders' employability upon their release.

During 2017/18, the average offender labour per day in production workshops was 1 546 offenders, which declined with 219 offenders as compared to the performance of 2016/17 financial year. The decline could be attributed to the vacant artisans' posts, whereas, in agriculture, it was 3 307 offender labour per day, which improved slightly by 39 offenders per day as compared with the performance of 2016/17 financial year. The improvement could be attributed to an increase in the number of offenders that were eligible to work on farms as part of a concerted effort to market agriculture as a viable source of income after release.

During 2017/18, the DCS placed a partial moratorium on the filling of vacancies except for those posts that were regarded as critical. Due to reductions in the baseline allocation for compensation of employees, the DCS was compelled to abolish posts by reducing the funded post establishment in line with the Human Resources Budgeting and Planning Tool.

Apart from the capacity challenges as a result of the partial moratorium on the filling of positions the DCS strived to achieve more with less. It has shown commitment in successfully implementing most of its programmes as planned.

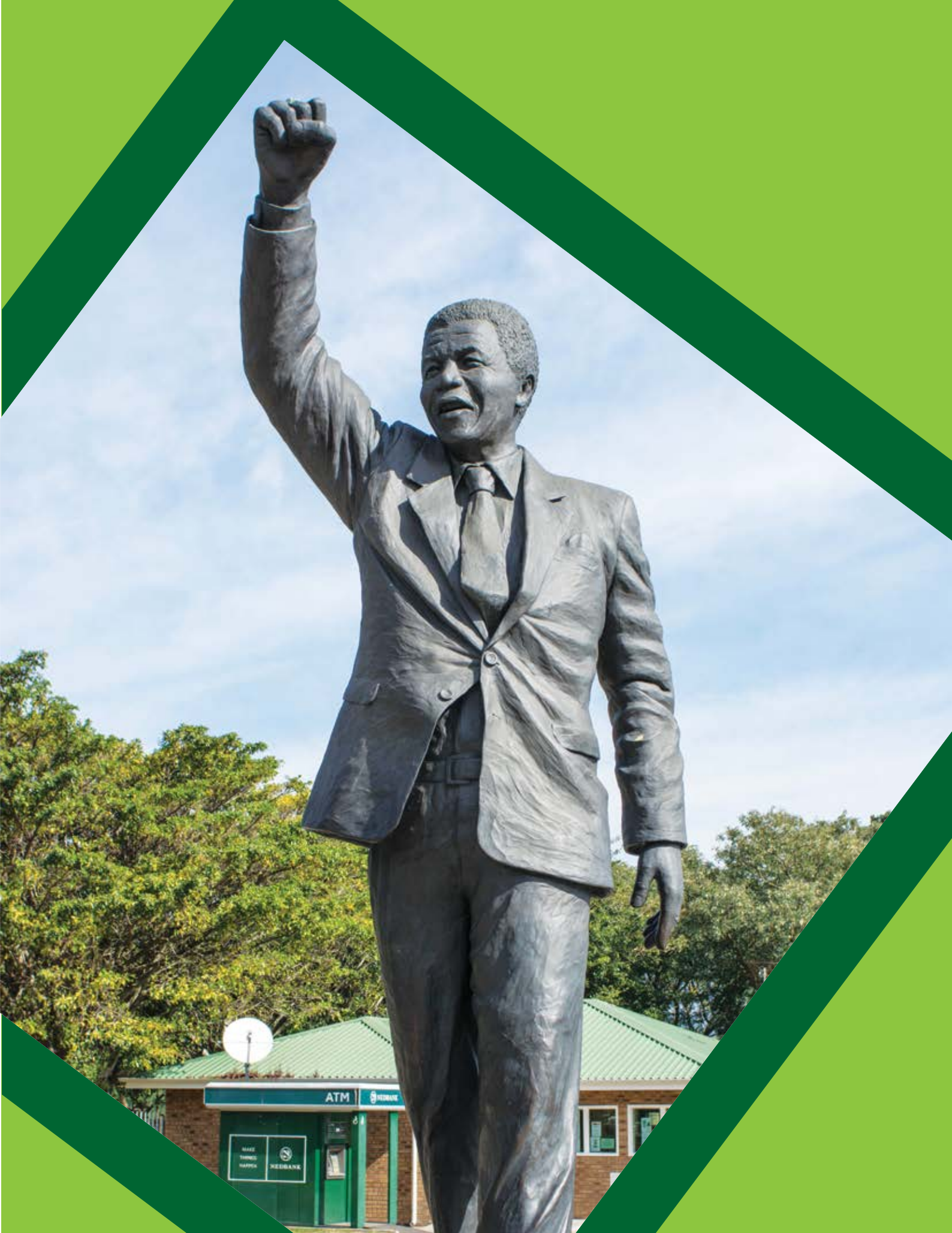
We are pleased to announce that during 2017/18, a total of 14 577 offenders were equipped with a variety of skills. Approximately 10 996 offenders accessed educational training through Adult Education Training and Further Education Training programmes. During this reporting period, out of 185 learners, 142 successfully passed Grade 12. This is in contributing towards the achievement of National Development Plan (NDP) Vision 2030 of improving the quality of education.

I remain committed to ensuring that leadership stability is maintained within the the DCS and that the requisite capacity exists at an executive leadership level. The positions of Regional Commissioners Gauteng and Limpopo Mpumalanga North West (LMN) were filled.

I would like to convey my utmost gratitude to the continuous support and leadership provided by oversight Committees in Parliament, the Deputy Minister responsible for the Department of Correctional Services, Mr Thabang Makwetla, Management and the entire DCS staff in delivering on the mandate of DCS.



Advocate Michael Masutha, MP
Minister of the Department of Justice and
Correctional Services



4. Statement by the Deputy Minister

The 2017/18 financial year saw the Department of Correctional Services intensifying delivery of service in line with its commitment of ensuring a just, peaceful and safer South Africa. The White Paper on Correctional Services has placed a high premium on societal responsibility for corrections. The Department has intensified its fight against the stigmatisation, marginalization and the social isolation of offenders that often leads to re-offending and perpetuating the cycle of crime.

The work of the DCS during the 2017/18 financial year confirms the steady progress of the Department in our core mission: to protect the public, promote social responsibility and enhance human development to prevent repeat offending. The Department has registered an improved overall achievement of the APP targets and the treatment of inmates and conditions of correctional centres. The implementation of the JICS National Inspection Plan (NIP) contributed to the improved performance of the DCS. This signals our growing commitment to transform into a Department that rehabilitates offenders into being law abiding citizens and effectively reintegrates them back into society. We have strengthened our focus on key programmatic areas which are progressing well and opening new and exciting opportunities for the DCS.

During his State of the Nation Address, the Honorable President Matamela Cyril Ramaphosa emphasised that *“agriculture presents one of the greatest opportunities to significantly grow our economy and create jobs”*. The Department has a full-time school in the Eastern Cape Province that offers agricultural science studies up to grade 12. This is a priority area for the Department; with a view to develop the skills of offenders in an effort to improve their chances of becoming employable/ self-sustaining subsequent to release.

The Department remains committed in our mission to strengthen partnerships with civil society. A Service Level Agreement with the Agriculture Research Council was signed to formalise a relationship



Mr Thabang Makwetla, MP
Deputy Minister of the Department
of Justice and Correctional Services

focused on tapping into a wide range of the Council's scientific and technical expertise. Particularly in pursuit of rehabilitating offenders by providing work opportunities, skills utilisation and development of offenders simultaneously bolstering the work ethics of offenders. The collaboration also seeks to improve self-sufficiency from agricultural production; further creating avenues for income generation aimed at the duplication of such programmes and savings for the department.

Despite the prevailing financial constraints, the challenge of drought and the impact of sporadic outbreaks of diseases like bouts of avian flu among others; the self-sufficiency level in so far as it pertains to agriculture has generally improved. During the 2017/18 financial year, the Department has maximised productivity related to various farming activities, particularly in respect of vegetables, meat, chicken, fruit and milk production.

The Department's commitment to the rehabilitation of offenders has been bolstered through its skills development programmes. This commitment has been demonstrated through another partnership with the Safety and Security Sector Education and Training Authority (SASSETA) which provided training to 500 offenders on accredited skills such as textiles development, assistant chef services, welding, building and plastering, nail technologies, tiling, furniture making and agriculture.

The Department's partnership with the University of South Africa (UNISA) has also yielded tangible results; as it culminated in the signing of a Memorandum of Understanding for the implementation of the UNISA Chance 2 Advance Program, aimed at empowering offenders with entrepreneurial skills. A total of 31 parolees and 43 offenders from Kgoši Mampuru II Management Area, participated in the programme.

A partnership between the Department and the Tshwane North Technical and Vocational Education and Training College; has enabled the implementation of a Learnership project at Zonderwater Management Area in primary agriculture and cabinet making skills development programs. The project funded by the Tshwane North Technical and Vocational Education and Training College; was driven as a joint enterprise between the Department and the local community

of Tshwane. A total of 45 participants (15 offenders, five (5) parolees and 25 community members) were enrolled as part of the initiative and all participating parolees received a monthly stipend of R2 500.

The DCS partnered with the Department of Higher Education and Training to conduct Career Development Services in 14 Correctional Centres. The aim of the intervention was to enrich the minds of offenders by exposing them to multiple career and economic development opportunities available. A total of 1 393 offenders were apprised about available careers in the country. The participants who benefitted from this initiative, comprised 511 youths, 726 adults and 156 female inmates. A Memorandum of Understanding (MoU) was signed with the Manufacturing, Engineering and Related Services Sector Education and Training Authority. The MOU identified the Tswelopele, Kroonstad, Groenpunt, Boksburg, Durban, Pietermaritzburg and Waterval Correctional Centres; as venues for implementation of interventions aimed at the enhancement of offender skills aligned with the objectives of the National Skills Development Strategy III.

Our investment in Education and skills development is proving to be fruitful as we are seeing an improvement in prospects of employment, business and economic opportunities for offenders. During the 2017/18 financial year, a total of 1 494 parolees and probationers who received training were subsequently employed by external stakeholders through partnerships entered into and driven by the DCS. Approximately 211 parolees and probationers across the country have opened and are running their own businesses; these businesses employ approximately 652 parolees and probationers.

Our staff is at the heart of the functions of the DCS. The Department is committed to improving the knowledge and skills of staff members by, amongst other things, affording them opportunities for skills development and further study. The Department has developed two new occupational qualifications as part of professionalising corrections namely, 'Offender Release and Placement Practitioner' and 'Correctional Officer'. These have been registered with the South African Qualification Authority (SAQA) and will be rolled out as soon as learning materials are developed.

There are currently 218 fully-fledged Community Corrections offices nationally, serving the respective communities and offenders in terms of the system of Community Corrections. These offices enable probationers and parolees to access community correction services within communities where they reside.

This has ultimately contributed to a higher level of compliance to conditions of placement by incumbents on parole and under correctional supervision. Community Corrections has been faced with challenges in providing efficient services to parolees especially in remote areas. Offenders are obliged to travel long distances and spend more money in accessing the offices they should report to. A number of the offenders find this exercise costly as they are unemployed and as a result, they again end up violating their parole conditions.

The DCS has thus established service points throughout the country by formalising partnerships with various stakeholders in an effort to bring services closer to communities. One hundred and thirty-one service points were established during the 2017/18 financial year which helps the Department increase its footprint of community correction points where parolees and probationers report.

The Department as a parallel intervention, has also partnered with Non-Profit Organisations and established eight Halfway Houses managed by these organisations on its behalf. The Halfway Houses are aimed at assisting the Department's efforts of reintegrating offenders due for parole placement. Residents of Halfway Houses are offenders who have no verifiable residential addresses or any other related support systems at the time. Since its inception, 342 parolees and probationers have been reintegrated with their families and communities of origin.

Security Operations as a Sub-programme has continued to make strides in providing safe and secure conditions for inmates, supportive of ensuring human dignity. There was a considerable improvement in security which culminated in targets being met/achieved by 0.030% (50/164 129) regarding escapes and 4.6% (7 474/164 129) regarding inmates injured as a result of reported assaults.

Despite achieving these targets; ageing and outdated infrastructure, gang related activities and overcrowding continue to exacerbate security incidents and frustrate security efforts within Correctional Centres. The Department continues to address matters of compliance with essential security protocols such as searching, as well as operational awareness in a bid to improve effectiveness. This forms part of its ongoing Back-2-Basics security campaign targeted at all departmental officials at centre level. The program sought to ensure that operational managers at centre level instil a renewed sense of security responsibility among officials.

The Back-2-Basics security campaign has been implemented in all management areas throughout South Africa and is tailor-made for various security conditions prevalent in numerous centres. This is in an effort to ensure that local management directly and immediately focus on areas of concern instead of applying a more generalised 'one size fits all' approach.

The Department has also continued to implement the annual 'Operation Vala' campaign as part of ongoing interventions under the Back-2-Basics security campaign. This is aimed at ensuring tight security during the end-of-year period: based on historical incidents indicating a spike in escapes, attempted escapes and assaults during the December period. The Department has also been actively involved in the development of the government-wide, integrated National Anti-Gang Strategy managed under the auspices of the National Intelligence Coordinating Committee (NICOC).

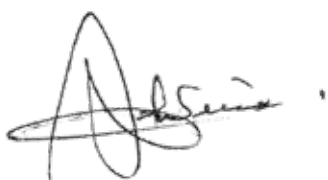
The DCS is required to re-think and resource its security management functions in better aligning the activities to the rest of the Government approach, in efforts to improve our monitoring of and managing of gang related activities. To this end, the Department circulated its 'Discussion Paper towards an Integrated Security Strategy' for internal engagement. In the meantime and as a concurrent process implemented over the past few years; the Department has developed a gang management checklist to assist centres in better managing gang related risks within their respective centres.

The correctional services environment poses a plethora of security risks and threats which are constantly evolving. This requires the Department to continuously

change and adapt its security training interventions and capabilities. Over the past three years the Department rolled out basic training to the Emergency Support Teams (EST); aimed at capacitating correctional officials in dealing efficiently with riots and violent attacks, while effectively providing high risk tactical guarding and escorting services, the use of force, and so on. These teams have proven to be the Department's last line of defence whenever Correctional Centers face serious crisis requiring immediate and impactful tactical intervention. This emphasises importance of the Emergency Support Teams.

I wish to convey my appreciation for the contribution made by external stakeholders in support of the rehabilitation of offenders. We commend MerSeta, SASSETA, DHET and UNISA for partnering with the Department in ensuring that offenders have improved skills by the time they are released from correctional centres. The Department of Correctional Services faces many challenges and still has a long way to climb in the road to being an effective and impactful Department of corrections. We however don't let these challenges deter us from focusing on our mission to contribute towards promoting a just and peaceful society where South Africans are and feel safe. Rather, they form the foundation from which we can energetically tackle the challenges lying ahead and devise more sustainable, future-oriented solutions and strategies that take us one step closer to achieving our goals.

I also wish to thank the Minister of Justice and Correctional Services, the Portfolio Committee on Justice and Correctional Services, the Standing Committee for Public Accounts, Management and all departmental officials for their valued and hard work, professionalism, dedication and tireless drive for high performance. Working as a team, we can really do more and ultimately achieve our vision of providing Correctional Services for a safer South Africa.



Mr Thabang Makwetla, MP
Deputy Minister of the Department of Justice and Correctional Services



5. Report of the Accounting Officer

While it is an obligation to submit the report on the performance of the Department, it is also a pleasure to be provided with an opportunity to share the achievements reached and challenges faced by the Department during 2017/18 financial period under review. I wish to reflect on matters that affect the Department as a whole and from both a strategic and financial perspective.

The Department has strived to ensure that all matters raised by Auditor-General of South Africa (AGSA) were accordingly attended to in a systematic manner with appropriate measures instituted to deal with those challenges affecting performance information in particular. The Department also embarked on a validation process to ensure that reported performance information is accurate, complete and reliable.

Overcrowding within correctional centres continued to make it difficult for the Department to guarantee conditions of detention consistent with human dignity, including at least access to exercise for inmates and the provision of adequate accommodation, nutrition, reading materials and medical treatment. During the year under review, correctional centres were on average, overpopulated by 38%, while a number of individual centres were overpopulated in excess of 100%.

A persistent need still remains for the downward management of inmate populations (overcrowding) against external factors that have a direct influence on inmate population levels, particularly regarding the following issues:

- Crime tendencies in society;
- Increasingly effective measures to combat and prosecute crime;
- Unemployment rates;
- The economy; and



Mr Arthur Fraser
National Commissioner: Department
of Correctional Services

- Impeding legislation such as mandatory minimum sentences.

Coordination within the criminal justice cluster has improved and continues to impact positively on the work of Correctional Services. Collaboration between criminal justice partners in particular, has resulted in containing the number of remand detainees, a factor which remains one of the Departments main areas of focus.

However, it is also certain that increased levels of service delivery by criminal justice partners, such as better criminal investigations and more successful prosecutions, have had a directly negative, knock-on effect on offender numbers and overcrowding within correctional facilities. This challenge is exacerbated by the fact that courts are bound by imposing compulsory minimum sentences in certain cases or alternatively are compelled to enforce protracted sentences for extremely violent and aggressive crimes

As part of the Department's rehabilitation efforts in line with the curriculum of the Department of Basic Education, fourteen formal schools have accordingly been established to provide education opportunities to inmates up to grade 12 level. I am pleased to report that for the 2017 academic year we have achieved a 77% pass rate for grade 12 with four schools maintaining a 100% pass rate. The partnership with Department of Education has certainly contributed to this achievement as our educationists were included in training and development opportunities.

The scope of work at Community Corrections has also been broadened significantly during the past five years, due to the "net widening" efforts and increased responsibilities of the Branch: Community Corrections. The adoption of the White Paper on Corrections, 2005, heralded a new chapter for the South African correctional system by redefining rehabilitation, clearly placing the challenge of correcting offending behaviour within the public domain, alongside further emphasis on the value and importance of social reintegration programmes.

The Policy and Procedures on Supervision were approved in July 2017 and the roll-out of these revised processes will be implemented during the 2018/19 financial year, coupled with the training of community corrections officials in all regions.

During 2017/18 the Department partnered with various Non-Profit Organisations and established eight Halfway Houses managed by these Non-Profit Organisations on the Department's behalf. The Halfway Houses are crucial to the efforts of reintegrating offenders into society once again and who are due for parole placement and have no verifiable addresses that may be monitored or access to requisite support systems and/or services. Since its inception to date, 342 parolees and probationers have been reintegrated with their families and communities of origin through the utilisation of these Halfway Houses.

The Department has also partnered with different support structures to enhance the employability prospects of parolees and probationers. In order to effect the mandate, the Department engaged with several stakeholders such as the Departments of Environmental Affairs and Public Works on Expanded Public Works Programme and various interventions with Non-Profit Organisations, such as:-

- **UNISA** regarding the **Chance 2 Advance** initiative that assists parolees and probationers in training and upskilling on entrepreneurship and job preparedness;
- **TVET Colleges** assisted learnership programmes on agriculture with parolees and probationers being paid a stipend of R2 500 for 12 months, while in training;
- **Public Works** partnered with Non-Profit, Non-Government, Faith-Based and Community-Based Organisations to assist in the upskilling and training of parolees and probationers for prospective job opportunities; and
- **Non-Profit Organisation (NPO's)** in supporting parolees and probationers with working tools in an effort to assist in starting their own businesses and/or becoming entrepreneurs.

Overview of the financial results of the Department:

Table 2: Departmental Receipts

DEPARTMENTAL RECEIPTS	2017/18			2016/17		
	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	58,050	64,451	(6,401)	57,498	60,016	(2,518)
Transfers received	-	-	-	-	2,250	(2,250)
Fines, penalties and forfeits	20,648	24,339	(3,691)	19,300	21,757	(2,457)
Interest, dividends and rent on land	100	407	(307)	180	215	(35)
Sale of capital assets	5,000	5,503	(503)	7,500	15,998	(8,498)
Financial transactions in assets and liabilities	65,000	70,286	(5,286)	46,500	47,249	(749)
Total	148,798	164,986	(16,188)	130,978	147,485	(16,507)

Departmental revenue in the main is generated from the sale of goods and services, commissions on insurance and garnishee orders, court fines, the sale of capital assets (scrapped assets) and rental income derived 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 managed under its auspices.

It is my responsibility to continue reviewing tariffs on products and services on annual basis, and accordingly adjusted by inflation, in line with the Consumer Price Index as determines by National Treasury.

During the period under review, the Department collected revenue amounting to R165 million against an estimated target of R148.8 million. The Department has exceeded its target due to the sale of scrap, waste and other used current goods, capital assets, fines, penalties, forfeits and commissions from insurance and garnishee orders

Programme Expenditure

Table 3

PROGRAMME NAME	2017/18			2016/17		
	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	3,919,565	3,912,772	6,793	3,879,599	3,879,599	-
Incarceration	13,949,901	13,949,901	-	13,423,945	13,388,093	35,852
Rehabilitation	1,714,533	1,695,311	19,222	1,187,826	1,185,661	2,165
Care	2,322,675	2,322,675	-	2,235,094	2,235,094	-
Social Reintegration	907,919	907,919	-	853,727	853,727	-
Total	22,814,593	22,788,578	26,015	21,580,191	21,542,174	38,017

Virements/Roll-Overs:

In line with section 43 of the Public Finance Management Act and Treasury Regulation 6.3.1, all virements and the shifting of funds for 2017/18 financial year were approved by Accounting Officer and also reported to the National Treasury and the Executive Authority.

Programme: Administration:

A net decrease of R231,313 million was mainly due to funds shifted from this programme from savings realised under Compensation of Employees and Goods and Services due to cost-containment measures and an embargo implemented on the acquisition of machinery and equipment within the Department to fund shortfalls realised on Municipal Services and Food Services in Programmes: Incarceration and Care.

Programme: Incarceration:

A net decrease of R37,478 million was mainly under Compensation of Employees and Households due to funds shifted to programmes Care and Social Reintegration under Compensation of Employees to cover the shortfalls realised as a result of performance bonuses relating to the 2015/16 and 2016/17 financial years, payments of annual increases in home owner allowances and outstanding Occupation Specific Dispensation payments. Other savings apparent in terms of Households was utilised to address shortfalls realised under Programmes: Administration and Care.

Programme: Rehabilitation:

A net decrease of R107,878 million was mainly under Compensation of Employees and machinery and equipment due to savings realised as a result of an embargo implemented on the filling of posts and the procurement of capital assets was to defray excess expenditure under goods and services in Programme: Care to fund nutritional services for inmates.

Programme: Care:

A net increase of R324,001 million was mainly due to funds shifted to this programme in an effort to fund shortfalls realised on goods and services to fund nutritional services for inmates from Programmes: Administration and Rehabilitation,

Programme: Social Reintegration:

A net increase of R52,668 million was mainly due to funds shifted to this programme under Compensation of Employees from savings realised under the Programme: Administration under Compensation of Employees.

Roll-Overs:

No roll-over of funds was requested from 2016/17 to 2017/18 financial year.

Unauthorised expenditure:

No unauthorised expenditure was incurred during the year under review.

FUTURE PLANS OF THE DEPARTMENT

The Department is currently operating in six regions and plans to reconfigure operational areas into concurrence with the nine-province dispensation are currently underway in order to be in line with the current provincial setup of the country.

Public-Private Partnerships:

- The Department currently manages two Public-Private Partnership (PPP) Correctional Centres, namely the Mangaung Correctional centre and Kutama Sinthumule Correctional Centres in collaboration with identified private sector stakeholders. Kutama Sinthumule Correctional Centre is within Limpopo, Mpumalanga and North-West region (LMN) and Mangaung Correctional Centre is within Free State and Northern Cape (FS/NC) Region. The Contracts signed with the private sector contractors spans an ongoing period of 25 years and both Public-Private Partnership Correctional Centres are in their seventeenth and eighteenth years of operation, respectively.
- The Kutama-Sinthumule Correctional Centre was involved in labour unrest on 26 and 27 October 2017 and there was a generalised state of instability affecting the operations at the correctional centre. One hundred and

ninety Emergency Support Team officials were subsequently deployed to the Correctional Centre at the request of the Contractor by the South African Custodial Services.

- The costs incurred by the Department pertaining to arrangements for the deployment of the emergency support team officials amounted to a total expenditure of R3,222,351.22 and the Department was accordingly reimbursed by the Contractor.
- The Contractor is currently in the process of repairing the damage to facility which will be finalised soon.
- Departmental Controllers monitor these services provided by the contractors on daily basis. The National Inspectorate Directorate has also conducted and concluded inspections of both correctional centres in an effort to gauge compliance and quality of services rendered.
- The Department has not entered into any new Public-Private Partnerships.

Supply Chain Management Services:

There are no unsolicited bids received for the year under review. The Department has also embarked on an awareness campaign to educate all departmental role-players, as well as regional stakeholders on relevant compliance matters relating to procurement and concomitant measures to circumvent instances of irregular expenditure.

The supply Chain Management unit has experienced challenges pertaining to prescribed internal controls and in the main, related to processes governing the procurement of goods and service below threshold of R500,000 and to some extent, correct bidding processes as well. In an effort to curtail these practices during the financial year under review, the Supply Chain Management unit again embarked on an awareness drive and robust consultation process aimed at educating all role-players including regional staff components and stakeholders on compliance matters related to correct procurement processes. The application of requisite due diligence practices in relation to all bid review processes is an ongoing process employed to ensure that effective controls

have been set in place before any bid is accordingly awarded.

Table 4: Gifts and Donations received in kind

ITEM	AMOUNT
Animals	14,837.10
Sport and recreation	5,950.00
Computer equipment and software	482,704.35
Books	7,667,158.19
Food and related products	6,184.00
Toiletries	126,873.83
Electrical appliances	13,048.98
Toys, baby accessories and recreation	12,815.36
Accommodations	-
Stationary	10,092.50
Other	128,910.60
TOTAL	8,468,574 .91

Exemptions and deviations received from the National Treasury:

There were no exemptions and deviations received from the National Treasury.

There were no events subsequent to the reporting date and no other material facts or circumstances, which may subsequently have an effect on the interpretation and understanding of the financial state of affairs of the Department, not addressed elsewhere in this report.

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 made by DCS officials are appreciated.



Mr Arthur Fraser
National Commissioner: Department of Correctional Services

6. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF THE ACCURACY OF 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.

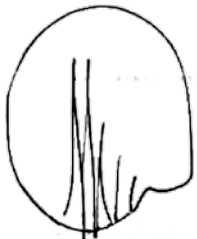
The Accounting Officer is responsible for the preparation of the annual financial statements and for the judgements made in this information.

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 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 2018.

Yours faithfully

A handwritten signature in black ink, enclosed within a hand-drawn circular outline. The signature consists of several vertical lines of varying heights and a few horizontal strokes at the bottom.

Mr Arthur Fraser
National Commissioner: Department of Correctional Services

7. STRATEGIC OVERVIEW

7.1 Vision

Providing the best Correctional Services for a safer South Africa

7.2 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

7.3 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

8. LEGISLATIVE AND OTHER MANDATES

8.1. Constitutional Mandates

The Constitution of the Republic of South Africa (Act No. 108 of 1996) provides the basis for informing and directing 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.

8.2. Legislative Mandates

Correctional Services Act 111 of 1998

The Act seeks to provide for, among others, a correctional system; the establishment, function 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 un-sentenced 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; repeal and amendment of certain laws and all other matters connected therewith.

Criminal Procedure Act 51 of 1977

The following parts of the Criminal Procedure Act, 1977 (Act No 51 of 1977) (CPA) are of particular importance to the Department of Correctional Services (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 Justice, Crime Prevention and Security (JCPS) departments to encourage the utilisation of this provision in assisting 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. Finally, section 299A of the CPA regulates victim involvement in the decisions of parole boards.

Certain sections of chapter 13 of the CPA were amended through the Criminal Procedure Amendment Act (Act 4, 2017) to improve the management of forensic cases. The improvements include the provision of the courts with a wider range of options in respect of orders to be issued in cases of findings that accused persons are not capable of understanding criminal proceedings so as to make a proper defense; or that accused persons are by reason of mental illness or intellectual disability or for any other reason not criminally responsible for the offences they are charged with. The benefits for the Department is that the Involuntary Mental Health Care Users which are generated as the outcome of the forensic assessment will no longer be detained in DCS, while waiting for a bed in a health establishment.

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, 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 Department, including the DCS. The consolidated report covers inter-departmental performance for a financial year (from 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 Department 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 uniform, quality 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 therefore 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 to coordinate accessibility to services and to make sure that mental health care services become a part of the general health system. The Act also 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 should 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.

8.3. 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; and
- 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 pertaining to 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 overarching departmental policy and procedure manuals.

National Development Plan, Vision 2030

The National Development Plan (NDP), 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 aimed at ensuring that by 2030, people living within South Africa feel safe at home, school and work, while enjoying 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 to 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.

9. ORGANISATIONAL STRUCTURE

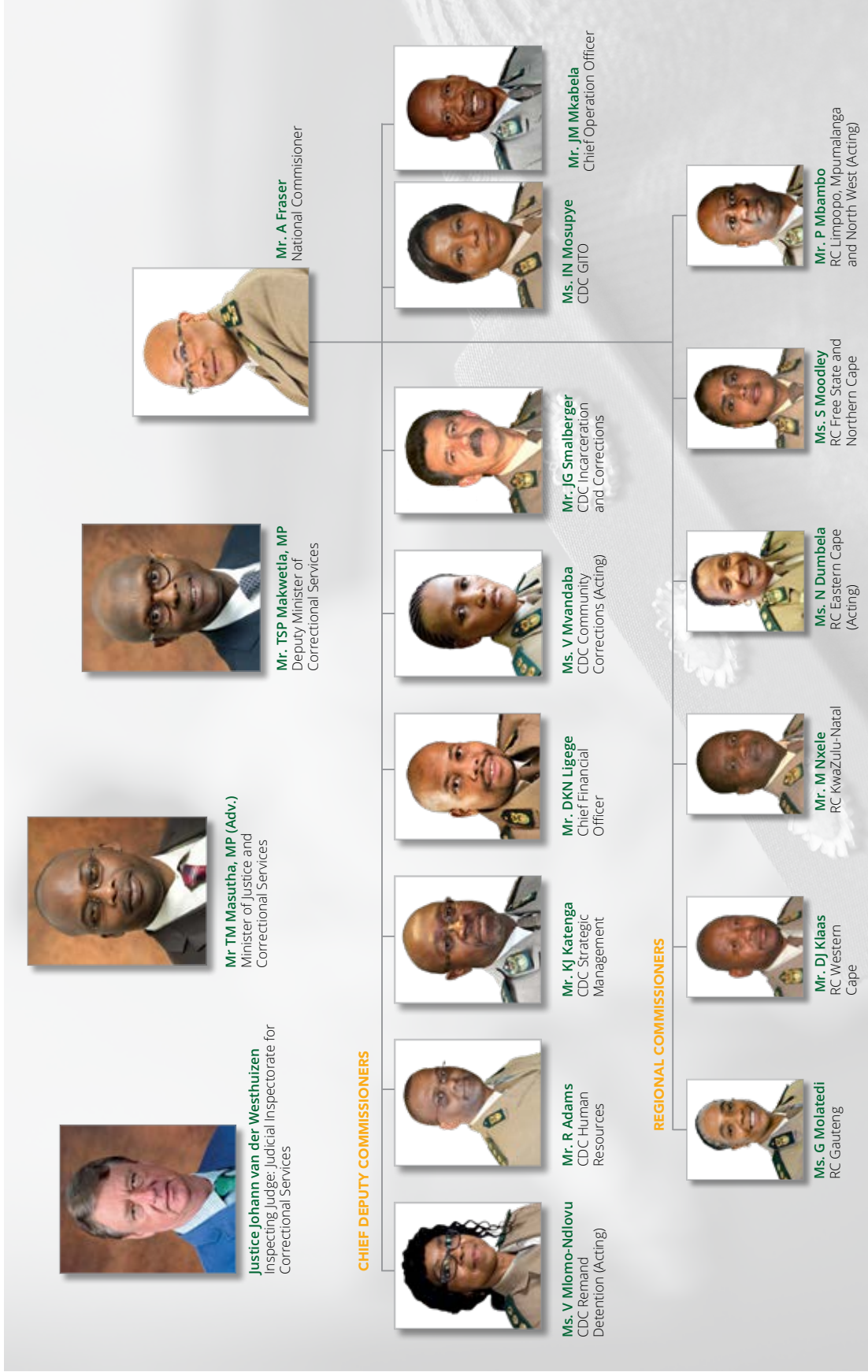


Figure 1: Organisational Structure

10. ENTITIES REPORTING TO THE MINISTER

There are no entities reporting to the Minister.



PART B

PERFORMANCE INFORMATION

PART B: PERFORMANCE INFORMATION

1. AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The Auditor-General South Africa (AGSA) currently performs requisite audit procedures pertaining to the performance and information provided by the Department in an effort to provide a reasonable assurance in the form of audit conclusion that the activities of the Department for the financial period under review were in fact administered and concluded as is legally required. The audit conclusion on the performance against predetermined objectives forms part of the report to management, with material findings having been reported in terms of the pre-determined objectives heading as well as the other legal and regulatory requirements section contained in the Auditor-General's Report.

Refer to the detail provided extensively (pages 120 to 126) as part of this report in Part E (Financial Information).

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1 Service Delivery Environment

Table 6: Management Areas and Correctional Centres as at 31 March 2018:

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	-	47	47
KwaZulu-Natal	7	2	40	42
Western Cape	10	2	41	43
Limpopo/Mpumalanga/North West	8	2	36	38
Public Private Partnership (PPP) in FS/NC (1) and LMN (1)	-	-	2	2
Total	46	8	235	243

Table 7: Centres Temporarily Closed:

REGION	REASONS FOR CLOSURE/TEMPORARY CLOSURE OF CORRECTIONAL CENTRES
Eastern Cape	<ul style="list-style-type: none"> ▪ Mount Ayliff temporary closed due to upgrading
Gauteng	<ul style="list-style-type: none"> ▪ Kgosi Mampuru Maximum temporary closed due to upgrading
KwaZulu-Natal	<ul style="list-style-type: none"> ▪ Estcourt temporary closed due to upgrading ▪ Umzimkulu temporary closed due to upgrading
Western Cape	<ul style="list-style-type: none"> ▪ Swellendam closed due to dilapidation
Limpopo/Mpumalanga/North West	<ul style="list-style-type: none"> ▪ Geluk closed due to dilapidation ▪ Standerton Medium B temporary closed due to upgrading

During the year under review, the DCS had an average inmate population of 160 583 with approved bed space of 118 723. The Department is still faced with a challenge of overcrowding within its correctional facilities, a situation that is exacerbated by the fact that it is compelled to provide accommodation for both sentenced and un-sentenced inmates within these facilities. The following tables reflect the inmate population during and as at the end of the financial year.

Table 8: Total Number of Inmates as at 31 March 2018, per Region:

REGION	Sentenced Offenders			Un-sentenced Inmates			Total number of Inmates
	Males	Females	Total Number of Sentenced Offenders	Males	Females	Total number of Un-sentenced Inmates	
Eastern Cape	15 258	288	15 546	5 199	91	5 290	20 836
Gauteng	25 084	919	26 003	10 742	375	11 117	37 120
Free State and Northern Cape	17 847	279	18 126	4 953	96	5 049	23 175
KwaZulu-Natal	21 191	504	21 695	6 100	124	6 224	27 919
Western Cape	17 531	626	18 157	11 451	548	11 999	30 156
Limpopo, Mpumalanga and North West	18 002	340	18 342	6 445	136	6 581	24 923
TOTAL	114 913	2 956	117 869	44 890	1 370	46 260	164 129
Source Daily unlock							

Table 9: Number of Remand Detainees per Region as at 31 March 2018:

REMAND DETAINEES				
Region	Females	Males	Total	Percentage
Eastern Cape	91	5 123	5 214	11.30%
Gauteng	375	10 742	11 117	24.09%
Free State & Northern Cape	96	4 947	5 043	10.93%
KwaZulu-Natal	124	6 080	6 204	13.45%
Western Cape	548	11 451	11 999	26.00%
Limpopo, Mpumalanga and North West	136	6 429	6 565	14.23%
National	1 370	44 772	46 142	100%

The regions with the highest number of Remand Detainees (RD) were Western Cape and Gauteng regions and the Regions with the lowest number of RDs the Free State, Northern Cape, Eastern Cape and KwaZulu-Natal regions.

Table 10: Quarterly, Average Number of Children (remand and sentenced) during 2017/18, per Region:

AVERAGE NUMBER OF CHILDREN (REMAND AND SENTENCED) FROM MARCH 2017 TO MARCH 2018						
Region	March 2017	June 2017	September 2017	December 2017	March 2018	%
Gauteng	9	7	10	8	7	3.15
Western Cape	15	19	21	19	24	10.81
KwaZulu Natal	77	84	74	67	78	35.14
FSNC	61	50	49	45	67	30.18
Eastern Cape	46	38	34	36	37	16.67
LMN	12	22	11	10	9	4.05
Total	220	220	199	185	222	100.00
Source Daily unlock						

Children comprised less than 0.2% of the overall inmate population by March 2018. The region with the highest number of children (both in respect of remand and sentenced) was KwaZulu Natal, followed by the Free State, Northern Cape and Eastern Cape regions. The Regions with the lowest number of children were Gauteng followed by LMN and Western Cape.

Table 11: Number of Children in Remand Detention as at 31 March 2018, per Region:

CHILDREN IN REMAND DETENTION				
Region	Females	Males	Total	Percentage
Eastern Cape	1	33	34	30.91%
Gauteng	0	0	0	0%
Free State & Northern Cape	0	28	28	25.45%
KwaZulu-Natal	0	29	29	26.36%
Western Cape	0	16	16	14.55%
Limpopo, Mpumalanga and North West	1	2	3	2.73%
National	2	108	110	100%

The total number of 110 children in RD as of 31 March 2018 constituted 0.24% of the entire RD population. The regions with the highest number of children in RD were Eastern Cape, KwaZulu-Natal, Free State and Northern Cape regions, while the regions with the lowest number of children in RD children were the Gauteng, Limpopo, Mpumalanga, North West and Western Cape regions.

Table 12: Average Number of Sentenced Offenders per Age Group during 2017/18:

AVERAGE NUMBER OF SENTENCED OFFENDERS PER AGE GROUP DURING 2017/18						
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	125	67	3 239	2 901	111 545	117 878

Table 13: Average Number of Inmates per Financial Year:

FINANCIAL YEAR	Unsentenced Inmates			Sentenced Offenders			Average Inmate Population		
	Females	Males	Total	Females	Males	Total	Females	Males	Total
2013/2014	1 005	43 853	44 858	2 490	105 206	107 696	3 495	149 059	152 554
2014/2015	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
2017/18	1 181	41 524	42 705	2 969	114 909	117 878	4 150	156 433	160 583

Table 14: Average Number of Community Corrections Case-loads per Year

DESCRIPTION	Average caseload	Average caseload	Average caseload	Average caseload	Average caseload
	2013	2014	2015	2016	2017
Parolees	49 597	50 175	51 963	52 453	53 415
Probationers	16 462	17 033	17 061	15 990	16 311
Awaiting Trial Persons	1 526	1 634	1 324	1 260	1 290
Total	67 585	68 842	70 348	69 703	71 016

Since the introduction of Community Corrections services, 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 a court, Correctional Supervision and Parole Board or the Commissioner.

Decentralisation of Community Corrections Services will eventually curb the incidence and culture of re-offending and overcrowding in the Department's Correctional Centres. It is the duty of the DCS to take decisive action in making things happen and working together with communities in an effort to change lives of South African citizens, while making them aware that corrections is essentially a societal responsibility in concert with strengthening partnerships with external service providers such as Non-Profit Organisations (NPO), Non-Government Organisations (NGO), etc. The Department of Correctional Service has also established service points throughout the country by formalising partnerships with NPOs in bringing access to services closer to communities. During the 2017/18 financial year 131 of the fore-mentioned service points were established through various partnerships with external stakeholders.

The Department is compelled to keep offenders qualifying for parole longer than necessary, within correctional centres. Majority of these incumbents have no verifiable addresses that may be monitored once they have been released on parole. In an effort to deal with this challenge, the Department entered into agreements with various NPOs with a view to the establishment and subsequent management of Halfway Houses by the latter on behalf of the Department.

A National Task Team was appointed to review the policy of Halfway Houses and consulted broadly with external stakeholders to expand its scope. The Department has engaged with Department of Social Development (DSD) for the provision of care and support to parolees and probationers while assigned to the Halfway Houses. Since its inception, the Department has managed to establish fifteen Halfway Houses in five regions

During the 2017/18 financial year, a total of 1 494 parolees and probationers were subsequently trained and accordingly employed by external stakeholders through partnerships entered into and driven by the DCS. Partnerships with NPOs and relevant stakeholders are assisting the Department in spearheading and developing interventions all aimed at creating a conducive environment for the reintegration of parolees and probationers back into their communities of origin.

The successful application of and delivery on requisite of Restorative Justice Interventions is also to a large extent dependent on the support and participation of external stakeholders. The Criminal Justice system has cluster departments that interact with the victims of crime in different ways in so far as such interactions relate to and are tapered to the nature of the crime perpetrated against them. Once a victim of an offence has indicated a willingness to participate in the Department restorative justice processes, what makes the process more daunting and challenging is that in instances where the victim has never received any form of psycho-social counselling and/or assistance from the outset or directly subsequent to the moment the crime was committed, it becomes a very difficult and emotive situation for victims to face offender only a few years down the line. Therefore more often than not, it takes longer to prepare victims for such meetings and may inadvertently slow down the restorative, healing process.

The collaboration among different stakeholders through platforms such as the Victim Empowerment Programmes have become a key and relevant mechanism effectively managing services towards assisting in particular, victims of crime and ensure that processes are not compromised as relevant issues of conflict could have been dealt with earlier.

The DCS continued to implement the Integrated Inmate Management System (IIMS). The system, once fully rolled-out to all DCS correctional facilities and community corrections offices, will provide consolidated data and information of all inmates and offenders at a glance, with a view to improving service delivery in accordance with the Department's mandate in effectively and efficiently managing the incarceration, rehabilitation and reintegration of the inmate population into society.

During 2017/18, there has been a further roll-out of the IIMS system at the Kgoši Mampuru and Johannesburg Female, Witbank, Middleburg and Carolina correctional facilities, with emphasis on registration and verification processes of inmates comprising a cumulative number of 7 941 active offenders to and from courts and in respect of the aforementioned six remand detention centres. DCS actively tested the stability of the system in a balanced manner by applying the system processes in smaller, medium to large correctional centres. This process, however, has not been without challenges, particularly in relation to physical infrastructure and operational procedures. It is apparent that planned and structured implementation of the requisite change management processes and transformation towards new state-of-the-art technologies are paramount in ensuring the effective, relevant and timeous utilisation of systems and modernised training of existing and new officials and recruits.

The process has also integrated the J7 warrant notification utilised between the DCS and Department of Justice Integrated Case Management System. However, its current application is limited to the point of pre-authorisation stage only. Broader application will commence in due course, once the functionality has passed intensive user testing, systems stabilization and process alignment procedures in both Departments.

2.2 Service Delivery Improvement Plan

The Department has developed a Draft Service Delivery Improvement Plan (SDIP) for the year under review.

The tables below highlight the DCS service delivery plan and the achievements attained in respect thereof, to date.

Table 15: Service 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 indicated in the Service Delivery Improvement Plan for 2015/16)	10 855 (2017/18) target	10 014 offenders attended educational programmes as per the daily programme attendance register
Correct offending behaviour by providing sentenced offenders with needs-based correctional programmes	Offenders	64% (61 049/95 198) (As indicated in the Service Delivery Improvement Plan for 2015/16)	76% (81 432/107 145) (2017/18) target	82% (86 518/105 309)

Table 16: 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"> 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 DCS website	<ul style="list-style-type: none"> All inmates admitted to DCS facilities are orientated and provided with information on admission <i>Corrections @ Work</i> is published to share information with all officials Annual reports and Strategic plans available on the Departmental website and distributed to relevant stakeholders In some regions and management areas, talks were held on local radio stations regarding DCS services
Access	All inmates have equal access to privileges and needs as prescribed by 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

CURRENT/ACTUAL ARRANGEMENTS	Desired Arrangements	Actual Achievements
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"> Annual reports and Strategic plans available on the Departmental website and distributed to relevant stakeholders Information about visiting times and who is in charge is visibly displayed at all DCS service points
Redress	<p>Availability of complaints mechanisms</p> <p>Availability of complaints boxes where offenders who want to remain anonymous can submit their complaints</p> <p>Availability of complaints mechanism for citizens</p>	<ul style="list-style-type: none"> Complaints and request registers available in every unit at all DCS Correctional Facilities Independent Correctional Centre Visitors (ICCV) 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"> Departmental Financial Statements are published in the Annual Report. SMS members were deployed to verify performance information as per the Auditor-General's Audit Plan at correctional facilities
Courtesy	<p>Departmental core values have been set and outlined in the Strategic and Annual Performance plans</p> <p>The recognition of human dignity</p>	<ul style="list-style-type: none"> Service Charter available and displayed at all correctional facilities Opening and closing times 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 available and 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 (Posters and Z cards)	DCS Service Delivery Charter posters circulated and displayed at all service points. Z Cards distributed at DCS outreach programmes
DCS website	DCS website	Public stakeholders and clients have access to relevant information on the website which is fully maintained DCS Service Delivery Charter uploaded on the DCS internet and intranet
DCS magazine: Corrections @ Work and pamphlets	DCS magazine and pamphlets	The DCS 2016/17 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	The DCS Strategic Plan (SP) The DCS Annual Performance Plan (APP) for 2017/18	The DCS Strategic Plan was presented in Parliament Distributed to all key stakeholders and published on the website
DCS Annual Report	DCS Annual Report	Presented in Parliament Distributed to all key stakeholders and published in the website
Presidential Hotline	Presidential Hotline	299 calls received

Table 17: Complaints Mechanism

CURRENT/ACTUAL COMPLAINTS MECHANISM	Desired complaints mechanism	Actual achievements
Presidential Hotline	Presidential Hotline	All 299 complaints received during the reporting period were resolved
All complaints are recorded and responded to within the allocated time-frames.	All complaints are recorded and responded to within the allocated time-frames	Inmate complaints and requests are attended to on a daily basis in line with the internal complaints management system The Judicial Inspectorate of Correctional Services attended to escalated complaints by offenders

2.3 Organisational environment

The departmental staff establishment comprised of a total 41 994 staff members as at April 2017. The requisite cuts to the Compensation of Employees' budget and subsequent implementation of the Human Resources Budgeting and Planning (HRBP) Tool applied in an effort to align the staff establishment to funding levels requiring a reduction of the overall staff complement by a further 866 posts meant that, as at 30 March 2018, the Department had a reduced, funded post establishment of 41 462. Compensation funding levels continue to affect the Department's ability to create additional posts for the newly constructed correctional centres.

Key to the finalisation of the proposed organisational structure was the development of a revised service delivery model. The alignment of this proposed structure with the DCS Service Delivery Model, as well as the subsequent implementation thereof will accordingly be completed within the Medium-Term Expenditure Framework (MTEF).

The reduction in the Compensation of Employees budget and its eventual impact on the funded post establishment necessitated the enforcement of a temporary and partial moratorium on the filling of posts and accordingly limited to the strict prioritisation and filling of scarce and critical skills positions primary directed towards capacitating correctional centres.

The partial moratorium on the filling of vacant posts in turn resulted in the negative growth in staffing numbers within the Department and as a consequence impacting on the filling of vacancies as required by Outcome 12 "*Building a capable and development state*".

The impact of the reduced ceiling pertaining to the Compensation of Employees budget is reflected in the Departments ongoing evaluation and monitoring of employee wellness, which reflected reduced levels of employee health and wellness in general, mainly in form of stress related ailments and conditions, in part attributed to inappropriate staffing levels among other conditions of employment, such as managing over-crowded correctional centres and coping with overloaded workloads, In addition officials are also often performing dual roles of responsibility, such as simultaneously managing security services, while overseeing the effective implementation of rehabilitation programmes.

The former National Commissioner, Mr Zachariah Modise, retired on 31 August 2017. The ensuing post vacancy was accordingly advertised and processes to fill the post were initiated. By the end of the 2017/18 financial year the filling of this post was still underway and eventually filled with the appointment and transfer of Mr Arthur Fraser to the National Office during April 2018.

During the year under review, the following critical positions were filled, re: the Regional Commissioner for LMN and the Regional Commissioner for Gauteng and Deputy Commissioner Supply Chain Management. As part of continued efforts to contribute towards building a capable and developmental state while

supporting the implementation of the Department's mandate, 32 388 officials were trained in line with relevant workplace skills development plans.

The broader process of aligning the structure of the Department to designated functions of its establishment has been a process put on hold in the interim, pending the development of an appropriate service delivery model. Many of the current challenges related to human resource capacity and the fulfilment of the designate rehabilitation mandate are a result of the Department's misaligned structure that was last fully reviewed during 2003 and accordingly partially revised during 2008 and 2012, respectively. The finalisation of the service delivery model is therefore a critical process.

The Department, in conjunction with organised labour, continues to pursue an improved shift-work system that seeks to achieve the following objectives:

- Effective utilisation of human resources;
- Provision of a structured day programme;
- Promotion of a balanced work-life for Correctional Officials (employee wellness); and
- Enhancement of security for members, inmates and stakeholders,

The major constraint in the development of the ideal shift pattern system is that it has to be developed taking cognisance of the current, reduced staffing levels, establishment and Compensation of Employees budget, while still trying to meet and satisfy the requirements as stipulated above.

In the year under review, three officials who had allegations of sexual harassment made against them were subjected to the Department's disciplinary processes resulting in one being dismissed dismissal and corrective measures being implemented in respect of the other two employees.

2.4 Key policy developments and legislative changes

A Draft Policy on Procedures and Electronic Monitoring was submitted to National Council of Correctional Services (NCCS) for further consultation and review but was not reviewed due to termination of the Electronic Monitoring (EM) contract by the Department.

The Department has commenced with the process of reviewing the Halfway House Policy and Procedures and is 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, going forward,

Both the Labour Relations Act and Employment Equity Act, Codes of Good Practice on the Handling of Cases of Sexual Harassment promote the development and implementation of relevant policies. In this regard, the Prevention and Management of Sexual Harassment Policy was adopted by the Department after consultation with organised labour and has been ratified by the National Management Committee of the Department.

A new policy on the selling of Offender's Art and Crafts was developed and presented to the National Council Corrections (NCC) during the year under review. Finalisation of this policy will assist the Department in better regulating the selling of artwork by offenders, as a huge interest to buy these items has been show by the public that visit the Department's exhibitions.

2.5 Strategic outcome oriented goals

Table 18: Strategic Outcomes-Oriented Goals

STRATEGIC OUTCOMES-ORIENTED GOALS		Progress
Strategic Outcomes-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.	DCS continued with the implementation of several strategies for reducing the population of remand detainees which include the bail protocol and the 49G protocol (referral of RDs to court for consideration of the length of detention). Other strategies implemented for fast tracking the cases were: <ul style="list-style-type: none"> ▪ Monitoring of RD children and those detained for longer than 2 years; and ▪ 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.
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 ATP's are electronically monitored.	The DCS continued to participate in the use of Video Remand Courts. The rollout of the continuous risk assessment tool continued. Other protocols that were implemented are the observation protocol and protocol on temporary release of RDs to SAPS for further investigations.
Strategic Objectives	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 overcrowding in correctional facilities.	

STRATEGIC OUTCOMES-ORIENTED GOALS		Progress
Strategic Outcomes-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 are in place to enable their successful placement into society after their lawful release.	<p>The DCS continues to ensure that inmates are incarcerated in a safe, secure and human environment.</p> <p>The targets on indicators of Escapes and Inmates injured as a result of reported assaults for the 2017/18 financial year were achieved.</p> <p>DCS achieved 0.030% (50/164 129) and 4.6% (7 474/164 129) of Indicators on escapes and inmate injured as a result of reported assault.</p>
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 CSP's through improved offender literacy, educational skills, and meeting their psychological, spiritual and health care needs.	<p>These targets were achieved mainly due to enhanced management supervision and the effective implementation of the escape and assault prevention plan.</p> <p>DCS continued to ensure that offenders are considered for placement on parole when they are due. The Parole Boards have exceeded their targets despite the challenge of resource constraints</p> <p>A total of 86 518 offenders completed correctional programmes during 2017/18 financial year. In addition, 22 129 offenders completed a pre-release programme. This includes programmes rendered by external service providers. Offenders were identified for placement in development programmes in line with the sentence plans.</p> <p>The Component of Psychological Services has managed to provide needs-based services to 39 407 inmates, representing 24% of the total inmate population. The total number of inmates who benefitted from Spiritual Care is 143 480 which is 87% of inmate population. This performance reflects an over-achievement of 28% against the annual target of 59%.</p>

STRATEGIC OUTCOMES-ORIENTED GOALS		Progress
Strategic Outcomes-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	<p>The Department of Correctional Services ensured that parolees and probationers were successfully reintegrated into society as law-abiding citizens through provision of rehabilitation and social reintegration programmes.</p> <p>Significant achievements were recorded on parolees and probationers without violations during the 2017/18 financial year. From a national daily average of 54 225 parolees, 53 615 were without violations, representing 99%. For probationers from a national daily average case load of 16 131, a total of 15 914 were without violations for the same period, representing 99%.</p> <p>DCS continued with the implementation of Electronic Monitoring (EM) as a tool to enhance effective monitoring of persons under the system of Community Corrections and as condition for alternative sentencing, i.e. placement of offenders and Remand Detainees under Correctional Supervision and as additional bail condition to detention of Awaiting Trial Persons. The Department effectively terminated the Electronic Monitoring contract (H0/2014) on the 30 June 2017.</p> <p>The total number of one thousand, five hundred and seventy eight 1 578 were cumulatively tagged since inception of Electronic Monitoring Project.</p> <p>Significant achievements were recorded on empowering parolees and probationers with skills for employability and job preparation. DCS formalised partnerships with the organisations in the training and job placement. Through these skills, parolees and probationers have opened their own businesses and employ other parolees such as in LMN region; one hundred and fifty two (152) parolees started their own businesses and employed six hundred and thirty one (631) parolees and probationers.</p> <p>In Gauteng region forty two (42) businesses were owned by parolees and probationers and seventeen (17) parolees were employed. In KZN region ten (10) parolees and probationers opened their own businesses. In WC region two (2) parolees started their own business on construction and spaza shop and four (4) ex-offenders were employed. In FS/NC five (5) parolees and probationers owned business on selling chicken, maize meal, wood and sand, towing cars and upholstery.</p>
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.	

Table19: DCS contribution to Outcomes

OUTCOMES		National Development Plan		Progress
1.	Quality Basic Education	Chapter 9	Improving Education, Training and Innovation.	<p>As part of our Rehabilitation efforts the Department has established 14 formal schools that provide education up to grade 12 in line with the curriculum of the Department of Basic Education.</p> <p>During 2017 academic year DCS achieved a 77% pass rate for grade 12 with 4 schools maintaining a 100% pass rate. The partnership with Department of Education greatly contributes to this achievement as our educationists are included in training and development opportunities. Continuous efforts need to be made to fill vacancies for educationists and artisans in the various Correctional centres.</p> <p>The performance Information of Formal Education is as follows:</p> <ul style="list-style-type: none"> ▪ Adult Education and Training (AET): 10 014 ▪ Further Education and Training (FET) Mainstream Education: 982 ▪ Amended Senior Certificate (Old Curriculum): 838 ▪ Higher Education and Training (post-matric studies): 524 ▪ Computer-Based Training: 453 <p>Therefore the total number of offenders who participated in formal education programmes in the 2017 academic year is 12 811</p> <p>Various training interventions for educators who teach life sciences, maths and accounting were undertaken during the academic year.</p>
2.	A long and healthy life for all South Africans	Chapter 10	Promoting Health	<p>The fight against the spread of communicable diseases such as, TB and HIV in DCS facilities has improved significantly.</p> <ul style="list-style-type: none"> ▪ The Department achieved a TB cure rate of 87% (636/728) of offenders against a set target of 86% for the 2017/18 this is an achievement as compared to 83% (1 034/1 250) for 2016/17. The achievement can be attributed to the collaborative effort between DCS, support partners as well as the Department of Health. ▪ The DCS has implemented the directive on Universal Test and Treat (UTT) for all HIV positive inmates so as to ensure improved health outcomes. Thus the number of inmates initiated on antiretroviral treatment during the current financial year increased by 1 936 that is from 24 506 in 2016/17 to 26 442. ▪ In meeting the nutritional needs of inmates, 8% (13 489/164 129) of those who qualified were prescribed therapeutic diets. This enhanced the effectiveness of the prescribed treatment for communicable as well as non-communicable diseases.

OUTCOMES		National Development Plan		Progress
3.	All people in South Africa are and feel safe	Chapter 12	Building Safer Communities	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. Overcrowding within DCS facilities remains a serious challenge.
		Chapter 14	Fighting Corruption	As part of the National Lifers Task Team, the Component of Psychological Services was able to provide risk assessment to a total of 344 inmates who are serving life sentences prior to their consideration for placement on parole. This is in addition to the total load of assessment that different psychologists perform in their own Management Areas. Psychological risk assessment provides crucial information in estimating the probability that an offender will re-offend, which is key to ensuring that those who are placed on parole do not pose risk to their communities.
5.	A skilled and capable workforce to support an inclusive growth path	Chapter 9	Improving Education, Training and Innovation	<p>The Department adopted a holistic approach in working with relevant stakeholder to achieve set targets. The number of offenders participating in skills training improved from 10 099 in 2016/17 to 11 163 in 2017/18. Provisioning of Skills training to offenders is aligned to the required outputs where offenders can contribute meaningful to the needs of the country's economy. Programmes offered are aligned to develop offenders and contribute to the National Development Plan. Access and exposure to skills training programmes improves the skills levels of offenders. This exposure to skills training impact positively on their employability or self-employment after release.</p> <p>The contribution of external stakeholders amongst others, DBE, DHET, SASSETA, MerSeta, FP&M Seta, TVET Colleges and accredited Skills Development providers contributed to the exceptional recorded performance.</p> <p>The number of offenders participating in TVET College programmes improved from 3 331 in 2016/17 to 3 414 in 2017/18. The achievement on TVET College programmes can be attributed to the involvement of DHET and the collaboration with provincial TVET Colleges.</p> <p>The Department established 14 DCS/UNISA hubs across the country. The purpose of these hubs is to provide inmates with controlled internet connectivity in order to access higher education learning. Out of the 14 centres, six are fully operational while eight are in the process of being functional.</p>

OUTCOMES		National Development Plan		Progress
				<p>Various training interventions, in partnership with DBE and relevant stakeholders, were conducted to improve and capacitate educators responsible for Life Sciences, Mathematics, English First Additional Language (FAL) and Accounting.</p> <p>The production workshops and farms provide work opportunities to offenders, with the objective of skills utilization and development, in order to enhance offenders' employability upon their release, contribute towards offender's personal and social functioning similarly to contribute towards self-sufficiency on supplies/products that are required by the Department.</p> <p>Workplace training/trades in production workshops: cabinet making, upholstery, wood machining, wood polisher/spray painting, welding, fitters and turners, textile work/garment making, and shoe manufacturing as well bread baking at the bakeries. On average 1 546 offenders have worked in production workshops per day during 2017/18 financial year.</p> <p>Work opportunities/workplace training in agriculture: dairy, piggeries, broiler, layers, vegetables, orchard, small stock (sheep and goats), beef farms, as well as abattoirs. Offenders also acquire work opportunity on agro-processing, i.e. butter production and vegetable processing. On average 3 307 offenders have worked in agriculture per day during 2017/18 financial year.</p>
11.	Create a better South Africa, a better Africa and a better world	Chapter 7	Positioning South Africa in the world	<p>The Cabinet approved the tabling of the revised and renamed United Nations (UN) Standard Minimum Rules for the Treatment of Prisoners ("Nelson Mandela Rules"), in Parliament at its meeting held on 14 March 2018</p> <p>The Cabinet further noted the following:</p> <ul style="list-style-type: none"> ▪ The renaming of the Standard Minimum Rules to "Nelson Mandela Rules" to honour the legacy of the former President, who spent 27 years in prison. ▪ The worldwide extension of the Nelson Mandela International Day scope, observed by UN Member States on 18 July, to promote humane conditions of imprisonment, raise awareness about prisoners being a part of society and value the work of prison staff as a social service. ▪ The rules will assist South Africa to speed up the transformation towards a people's developmental correctional system that is consistent with various international principles and guidelines.

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

ACTION	Indicator	Baseline	Target 2017/18	Actual Achievement 2017/18	Reasons for Variance
Contribute towards reducing repeat offending or recidivism	Percentage of sentenced offenders subjected to correctional programmes per year	77% (80 960/104 740)	76% (81 432/107 145)	82% (86 518/105 349)	Custodial officials were orientated to facilitate correctional programmes and as a result more offenders were able to complete programmes
	Percentage of parolees without violations per year	99% (51 161/51 785)	97% (52 559/54 185)	99% (53 615/54 225)	Parolees are continuously sensitized on the set conditions
	Percentage of probationers without violations per year	99% (16 016/16 178)	96% (15 919/16 582)	99% (15 914/16 131)	Probationers are continuously sensitized to adhere to the conditions

3. PERFORMANCE INFORMATION BY PROGRAMME

3.1 PROGRAMME 1: ADMINISTRATION

Programme purpose: To provide strategic leadership, management and support services to the Department.

Table 21: Administration Sub-programmes

SUB-PROGRAMMES	Sub-programme purposes	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	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 Organizational capacity for enhanced service delivery
Finance	Provide effective and efficient financial and supply chain management services	Provide effective and efficient financial and supply chain management
Information technology	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	Provide a reliable, integrated and secure ICT infrastructure and business application system
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 PPP's

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 functions of the Ministry

Strategic objective: Root out corrupt activities within the Department

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

PROGRAMME 1: ADMINISTRATION						
SUB-PROGRAMME: MANAGEMENT						
Strategic objective	Strategic indicator	Actual achievement 2016/17	Planned target 2017/18	Actual achievement 2017/18	Deviation from planned target to actual achievement for 2017/18	Comment on deviations
Root out corrupt activities within the Department	Percentage of officials charged and found guilty of corrupt activities	93% guilty finding 37/40	95%	96% (102/106)	1%	The target was achieved through proper analysis of investigation reports, consultation with witnesses and commitment and dedication

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

SUB-PROGRAMME: MANAGEMENT						
Performance indicator	Actual achievement 2015/16	Actual achievement 2016/17	Planned target 2017/18	Actual achievement 2017/18	Deviation from planned target to actual achievement for 2017/18	Comment on deviations
Percentage of integrated communication and marketing strategy (ICMS) implemented	Key Initiatives implemented: Successful implementation and profiling of DCS signature programs such as the Minister's budget and policy speech/ Launch of the first Ex- offender Conference/ Ministers IMBIZO program/ Corrections week/ successful profiling of key offender rehabilitation and social integration programmes	33 national events coordinated/supported Four (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 Four editions of Corrections@Work published and distributed 964 internal notices distributed 134 Graphic Design projects executed Ten (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	100% (558/558)	100% (558/558)	none	n/a

Changes to planned targets:

No changes to planned targets

Linking performance with budgets:

Table 24: Sub-programme expenditure - Management

Sub-programme Name	2017/18			2016/17		
	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
Management	759,890	761,542	(1,652)	725,531	724,543	(12)
Total	759,890	761,542	(1,652)	725,531	724,543	(12)

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

PROGRAMME 1: ADMINISTRATION						
SUB-PROGRAMME: HUMAN RESOURCES						
Strategic objective	Strategic indicator	Actual achievement 2016/17	Planned target 2017/18	Actual achievement 2017/18	Deviation from planned target to actual achievement for 2017/18	Comment on deviations
Improve organisational capacity for enhanced service delivery	Percentage of funded posts filled, per financial year	94% (39 259/41 994)	90% (37 805/41 994)	95% (39 296/41 462)	5%	The filling of vacant funded positions and the abolishment of posts as a result of the reduction of the baseline by National Treasury

Table 24: Administration: Sub-programme: Human Resources - Performance indicator

SUB-PROGRAMME: HUMAN RESOURCE						
Performance indicator	Actual achievement 2015/16	Actual achievement 2016/17	Planned target 2017/18	Actual achievement 2017/18	Deviation from planned target to actual achievement for 2017/18	Comment on deviations
Number of officials trained in line with the Work place Skills Plan (WSP)	29 351 officials trained in line with WSP	28 210	21 000	32 388	11 388	Demand for training exceeded the planned target
Percentage of management areas where IEHW programme is rolled out	21.73% (10/46)	21.73% (10/46)	100% (6/6)	117% (7/6)	17%	Rolling out of programme at Head Office was also done during May 2017 and there were no financial costs involved

Changes to planned targets:

No changes to planned targets

Linking performance with budgets:

Table 25: Sub-programme expenditure - Human Resources

Sub-programme Name	2017/18			2016/17		
	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
Human Resources	1,699,037	1,709,346	(10,309)	1,718,992	1,617,025	101,967
Total	1,699,037	1,709,346	(10,309)	1,718,992	1,617,025	101,967

SUB-PROGRAMME: FINANCE

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

Strategic objectives: Provide effective and efficient financial and supply chain management

Table 26: Administration: Sub-programme: Finance - Strategic objective

PROGRAMME 1: ADMINISTRATION						
SUB-PROGRAMME: FINANCE						
Strategic objective	Strategic indicator	Actual achievement 2016/17	Planned target 2017/18	Actual achievement 2017/18	Deviation from planned target to actual achievement for 2017/18	Comment on deviations
Provide effective and efficient financial and supply chain management services	Percentage of allocated budget spent per year	Variance analysis conducted and the YM reports for the 2016/17 year to date, were compiled and submitted to oversight bodies * The projected spending plan for the 2016/17 year to date comprised expenditure of R21 580 billion versus the actual year to date expenditure of R21 536 billion. The budget spent for the 2016/17 financial year was 99.79%(R21 536 billion/R 21 580 billion) The variance between spending plans and actual year to date expenditure amounted to: (R44 million) [(R44million)/ R21, 580 billion = 0.20%]	99.75%	99.62% (R22 727 billion/ R22 814 billion) resulting in 0.38% (R87 million/ R22 814 billion) under spending	0.13%	Compensation of Employees PERSAL reported a funded permanent establishment comprising 41 994 posts, of which 39 276 are funded filled posts, 232 posts are filled additional to the funded establishment, mostly on entry level, resulting in a total Persal head count of 39 508, but leaving 2 718 vacant funded posts (6.00%)

Table 27: Administration: Sub-programme: Finance - Performance indicator

SUB-PROGRAMME: FINANCE						
Performance indicator	Actual achievement 2015/16	Actual achievement 2016/17	Planned target 2017/18	Actual achievement 2017/18	Deviation from planned target to actual achievement for 2017/18	Comment on deviations
No audit qualifications	Unqualified audit opinion. 4 emphasis of matters on statement of corresponding figures payables impairments and significant uncertainties with regard to claims against the Department	One audit qualification on capital works in progress	No audit qualification	One Audit Qualification relating to contractual commitments	No Audit Qualification	The Department did not comply with contractual commitments

Changes to planned targets:

No changes to planned targets

Linking performance with budgets:

Table 28: Sub-programme expenditure - Finance

Sub-programme Name	2017/18		2016/17	
	Final Appropriation	Actual Expenditure	Final Appropriation	Actual Expenditure
Finance	R'000 1,008,895	R'000 1,008,509	R'000 1,031,703	R'000 1,115,067
Total	1,008,895	1,008,509	1,031,703	1,115,067
				R'000 (83,364)
				(83,364)

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 29: Administration: Sub-programme: Information Technology - Strategic objective

PROGRAMME 1: ADMINISTRATION						
SUB-PROGRAMME: INFORMATION TECHNOLOGY						
Strategic objective	Strategic indicator	Actual achievement 2016/17	Planned target 2017/18	Actual achievement 2017/18	Deviation from planned target to actual achievement for 2017/18	Comment on deviations
Provide a reliable, integrated and secure ICT infrastructure and business application system	Percentage of integrated Inmate Management Systems (IMS) modules for core business processes completed	44% (4/9) build and test of: (1) Inmate Registration and Admission, (2) Risk Assessment and Classification, (3) Health and Pharmacy, and (4) Release Management has been completed	89% (8/9)	78% (7/9)	11%	Delays in fixing errors or bugs during the testing, due to limited capacity

Table 30: Administration: Sub-programme: Information Technology - Performance indicator

SUB-PROGRAMME: INFORMATION TECHNOLOGY						
Performance indicator	Actual achievement 2015/16	Actual achievement 2016/17	Planned target 2017/18	Actual achievement 2017/18	Deviation from planned target to actual achievement for 2017/18	Comment on deviations
Percentage of correctional facilities and community corrections offices where Local Area Network (LAN) Infrastructure is rolled out	18.6% (67/360)	26% (94/360)	13.89% (50/360) of LAN infrastructure to be rolled out	13.89% 50/360	none	n/a
Percentage of Annual Performance Plan indicators for the Department automated	No historical information, indicator initiated in 2016/17	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 centres (4) rate of injuries from the assault of inmates in correctional centres (5) rate of unnatural deaths in correctional centres, is completed	82% (9/11)	82% (9/11)	none	n/a

Strategy to overcome areas of under-performance:

An increase in capacity and fast track development of the outstanding modules

Changes to planned targets:

No changes to planned targets

Linking performance with budgets:

Table 31: Sub-programme expenditure: Information Technology

SUB-PROGRAMME NAME	2017/18		2016/17			
	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
Information Technology	213,328	213,328	-	171,668	171,668	-
Total	213,328	213,328	-	171,668	171,668	-

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 correctional facilities and PPP

Table 32: Administration: Sub-programme: JICS - Strategic objective

PROGRAMME 1: ADMINISTRATION						
SUB-PROGRAMME: JICS						
Strategic objective	Strategic indicator	Actual achievement 2016/17	Planned target 2017/18	Actual achievement 2017/18	Deviation from planned target to actual achievement for 2017/18	Comment on deviations
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's facilities inspected on the conditions and treatment of inmates	33% (81/243)	33.3% (81/243)	34.2% (83/243)	0.9%	The implementation of the JICS National Inspection Plan (NIP) led to over-achievement of the targets

Changes to planned targets:

No changes to planned targets

Linking performance with budgets:

Table 33: Sub-programme expenditure - JICS

SUB-PROGRAMME NAME	2017/18		2016/17	
	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000
JICS	69,387	51,019	18,368	41,510
Total	69,387	51,019	18,368	41,510
				R'000
				(Over)/Under Expenditure
				R'000
				41,510
				41,510
				-
				-

3.2 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 34: 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
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 Consider offenders for possible placement on parole or correctional supervision
Remand Detention	Ensure effective and efficient remand detention management by carrying out court decisions and accommodation of remand detainees in safe and secure facilities, consistent within a Human Rights environment	Remand detention processes are effectively managed and remand detainees attend courts in accordance with relevant legislation

SUB-PROGRAMME: SECURITY OPERATIONS

Sub-programme purpose: Provide safe and secure conditions for inmates, consistent with human dignity

Strategic objectives: Provide a safe and secure correctional environment for inmates

Table 35: Incarceration: Sub-programme: Security Operation - Strategic objective

PROGRAMME 2: INCARCERATION						
SUB-PROGRAMME: SECURITY OPERATIONS						
Strategic objective	Strategic indicator	Actual achievement 2016/17	Planned target 2017/18	Actual achievement 2017/18	Deviation from planned target to actual achievement for 2017/18	Comment on deviations
Provide a safe and secure correctional environment for inmates	Percentage of inmates who escape from correctional centres and remand detention facilities per year	0.031% (50/161 054)	0.034% (56/163 261)	0.030% (50/164 129)	0.004%	Target achieved due to the effective implementation of the Escape Prevention plan
	Percentage of inmates injured as a result of reported assaults in correctional centre and remand detention facilities per year	4.59% (7 388/161 054)	4.7% (7 634/163 261)	4.6% (7 474/164 129)	0.1%	The target has been achieved due to effective implementation of the assault prevention plan The encouragement of inmates to participate in various activities and programmes

Table 36: Incarceration: Sub-programme: Security Operations - Performance indicator

SUB-PROGRAMME: SECURITY OPERATIONS						
Performance indicator	Actual achievement 2015/16	Actual achievement 2016/17	Planned target 2017/18	Actual achievement 2017/18	Deviation from planned target to actual achievement for 2017/18	Comment on deviations
Percentage of unnatural deaths in correctional centres and remand facilities per year	0.038% (62/161 984)	0.032% (51/161 054)	0.032% (52/163 261)	0.037% (61/164 129)	0.005%	The DCS experienced a high number of deaths which resulted in a deviation of 0.005% from the planned target. Of sixty one (61) unnatural deaths, twenty seven (27) were due to unknown causes, twenty five (25) due to suicides, eight (8) due to inmate on inmate assault and one (1) due to burn wounds Delayed autopsy results on the unknown causes of deaths affected the performance on the indicator and therefore the indicator has since been reviewed for the 2018/2019 financial year, onwards. This indicator will be measured annually and will exclude the unknown causes

Strategy to overcome areas of under-performance:

The performance indicator has been revised for the 2018/2019 financial year, onwards. This indicator will be measured annually and exclude unnatural deaths due to unknown causes

Changes to planned targets:

No changes to planned targets

Linking performance with budgets:

Table 37: Sub-programme expenditure - Security Operations

SUB-PROGRAMME NAME	2017/18		2016/17		(Over)/Under Expenditure R'000
	Final Appropriation R'000	Actual Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	
Security Operations	7,016,384	7,016,384	6,738,281	6,560,858	177,423
Total	7,016,384	7,016,384	6,738,281	6,560,858	177,423

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 38: Incarceration: Sub-programme: Facilities - Performance indicator

SUB-PROGRAMME: FACILITIES						
Performance indicator	Actual achievement 2015/16	Actual achievement 2016/17	Planned target 2017/18	Actual achievement 2017/18	Deviation from planned target to actual achievement for 2017/18	Comment on deviations
Number of new bed spaces created by upgrading of facilities annually	Van Rhynsdorp 99.5% Tzaneen 0% Progress since liquidation, Max 0% Progress since liquidation, Matatiele 100%	407	492 (Estcourt 309 Standerton Phase III 183)	0	492	Delays during construction; Poor performance of contractors Appointment of additional built environment professionals at Head Office and Regional level, in order to enhance in-house capacity and project management

Strategy to overcome areas of under-performance:

Appointment of additional built environment professionals on Head Office and Regional level in order to enhance in-house capacity and project management

Changes to planned targets:

No changes to planned targets

Linking performance with budgets:

Table 39: Sub-programme expenditure: Facilities

SUB-PROGRAMME NAME	2017/18			2016/17		
	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	4,242,139	4,242,139	-	3,952,765	4,094,071	(141,306)
Total	4,242,139	4,242,139	-	3,952,765	4,094,071	(141,306)

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 ensure timely consideration for placement and release

Strategic objectives:

- Contribute towards a humane environment by managing overcrowding in correctional facilities
- Consider offenders for possible placement on parole or correctional supervision

Table 40: Incarceration: Sub-programme: Offender Management - Strategic objective

PROGRAMME 2: INCARCERATION						
SUB-PROGRAMME: OFFENDER MANAGEMENT						
Strategic objective	Strategic indicator	Actual achievement 2016/17	Planned target 2017/18	Actual achievement 2017/18	Deviation from planned target to actual achievement for 2017/18	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	35% (41 146/119 134)	38% (45 271/119 134)	38% (45 406/118 723)	None	n/a

Table 41: Incarceration: Sub-programme: Offender Management - Performance indicator

SUB-PROGRAMME: OFFENDER MANAGEMENT						
Performance indicator	Actual achievement 2015/16	Actual achievement 2016/17	Planned target 2017/18	Actual achievement 2017/18	Deviation from planned target to actual achievement for 2017/18	Comment on deviations
Percentage of Offender profiles submitted by the Case Management Committees (CMCs) that were considered by CSPBs	96.52% (41 942/43 454)	91% (44 521/48 984)	91% (42 246/46 425)	95% (28 226/29 641)	4%	Target achieved. All Boards strived to exceed the target. Where vacancies exist, chairpersons from other management areas are deployed to ensure compliance

Changes to planned targets:

Changes with regard to the target on approved accommodation, need to be catered for

Linking performance with budgets:

Table 42: Sub-programme expenditure - Offender Management

SUB-PROGRAMME NAME	2017/18		2016/17	
	Final Appropriation R'000	Actual Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000
Offender management	2,022,815	2,022,815	2,156,545	2,156,810
Total	2,022,815	2,022,815	2,156,545	2,156,810
				R'000
				(Over)/Under Expenditure R'000
				(265)
				(265)

3.3 PROGRAMME 3: REHABILITATION

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

Table 45: Rehabilitation Sub-programmes:

SUB-PROGRAMMES	Sub-programme purpose	Strategic objectives
Correctional Programmes	Provide needs-based correctional programmes targeting offending behaviour based on the Correctional Sentence Plan (CSP). The aim is to raise awareness, provide information as well as to develop life skills	Improve the life skills of offenders with CSPs through the provisioning of correctional programmes targeting offending behaviour
Offender Development	Provide offenders with needs based programmes and interventions to facilitate their rehabilitation and personal development	Improve offender's 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 wellbeing and assisting in their rehabilitation and reintegration into the community	Offender behavior is corrected through access to psychological, social work and spiritual services

SUB-PROGRAMME: CORRECTIONAL PROGRAMME

Sub-programme purpose: Provide needs-based correctional programmes targeting offending behavior based on the Correctional Sentence Plan (CSP). The aim is to raise awareness, provide information as well as to develop life skills

Strategic objectives: Improve life skills of Offenders with CSP's through provisioning of correctional programmes targeting offending behavior

Table 46: Rehabilitation: Sub-programme: Correctional Programme - Performance indicator

PROGRAMME 3: REHABILITATION						
SUB-PROGRAMME: CORRECTIONAL PROGRAMMES						
Performance indicator	Actual achievement 2015/16	Actual achievement 2016/17	Planned target 2017/18	Actual achievement 2017/18	Deviation from planned target to actual achievement for 2017/18	Comment on deviations
Percentage of sentenced offenders subjected to correctional programmes per year	74.30% (75 595/101 740)	77% (80 960/104 740)	76% (81 432/107 145)	82% (86 518/105 349)	6%	Custodial officials were orientated to facilitate correctional programmes and as a result more offenders were able to complete programmes

Changes to planned targets:

No changes to planned targets

Linking performance with budgets:

Table 47: Sub-programme expenditure - Correctional Programme

SUB-PROGRAMME NAME	2017/18			2016/17		
	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
Correctional Programme	429,398	418,398	11,000	27,575	27,575	-
Total	429,398	418,398	11,000	27,575	27,575	-

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 offender's personal development through the provision of literacy, education and skills competency programmes during their time of incarceration

Table 48: Rehabilitation: Sub-programme: Offender Development - Strategic objective

PROGRAMME 3: REHABILITATION						
SUB-PROGRAMME: OFFENDER DEVELOPMENT						
Strategic objective	Strategic indicator	Actual achievement 2016/17	Planned target 2017/18	Actual achievement 2017/18	Deviation from planned target to actual achievement for 2017/18	Comment on deviations
Improve offender's personal development through the provision of literacy, education and skills competency programmes during their time of incarceration	Percentage of offenders participating in skills development programmes measured against the number of offenders enrolled per Financial Year	97. % (10 099/10 411)	80% (5 176/6 470) Skills training	98% (11 163/11 343)	18%	Regions formalised training agreements with external stakeholders
		95% (3 331/3 488)	80% (3 960/4 950) TVET College	97% (3 414/3 533)	17%	Achieved against enrolment but under-achieved against the set target of 3 959/4 950, with less than 546 participants and less than 1 418 registered. Less offenders than expected participated in TVET programmes. There was an underperformance in the number of offenders who participated in TVET College programmes. The TVET Colleges had to comply with DHET assessment requirements. DCS does not have the required subject matter experts

PROGRAMME 3: REHABILITATION

SUB-PROGRAMME: OFFENDER DEVELOPMENT

Strategic objective	Strategic indicator	Actual achievement 2016/17	Planned target 2017/18	Actual achievement 2017/18	Deviation from planned target to actual achievement for 2017/18	Comment on deviations
	Number of offenders who participate in educational programmes per the daily attendance register, per academic year (AET and FET)	9 733	10 855	10 014	841	The discontinuation of Khari gude programme during the 2016/17 financial year impacted on attendance during the 2017 academic year, which led to a decrease in AET programme participation
		1 008	663	982	319	Ekuseni and Rustenburg Youth Centres introduced Grade 12

Table 49: Rehabilitation: Sub-programme: Offender Development - Performance indicator

SUB-PROGRAMME: OFFENDER DEVELOPMENT

Performance indicator	Actual achievement 2015/16	Actual achievement 2016/17	Planned target 2017/18	Actual achievement 2017/18	Deviation from planned target to actual achievement for 2017/18	Comment on deviations
Grade 12 pass rate obtained per academic year	73% (81/111)	72% (101/140)	67% (95/141)	77% (142/185)	10%	The target was over achieved as the performance of learners was higher than projected

Changes to planned targets:

No changes to planned targets

Linking performance with budgets:

Table 50: Sub-programme expenditure - Offender Development

SUB-PROGRAMME NAME	2017/18			2016/17		
	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
Offender Development	826,145	817,923	8,222	732,073	729,908	2,165
Total	826,145	817,923	8,222	732,073	729,908	2,165

SUB-PROGRAMME: PSYCHOLOGICAL, SOCIAL WORK AND SPIRITUAL SERVICES

Sub-programme purpose: Manage and ensure the rendering of needs-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 re-integration into the community

Strategic objectives: Offender behavior is corrected through access to psychological, social work and spiritual services

Table 51: Rehabilitation: Sub-programme: Psychological, Social Work and Spiritual Services - Strategic objective

PROGRAMME 3: REHABILITATION						
SUB-PROGRAMME: PSYCHOLOGICAL, SOCIAL WORK AND SPIRITUAL SERVICES.						
Strategic objective	Strategic indicator	Actual achievement 2016/17	Planned target 2017/18	Actual achievement 2017/18	Deviation from planned target to actual achievement for 2017/18	Comment on deviations
Offender behaviour is corrected through access to psychological, social work and spiritual services	Percentage of incarcerated offenders, probationers and parolees who are involved in social work services per year	59% (109 690/187 101)	50% (95 509/191 019)	58% (108 960/187 070)	8%	A reasonable annual target was set in view of the continuing unbalanced ratio of offenders to social workers in terms of the national post establishment. Although the ratio is still unbalanced, social workers managed to even over-achieve on the target by a slight percentage

Table 52: Rehabilitation: Sub-programme: Psychological, Social Work and Spiritual Services - Performance indicator

SUB-PROGRAMME: PSYCHOLOGICAL, SOCIAL WORK AND SPIRITUAL SERVICES							
Performance indicator	Actual achievement 2015/16	Actual achievement 2016/17	Planned target 2017/18	Actual achievement 2017/18	Deviation from planned target to actual achievement for 2017/18	Comment on deviations	
Percentage of inmates who are involved in psychological services per year	20.08% (32 523/161 984)	22% (36 014/161 054)	17% (27 754/163 261)	24% (39 407/164 129)	7%	The contribution of community service psychologists, MA students, sessional workers, group interventions and the effective marketing of psychological services, all contributed to the achievement	
Percentage of inmates who benefit from spiritual services per year	83.19% (134 760/161 984)	82% (132 364/161 054)	59% (96 324/163 261)	87% (143 480/164 129)	28%	Active involvement of external stakeholders: spiritual workers, service providers and volunteers in rendering services impacted positively on the achievement of set target	

Changes to planned targets:

No changes to planned targets

Linking performance with budgets:

Table 53: Sub-programme expenditure - Psychological, Social Work and Spiritual Services

SUB-PROGRAMME NAME	2017/18		2016/17	
	Final Appropriation	Actual Expenditure	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000
Psychological, Social Work and Spiritual Services	458,990	458,990	428,178	428,178
Total	458,990	458,990	428,178	428,178
				(Over)/Under Expenditure
				R'000
				-

3.4 PROGRAMME 4: CARE

Programme purpose: Provide needs-based health care services aimed at maintaining the personal well-being of all inmates in the Department's custody

Table 54: Programme 4: Care: Sub-programmes:

SUB-PROGRAMMES:	Sub-programme Purposes	Strategic Objectives
Health and Hygiene Services	To 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	To provide inmates with appropriate Nutritional Services during the period of incarceration	To provide inmates with appropriate Nutritional Services

SUB-PROGRAMME: HEALTH AND HYGIENE SERVICES

Sub-programme purpose: To ensure that inmates are provided with appropriate access to health care and hygiene services

Strategic objectives: Provide inmates with comprehensive health and hygiene services during the period of incarceration

Table 55: Care: Sub-programme: Health and Hygiene Services - Strategic objective

PROGRAMME 4: CARE						
SUB-PROGRAMME: HEALTH AND HYGIENE SERVICES						
Strategic objective	Strategic indicator	Actual achievement 2016/17	Planned target 2017/18	Actual achievement 2017/18	Deviation from planned target to actual achievement for 2017/18	Comment on deviations
Provide inmates with comprehensive health and hygiene services during the period of incarceration	Percentage of Inmates on Anti-retroviral Therapy (ART)	98% (24 506/25 042)	99% (36 383/36 750)	97% (26 442/27 389)	2%	'Inmates on wellness programme will be placed on treatment as soon as they are ready for treatment Inmates who are co-infected will be placed on ART soon as the dual infection has been cleared
	TB (New pulmonary) cure rate of offenders	83% (1 034/1 250)	86% (1 300/1 512)	87% (636/728)	1%	Target achieved due to compliance with TB guidelines

Strategy to overcome areas of under-performance:

- Inmates in wellness programmes will be placed on treatment as soon as they are ready for treatment
- Inmates who are co-infected will be placed on ART soon as the dual infection has been cleared

Changes to planned targets:

No changes to planned targets

Linking performance with budgets:

Table 56: Sub-programme: Health and Hygiene Services

SUB-PROGRAMME NAME	2017/18		2016/17	
	Final Appropriation	Actual Expenditure	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000
Health and Hygiene Services	941,564	941,564	916,884	916,884
Total	941,564	941,564	916,884	916,884
				(Over)/Under Expenditure R'000
				-
				-

SUB-PROGRAMME: NUTRITIONAL SERVICES

Sub-programme purpose: To provide inmates with appropriate nutritional services during their period of incarceration

Strategic objectives: To provide inmates with appropriate nutritional services

Table 57: Care: Sub-programme: Nutritional Services - Performance indicator

SUB-PROGRAMME: NUTRITIONAL SERVICES						
Performance indicator	Actual achievement 2015/16	Actual achievement 2016/17	Planned target 2017/18	Actual achievement 2017/18	Deviation from planned target to actual achievement for 2017/18	Comment on deviations
Percentage of therapeutic diets prescribed for inmates	9,06% (14 674/161 984)	10% (15 694/16 1054)	15% (24 489/163 261)	8% (13 489/164 129)	7%	Target achieved due to compliance with nutritional guidelines

Changes to planned targets:

No changes to planned targets

Linking performance with budgets:

Table 58: Sub-programme expenditure - Nutritional Services

SUB-PROGRAMME NAME	2017/18		2016/17	
	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000
Nutritional Services	1,381,111	1,381,111	-	1,318,210
Total	1,381,111	1,381,111	1,318,210	1,318,210
				R'000
				(Over)/Under Expenditure R'000
				1,318,210
				1,318,210
				-
				-

3.5 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 59: Programme 5: Social Reintegration — Sub-programmes

SUB-PROGRAMMES	Sub-programme Purposes	Strategic Objectives
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 by increasing service points annually

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 60: Social Reintegration: Sub-programme: Supervision - Strategic objective

PROGRAMME 5: SOCIAL REINTEGRATION						
SUB-PROGRAMME: SUPERVISION						
Strategic objective	Strategic indicator	Actual achievement 2016/17	Planned target 2017/18	Actual achievement 2017/18	Deviation from planned target to actual achievement for 2017/18	Comment on deviations
Improve compliance on conditions set for parolees and probationers under community corrections	Percentage of parolees without violations per year	99% (51 161/51 785)	97% (52 559/54 185)	99% (53 615/54 225)	2%	Parolees are continuously sensitised on the set conditions
	Percentage of probationers without violations per year	99% (16 016/16 178)	96% (15 919/16 582)	99% (15 914/16 131)	3%	Probationers are continuously sensitised to adhere to the conditions

Table 61: Care: Sub-programme: Supervision - Performance indicator

SUB-PROGRAMME: SUPERVISION						
Performance indicator	Actual achievement 2015/16	Actual achievement 2016/17	Planned target 2017/18	Actual achievement 2017/18	Deviation from planned target to actual achievement for 2017/18	Comment on deviations
Number of persons (parolees, probationers and awaiting trial persons) placed under the electronic monitoring system	1.11% (870/78 221)	1 454	1 000	1 578	578	The indicator calculated cumulatively from the previous year, hence the over-achievement Contract has been terminated

Changes to planned targets:

No changes to planned targets

Linking performance with budgets:

Table 62: Sub-programme expenditure - Supervision

SUB-PROGRAMME NAME	2017/18			2016/17		
	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
Supervision	841,221	841,221	-	788,503	788,503	-
Total	841,221	841,221	-	788,503	788,503	-

SUB-PROGRAMME: COMMUNITY REINTEGRATION

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

Strategic objectives: Improve victims/offended, offenders, parolees and probationers' participation in restorative justice processes

Table 63: Social Reintegration: Sub-programme: Community Reintegration - Strategic objective

PROGRAMME 5: SOCIAL REINTEGRATION						
SUB-PROGRAMME: COMMUNITY REINTEGRATION						
Strategic objective	Strategic indicator	Actual achievement 2016/17	Planned target 2017/18	Actual achievement 2017/18	Deviation from planned target to actual achievement for 2017/18	Comment on deviations
Improve victims/offended, offenders, parolees and probationers' participation in restorative justice processes	Number of victims/offended who participate in restorative justice processes	9 886 victims	6 250	13 679	7 429	Positive response by victims towards the VOM/VOD processes
	Number of offenders/parolees and probationers who participated in restorative justice processes	6 593 offenders/parolees and probationers	6 250	5 268	982	Insufficient human resources to provide RJ programmes to offenders (18) Social Auxiliary Workers (SAW) posts were advertised to beef-up the existing sixty three SAW position

Strategy to overcome areas of underperformance:

- The Department received R11 million additional funding from the Criminal Asset Recovery Account (CARA) to resource the R] programme
- Training of Community Corrections personnel and SAW will commence with effect from 1 June 2018 onwards

Changes to planned targets:

No changes to planned targets

Linking performance with budgets:

Table 64: Sub-programme expenditure - Community Reintegration

SUB-PROGRAMME NAME	2017/18		2016/17	
	Final Appropriation	Actual Expenditure	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000
Community Reintegration	34,772	34,772	30,094	30,094
Total	34,772	34,772	30,094	30,094
				(Over)/Under Expenditure
				R'000
				-
				-

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 by increasing service points annually

Table 65: Social Reintegration: Sub-programme: Office Accommodation: Community Corrections - Performance indicator

SUB-PROGRAMME: OFFICE ACCOMMODATION: COMMUNITY CORRECTIONS						
Performance indicator	Actual achievement 2015/16	Actual achievement 2016/17	Planned target 2017/18	Actual achievement 2017/18	Deviation from planned target to actual achievement for 2017/18	Comment on deviations
Number of service points established in community corrections offices	103	228	30	131	101	Good relations with stakeholders

Changes to planned targets:

No changes to planned targets

Linking performance with budgets:

Table 66: Sub-programme expenditure - Office Accommodation

SUB-PROGRAMME NAME	2017/18		2016/17		(Over)/Under Expenditure R'000
	Final Appropriation R'000	Actual Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	
Office Accommodation: Community Corrections	31,926	31,926	35,130	35,130	-
Total	31,926	31,926	35,130	35,130	-

4. TRANSFER PAYMENTS

The table below reflects the transfer payments which were budgeted for during the period from 1 April 2017 to 31 March 2018

Table 67: Transfer Payments to all Organisations other than Public Entities

NAME OF PUBLIC ENTITY	Service rendered by the Public Entity	Amount budgeted for (R'000)	Amount transferred (R'000)	Reasons why funds were not transferred
Safety and Security Sector Education and Training Authority (SSASSETA)	Sector Education and Training Authority	10,395	9,352	The budgeted amount was more than the anticipated amount
Independant Development trust		-	34,370	-

5. CONDITIONAL GRANTS

There were no conditional grants transferred to- or received by the Department.

6. DONOR FUNDS

6.1 Donor Funds Received

An amount of R8,469 million was received in kind for various activities/items.

7. CAPITAL INVESTMENT

7.1 Capital Investment, Maintenance and Asset Management Plan

Table 68: Capital Investment, Maintenance and Asset Management Plan

INFRASTRUCTURE PROJECTS	2017/18			2016/17		
	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
New and replacement assets	-	-	-	-	-	-
Existing infrastructure assets	-	-	-	-	-	-
▪ Upgrades and additions	-	-	-	-	-	-
▪ Rehabilitation, renovations and refurbishments	483,944	516,968	(21,224)	635,185	620,511	14,674
▪ Maintenance and repairs	179,662	224,634	(9,504)	162,979	162,979	-
Infrastructure transfer	-	-	-	-	-	-
▪ Current	-	-	-	-	-	-
▪ Capital	-	-	-	-	-	-
Total	663,606	741,602	(30,728)	798,164	783,490	14,674



PART C

GOVERNANCE

PART C: GOVERNANCE

1. INTRODUCTION

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

2. RISK MANAGEMENT

Risk Management Committee (RMC) members were appointed on 25 May 2015 and appointments were also reviewed on 20 September 2017. The RMC convened meetings on 21 August 2017, 25 October 2017, 20 November 2017 and 7 February 2018 with a view to discharging their responsibilities as required in accordance with relevant Treasury Regulations, 2005 read together with the Risk Management Committee Charter, as approved on 20 September 2017

The following matters were discussed, and finalised and endorsed by the Risk Management Committee;

- The risk management policy and strategy were approved on 20 September 2017, subsequent to the Risk Management Committee review process;
- Strategic and operational risk assessments (comprising of a review of requisite Occupational Health and Safety, Fraud, Finance and ICT risk registers) were prepared and approved on different dates in the 2017/18 financial year;
- The Risk Management Committee met on a quarterly basis to review risk monitoring reports of various operational components. The committee also reviewed reports submitted by and received from various assurance providers

such as the departmental Inspectorate, the Internal Audit Unit, Risk Management Unit, Code Enforcement section and Departmental Investigation Unit (DIU) in an effort to identify new and emerging risks that may subsequently result in the review and/or updating of risk registers alongside the ongoing monitoring thereof;

- Risk monitoring reports were reviewed to monitor trends, movements and challenges related to ineffective risk mitigation processes/interventions and where necessary, branches and components within the Department were advised to review mitigation plans and report on progress to ensure that identified risks are brought to acceptable management or containment levels in line with the endorsed risk level matrix and concurrent methodology;
- Risk management reports were approved by the Risk Management Committee and referred to the Audit Committee for further scrutiny; and
- Following on the concerted and collaborative efforts of the Risk Management, Audit and the Risk Committees Management functions, the Department improved its Management Performance Assessment Tool (MPAT) performance and moderated scores to an overall, fully compliant level four for 2017. Furthermore, no findings were raised by AGSA regarding risk management activities during the 2017/18 financial year.

3. FRAUD AND CORRUPTION

The DCS Fraud Prevention Plan has been implemented and training on the contents of the plan is provided to DCS members on an ongoing basis. In ensuring the successful and impactful implementation of the Department's Anti-Corruption Strategy and Fraud Prevention Plan, the Department has also developed and endorsed a Whistle-Blowing policy that ensures whistle blowers are protected against being victimised, ostracised and/or subjected to any other action resulting in occupational detriment. The Department also reviewed its existing Anti-Corruption, Fraud Prevention and Whistle Blowing policies during the period under review and the latter policies are currently in the process of being approved.

As part of the Department's Anti-Corruption Strategy, which mandates the focused prevention, investigation and sanction of corrective action in instances of corrupt activity, the Department has established two dedicated units in terms of sections 95A and B of the Correctional Services Act, 111 of 1998 as amended, to decisively deal with any acts of fraud, corruption, theft and maladministration within the Department or any of its designated functionaries. These units comprise of the departmental Investigations Unit (DIU) mandated to oversee and coordinate investigations into all nefarious activities and the Code Enforcement Unit (CE) constituted to implement disciplinary proceedings emanating from successful investigations conducted and accordingly concluded by the DIU.

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

Thirty two workshops were conducted with emphasis on Professional Ethics, Fraud Prevention and Anti-Corruption issues, including highlighting the necessity of exposing suspect activity by means of available whistle-blowing mechanisms within the Department during 2017/18 financial year. A total of 932 officials were sensitised during these workshops.

All incidents accordingly reported are investigated by the Department's Investigation Unit and where substantiating, *prima facie* evidence of the alleged misconduct is found, the investigation report subsequently compiled, is forwarded to the Code Enforcement Unit to initiate the requisite disciplinary proceedings and action.

The Code Enforcement Unit finalised 106 cases in respect of which 102 officials were found guilty (96% success rate) during disciplinary hearings. Sanctions duly enforced comprise of 23 dismissals, 11 suspensions without salary as an alternative to dismissal, 22 written warnings, 43 final written warnings, two (2) verbal warnings and one (1) case of corrective counselling. Four officials were acquitted.

4. MINIMISING CONFLICT OF INTEREST

Members of the Senior Management Service (SMS) are required to disclose their financial interests via the e-disclosure system in line with the relevant Public Service Regulations issued during 2016 and the directive issued by the Minister of Department of Public Service and Administration, by 30 of April each year. The status of disclosures for the year under review is indicated as follows:

Table 70: SMS Financial Disclosures

TOTAL NUMBER OF SMS	186
Registered SMS members who submitted disclosure by due date	186
Registered SMS members who submitted disclosures after due date	0
Registered SMS members who did not disclose	0
Unregistered SMS members	0

5. CODE OF CONDUCT

The Department has adopted and endorsed a Code of Conduct which outlines relevant expectations and guiding principles for appropriate workplace behaviour among all staff member of the Department. It regulates relationships between employees, service users/providers and clients. Organisational values as stipulated in the current departmental Strategic Plan have been synergised with those highlighted in the Code of Conduct.

The Code of Conduct has further been streamlined to support the values embodied in Chapter 8 of the White Paper on Corrections in South Africa which outlines in what manner a correctional official should ideally conduct him or herself. During the financial year under review 1 016 officials were trained on the contents and importance of the Code of Conduct.

Any substantive breach of the Code of Conduct is dealt with in accordance with the processes endorsed in the Department of Correctional Services' Disciplinary Code and Procedures.

6. HEALTH, SAFETY AND ENVIRONMENTAL ISSUES

The Occupational Health and Safety Act (85 of 1993) requires that the employer provide and maintain a working environment that is safe and conducive to a healthy workspace for its employees. In line with requisite legislation, potential Hazard Identification and Risk Assessment (HIRA) processes were conducted at six management areas located at Barberton, Groenpunt, Witbank, Umtata, Amathole and Overberg respectively.

Occupational hygiene surveys were also conducted at the same management areas and all issues of non-compliance with legislative imperatives were accordingly identified by way of formal reports submitted to the relevant stakeholders for subsequent attention.

Officials who are subject to potential exposure in respect of Hepatitis A and B as well as Rabies were duly vaccinated during the integrated employee health

and wellness drives which were also coordinated at the management areas of Allandale, Kirkwood, Durban Westville, Zonderwater, Colesburg and Rooigrond Management Areas.

7. PORTFOLIO COMMITTEES

Table 71: Portfolio Committees

DATE OF MEETING	FOCUS AREA
9 May 2017	Department of Correctional Services: Briefing on Pollsmoor Court Order progress report
17 May 2017	Department of Correctional Services & JICS briefing on their Annual Performance Plan 2017/18
13 June 2017	Department of Correctional Services briefing on Human Resource Management matters
3 October 2017	Department of Correctional Services briefing on its 2016/17 Annual Report

Matters raised by the Portfolio Committee and how the Department accordingly addressed these issues:

Table 72: Matters raised by the Portfolio Committee

MATTERS RAISED BY THE PORTFOLIO COMMITTEE	DCS Interventions
Progress made since the court order, handed down in the Cape Town High Court on 5 and 23 December 2016 in the Sonke Gender Justice vs the Government of South Africa	Subsequent to the (Judge) Cameron report the Department has developed an action plan that sought to address the identified challenges and since the Court Order of the 5 December 2016, the actions in the plan were refined and implementation is closely monitored
Update on the implementation of the Occupational Specific Dispensation (OSD)	The Department signed the General Public Service Sector Bargaining Council (GPSSBC) Resolution 2 of 2009 on the 24 June 2009 to give effect to unique salary structure to Centre and non-centre based officials in the Department

8. SCOPA RESOLUTIONS

During the 2017/18 financial year, there were no Standing committee On Public Accounts (SCOPA) resolutions adopted relating to operations and functions of the Department.

Table 73: SCOPA Resolutions

RESOLUTION NO.	Subject	Details	Response by the Department	Resolved (Yes/No)
None	None	None	None	None

Table 74: SCOPA Meetings

DATE OF MEETING	FOCUS AREA
07 June 2017	A Department of Correctional Services consultation on Irregular, Fruitless and Wasteful Expenditure
14 June 2017	A Department of Correctional Services consultation on Irregular, Fruitless and Wasteful Expenditure as well as Accruals continued

9. PRIOR MODIFICATIONS TO AUDIT REPORTS

Table 75: Prior Modifications to audit reports

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing/resolving the matter
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.	2014/15	The Procurement Unit has reviewed the Procurement Checklists for transactions between R1 to R30 000 and R30 001 to R500 000 to monitor processes undertaken and to serve as a mechanism to prevent and detect Irregular Expenditure
Money was expended on a contract without the approval by the relevant, authorised official as required by Treasury Regulation 8.2.1.	2015/16	Supply Chain Management Indaba was convened with all the regions to discuss the requisite procurement regulations to be adhered to
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 Regulations 8.2.3.	2016/17	Monitoring is effected by means of requesting monthly, payment audit download reports from BAS and extracting payment information for transactions having taken longer than 30 days, per responsibility and communicating exceptions to branches and regions for reasons regarding those instances of non-compliance

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing/resolving the matter
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 plans were not adequately implemented and operational as required by the Public Service Regulations 25(1), 25(3)(a) and (b) and 29	2014/15	The Department is in the process of automating reporting processes as indicated in the departmental APP for the 2017/18 financial year. This will assist in improving errors and duplication of services, as the current manual system in use often results in various material differences and errors pertaining to performance information, accordingly reported
Sufficient and appropriate audit evidence could not be obtained that some contracts were not awarded in accordance with the legislative requirements, as some bidding documents could not be provided for selected contracts duly audited	2016/17	A circular was issued providing guidelines on how best to manage bid documents
Some goods and services for transactions with a value above R500 000 were procured without inviting competitive bids, as required by Treasury Regulation 16A6.1	2016/17	A Supply Chain Management Indaba was hosted with the participation of all regions to discuss relevant procurement regulations to be adhered to. In addition, Bid Evaluation Committee members also signed verification certificates to confirm that they had verified information
Some contracts were extended without the approval of a properly delegated official as required by Treasury Regulation 8.2.2., section 44 of the PFMA	2016/17	A Supply Chain Management indaba was convened with all regions to discuss relevant procurement regulations accordingly to be adhered to

10. INTERNAL CONTROL UNIT

The following activities of the Internal Control Unit have relevance:

- The Internal Control Unit monitored the implementation of corrective action pertaining to a total of 373 findings raised during the 2016/17 financial year, and of which 51% (189/373) of the findings were resolved, while 45% (170/373) are being addressed and, 4% (14/373) not yet implemented;
- In an effort to improve the implementation rate on findings raised by AGSA, the Internal Control Unit conducted workshops to inform all branches and regions on how to improve the efficacy of controls and develop adequate and effective Audit Action plans. These workshops were facilitated on 11 September 2017, 11 October 2017 and 12th October 2017 respectively;
- The Internal Control Unit monitored findings raised by AGSA through the review of Tracking and Audit Action Plan registers on a monthly

basis. This information, among others, is analysed and evaluated for relevance, adequacy, and effectiveness and feedback on findings provided to components with a view to enhancing, further reviewing, or correcting issues based on the Internal Control Unit inputs;

- Regular meetings were convened with the AGSA in an effort to report on issues raised, address audit challenges, the submission of information and any other audit-related matters, such as resolved and/or unresolved findings status; and
- Unresolved matters were directly followed up with relevant components for progress updates and accordingly duly cleared on the basis of evidence supporting evidence provided for inspection.

The Internal Audit function of Department has been established in terms of section 38(1)(a)(ii) of the Public Finance Management Act (Act No. 1 of 1999 as amended) and the relevant Treasury Regulations. The function exists to assist the Department in the realisation of its objectives and mandate by bringing a systemic and

disciplined approach to evaluating and improving the effectiveness of risk management, internal control and good governance processes through independent, objective assurance and consulting services 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 limitations of scope were imposed by management regarding the Internal Audit function.

In an effort towards fulfilling its mandate, the Internal Audit function performed a number of audit assignments aimed at evaluating the adequacy and effectiveness of the Department's internal controls and provided recommendations for corrective action, where accordingly required and apparent. The following 19 audit projects, forming part of the Annual Internal Audit Plan and approved by the Audit Committee, were among the audits completed by the Internal Audit Unit during 2017/18:

- A review of Quarterly and Annual Financial Statements;
- A review of Performance Information reports;
- A review of Annual Performance Plan formulation and alignment;
- A review of In-year monitoring reports;
- A review of Occupation Specific Dispensation (OSD);
- A review of Fraud Prevention;
- An MPAT Review;
- A Financial Discipline and Contingent Liabilities review
- An audit of Policy Management;
- An audit of the Application Controls: Pharmacy System;
- An audit of the Integrated Inmates Management System - Implementation;

- An audit of the Integrated Inmates Management System - Post Implementation;
- An audit of Risk Management;
- An audit of Farming Activities: Plant and Animal;
- An audit of Leave Management;
- An audit of Inventory Management;
- An audit of Asset Management;
- An audit of Transfers made and received; and
- Numerous follow-up Audits, as and when required.

11. INTERNAL AUDIT

The Internal Audit function reports on its performance measured 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 in conjunction with section 3.1.2 of the Treasury Regulations.

The Audit Committee provides independent oversight regarding good governance, risk management and control processes applied within the Department. The responsibilities of the Audit Committee include providing oversight on:

- The 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 responses of management to specific recommendations;
- The effectiveness of the internal control system of the Department;
- The adequacy and effectiveness of requisite risk management frameworks, strategies, policies and procedures;
- The operational risk areas of the Department's to be covered in the scope of internal and external audits undertaken;

- The quality of in-year, ongoing management alongside monthly and quarterly reports submitted in terms of the PFMA and the Division of Revenue Act, including an evaluation of the Annual Financial Statements with a view to determining whether the latter are complete and consistent with the information made available to committee members and also assessing whether the financial statements reflect appropriate accounting principles;
- Any accounting and auditing concerns identified as result of audits undertaken by internal and external audit functionalities;
- The adequacy and effectiveness of the Corporate Governance of the ICT framework and related structures of the Department;
- The Department's compliance with legal and regulatory provisions; and
- Investigations of matters within its powers, as identified in the Audit Committee Charter.

Table 74: 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	9
*Ms. B Manzana	B. Juris, LLB, admitted Attorney	External	N/A	23/10/2014	N/A	9
Mr. B Ledwaba	BSc (Computer Science, BSc (Hons), MBA	External	N/A	28/10/2015	N/A	9

**Contract extended for 12 months*

12. AUDIT COMMITTEE REPORT

We are pleased to present this report for the financial year, as ended 31 March 2018.

Audit Committee Responsibility:

The Audit Committee 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 an 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.

The Effectiveness of Internal Control:

Based on the assurance provided by management and Internal Audit, as well as discussions with the 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 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 current performance management and reporting system to ensure quality reporting, which will further enhance delivery against strategies and plans.

The following audits were completed during the year under review:

Assurance Audits

- Supply Chain Management and Payments;
- Transfer Payments;
- Inventory Management: An MCS Readiness Review;
- Contingent Liabilities;
- Asset Management;
- Application Controls: The Pharmacy System;
- The Integrated Inmate Management System – An Implementation review;
- IT Service Management and Continuity;
- Compensation of Employees (OSD Review);
- Leave Management;
- Risk Management;
- Policy Management; and
- Follow-Up on the Audit Improvement Plan.

Reviews

- Quarterly In-Year Monitoring;
- Interim Financial Statements;
- Annual Financial Statements Review;
- Quarterly Performance Information;
- The Management Performance Assessment Tool (MPAT); and
- APP formulation and alignment.

Performance Audit

- Farming Activities: Plant and Animal - 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 provided by management, the Audit Committee identified the following concerns:
 - The Department's disciplinary processes are inadequate and have resulted in prolonged suspensions with pay;

- Long, outstanding investigations on irregular, fruitless and wasteful expenditure, have resulted in inadequate consequence management;
- There has been slight improvement in the achievement performance targets, however their alignment to budget remains a challenge;
- Inadequate progress made to improve the Information Technology General Controls environment. IT Service Management, IT project governance and the ICT Governance Framework has not been adequately implemented;
- The financial liability of the Department remains a concern due to the increase in accruals and payables compared to the 2016/17 financial year;
- Inadequate and ineffective controls regarding the management of assets and in respect of capital works in progress;
- The risk management process is inadequate and the function is not adequately capacitated.
- There is still a challenge regarding compliance with laws and regulations, as well as the regular review of policies;
- The controls on debtor's management were inadequate and ineffective, leading to an increased debtor's book;
- Although the Department is making significant strides in transforming the corrections environment, there is concern regarding service delivery on Rehabilitation and Health Care services; and
- The poor conditions and security at some of the correctional facilities remain a concern.

In addition the Audit Committee is displeased that the Internal Audit function did not complete the Annual Audit Plan as approved, due to leadership instability, staff competencies and capacity constraints.

In-Year Management and Monthly/Quarterly Report:

The Department has been reporting on a monthly and quarterly basis to Treasury as required by the PFMA. The Audit Committee is however, still concerned 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. We have noted material adjustments in the Annual Financial Statements resulting from the audit.

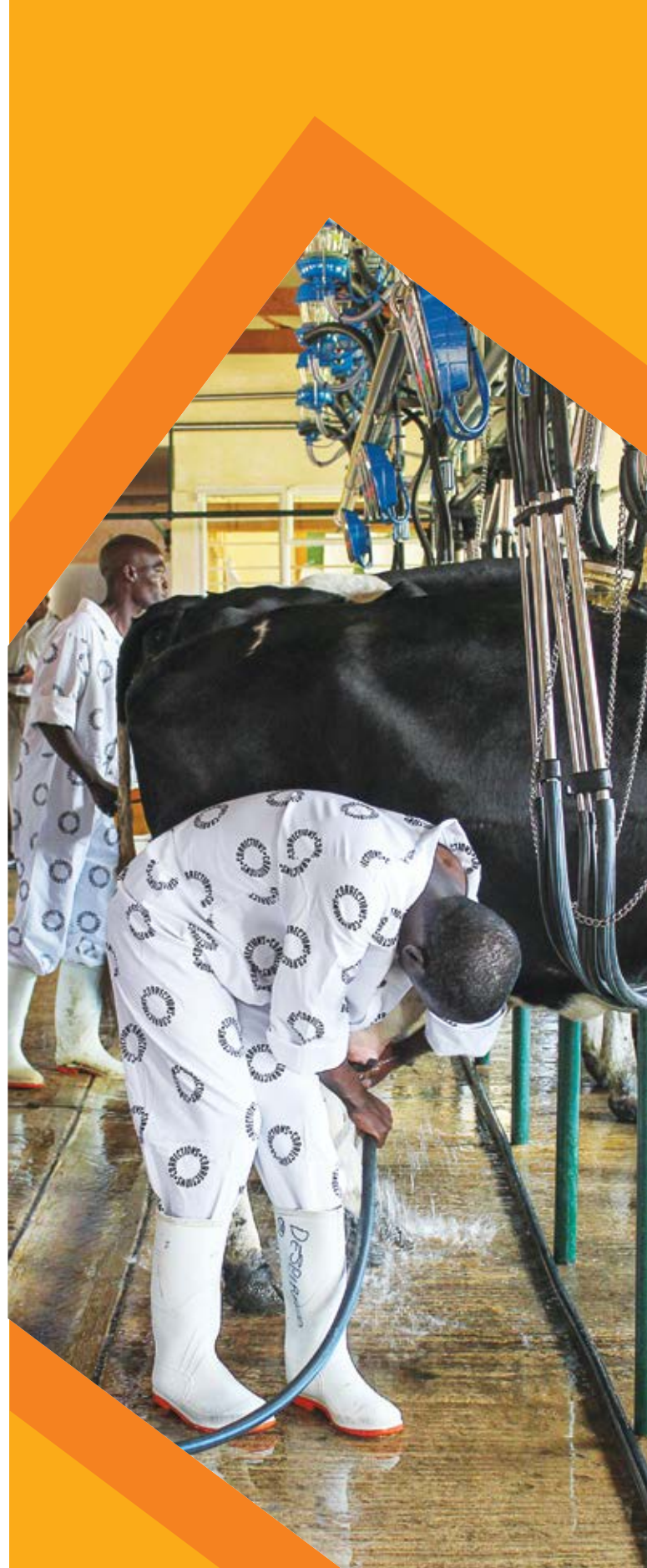
Auditor General's Report:

The Audit Committee is dissatisfied with management Action Plans. Consequently, there were repeat findings noted in the current year AGSA Management report.

The Audit Committee concurs with- 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 2018





PART D

HUMAN RESOURCE MANAGEMENT

PART D: HUMAN RESOURCE MANAGEMENT

1. INTRODUCTION

The reporting of information contained in this section of the Annual Report has been prescribed by the Minister for the Public Service and Administration for all departments located within the Public Service.

2. OVERVIEW OF HUMAN RESOURCES

As at 31 March 2018, the Department had a post establishment comprising of 41 462 positions of which 39 296 were filled, while 2 166 were vacant translating to a 5.2% vacancy rate. The filling of five critical SMS positions were finalised during the year under review and included the long-outstanding vacancies of Regional Commissioner for the Limpopo, Mpumalanga and North West regions, as well as Regional Commissioner for Gauteng and Deputy Commissioner: Supply Chain Management.

During the period under review, the Department implemented cost containment measures as a result of the reduction in the budget implemented by National Treasury. This invariably resulted in the reprioritisation of the filling of funded, vacant posts, which has since had a negative impact in the subsequent filling of vacancies. The number of filled SMS positions dropped from 182 during the 2016/17 financial year to 176 in the 2017/18 reporting period, while the overall number of positions filled within the Department increased from 39 259 post in the 2016/17 to 39 296 posts during the 2017/18 financial year.

The Department has noted that the number of permanent official terminating services has accordingly increased from 1 488 in the 2016/17 financial year to 2 468 resignations during the 2017/18 financial year, while there has been an increase in the number of permanent employees appointed in the Department

from 595 new appointees in 2016/7 to 1 253 during 2017/18. Resignations account for the highest number of terminations, with retirement the second highest thereafter.

Utilisation of leave has increased while sick and disability leave payments are also on the rise, as the end of the sick leave cycle has approached. The number of officials utilising capped leave including the number of days taken, has declined from the previous calendar year.

The Department has significantly improved the capacity of its pool of human resources through ongoing training interventions, with the annual performance target on compliance aligned to the Workplace Skills Plan, having been exceeded by 54%.

As part of professionalising the corrections work environment, the Department has developed two new occupational qualifications, comprising that of an Offender Release and Placement Practitioner and Correctional Officer. These have been registered with the South African Qualification Authority (SAQA) and will be effected as soon as learning materials have been developed.

The Department has furthermore also strengthened ethical conduct among its employees through the provision of relevant training on the departmental Code of Conduct to a total of 1 107 staff members during the reporting period under review.

All Employee Wellness Programmes in Department have been integrated under the auspices of the Chief Directorate: Integrated Employee Health and Wellness (IEHW) in an attempt to address unique challenges of the DCS with its distinct characteristics, culture, norms, stresses and values. Health in any work environment is often equated with productivity, which is achieved by meeting the goals of the organisation in a timeous and

cost effective manner. When problems arise regarding individual employees it invariably negatively impacts on the health and staff morale of the organisation as a whole, and vice versa.

To ensure a healthy and productive workforce, the Department has developed proactive programmes, strategies and interventions under the auspices of Integrated Employee Health and Wellness, which comprises of Occupational Health and Safety, the Employee Assistance Programme, HIV/Aids assistance, Bio-kinetics services, Sports and Recreation opportunities and facilities, as well as the Facilities Fund Management components.

Roll-out of the Integrated Employee Health and Wellness programme (IEHW) was conducted in six (6) Management Areas. The integrated roll out in Management Areas is a direct response to addressing employee and employer health rights and responsibilities as it provides platform for implementation and coordination in a synergistic manner by stressing the virtues of health as a priority for our workforce and is part of the DCS contribution to developing and maintaining a sustainable future through contributing and productive employees.

3. HUMAN RESOURCES OVERSIGHT STATISTICS

3.1 Personnel Related Expenditure:

The following tables summarise the final audited personnel-related expenditure by programme and salary bands. In particular, it focuses on the following aspects:

- The amount of funds expended on personnel
- The amount expended on personnel-related costs such as salaries, overtime, home-owner's allowances and medical aid.

Table 3.1.1 Personnel expenditure by programme for the period 1 April 2017 and 31 March 2018

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	3,912,772	3,080,071	157,768	-	66	74
Incarceration	13,949,901	9,633,654	-	-	69	231
Rehabilitation	1,695,311	1,269,550	-	-	70	30
Care	2,322,675	831,893	-	-	42	20
Social reintegration	907,919	798,291	-	-	93	19
Total	22,788,578	15,613,459	157,768	-	67	374

NB - The training expenditure for all programmes is budgeted for under the Programme: Administration

Table 3.1.2 Personnel costs by salary band for the period 1 April 2017 and 31 March 2018

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)	110	-	1	110
Skilled (level 3-5)	1,986,687	13.0	8 534	233
Highly skilled production (Levels 6-8)	9,170,845	59.9	23 395	392
Highly skilled supervision (Levels 9-12)	3,583,107	23.4	6 177	580
Senior and Top management (Levels 13-16)	228,870	1.5	212	1080
Contract (Levels 3-5)	158,493	1.0	1 197	132
Contract (Levels 6-8)	6,301	-	18	350
Contract (Levels 9-12)	81,249	0.5	166	489
Contract (Levels 13-16)	16,258	0.1	18	903
Periodical Remunerations	75,936	0.5	1 954	39
Abnormal Appointment	176	-	81	2
Total	15,308,032	100	41 753	367

NB: The table above reflects data as extracted from the PERSAL system only

Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2017 and 31 March 2018

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	2,223,589	80.7	6,907	0.3	52,582	1.9	153,940	5.6
Care	709,171	75.5	75,387	8	13,379	1.4	44,533	4.7
Incarceration	7,734,777	79.5	62,669	0.6	204,226	2.1	672,584	6.9
Rehabilitation	808,703	82	1,217	0.1	16,109	1.6	50,444	5.1
Social reintegration	715,654	80.3	1,503	0.2	19,362	2.2	55,221	6.2
Total	12,191,895	79.6	147,684	1	305,659	2	976,721	6.4

Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2017 and 31 March 2018

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)	81	74.3	-	-	28	25.7	18	16.5
Skilled (Levels 3-5)	1,569,140	79.0	12,105	0.6	49,385	2.5	144,271	7.3
Highly skilled production (Levels 6-8)	7,234,962	78.9	70,595	0.8	205,739	2.2	668,878	7.3
Highly skilled supervision (Levels 9-12)	2,867,754	80.0	64,696	1.8	48,334	1.3	161,245	4.5
Senior management (Levels 13-16)	192,513	84.1	10	-	2,096	0.9	2,178	1.0
Contract (Levels 3-5)	157,773	99.5	170	0.1	-	-	-	-
Contract (Levels 6-8)	6,083	96.5	-	-	-	-	-	-
Contract (Levels 9-12)	79,024	97.3	108	0.1	19	0.0	15	-
Contract (Levels 13-16)	14,624	90.5	-	-	59	0.4	117	0.7
Periodical Remuneration	69,688	91.8	-	-	-	-	-	-
Abnormal Appointment	176	100.0	-	-	-	-	-	-
Total	12,191,895	79.6	147,684	1.0	305,659	2.0	976,721	6.4

a. Employment and Vacancies:

The tables in this section summarise the position with regard to employment and vacancies for the period under review.

The following tables summarise the number of posts on the staff establishment, the number of employees, vacancy rate as well as whether there are any employees additional to the establishment. This information is presented in terms of three key variables:

- Programme;
- Salary band; and
- Critical occupations.

Table 3.2.1 Employment and vacancies by programme as on 31 March 2018

PROGRAMME	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administration	6 782	6 102	10.0	55
Care	2 024	1 823	9.9	53
Incarceration	27 980	27 139	3.0	33
Rehabilitation	2 455	2 189	10.8	65
Social reintegration	2 221	2 043	8.0	6
Total	41 462	39 296	5.2	212

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2018

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)	8 683	8 532	1.7	-
Highly skilled production (Levels 6-8)	25 129	24 352	3.1	1
Highly skilled supervision (Levels 9-12)	7 434	6 184	16.8	-
Senior management (Levels 13-16)	215	175	18.6	1
Contract (Levels 3-5)	-	31	-	95
Contract (Levels 6-8)	-	1	-	14
Contract (Levels 9-12)	-	19	-	89
Contract (Levels 13-16)	-	1	-	12
Total	41 462	39 296	5.2	212

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2018

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	35 442	34 397	2.9	34
Educationists	601	521	13.3	-
Medical practitioners	18	10	44.4	-
Pharmacists	52	41	21.2	52
Professional nurses	1 025	886	13.6	1
Psychologists and vocational counsellors	95	79	16.8	18
Social work and related professionals	638	595	6.7	50
Total	37 871	36 529	3.5	155

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 the advertising and filling of SMS posts, reasons for not complying with prescribed time-frames and disciplinary steps taken.

Table 3.3.1 SMS post information as on 31 March 2018

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	10	75	5	33
Salary Level 14	37	25	68	12	32
Salary Level 13	160	140	88	20	13
Total	215	176	81	39	18

Table 3.3.2 SMS post information as on 30 September 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	7	47
Salary Level 14	37	28	76	9	24
Salary Level 13	160	145	91	15	9
Total	215	182	85	33	15

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2017 and 31 March 2018

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	1	-	-
Salary Level 15	1	2	2
Salary Level 14	6	-	1
Salary Level 13	6	1	1
Total	14	3	4

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 2017 and 31 March 2018

REASONS FOR VACANCIES NOT ADVERTISED WITHIN SIX MONTHS

Following the decision by the National Treasury to reduce the baseline, the compensation of employees' budget had to be reprioritised thus resulting in the delays in the advertisement and filling of posts.

REASONS FOR VACANCIES NOT FILLED WITHIN TWELVE MONTHS

Following the decision by the National Treasury to reduce the baseline, the compensation of employees' budget had to be reprioritised thus resulting in the delays in the advertisement and filling of posts.

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 2017 and 31 March 2018

REASONS FOR VACANCIES NOT ADVERTISED WITHIN SIX MONTHS
None

REASONS FOR VACANCIES NOT FILLED WITHIN SIX MONTHS
None

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 up- or downgraded.

Table 3.4.1 Job Evaluation by Salary band for the period 1 April 2017 and 31 March 2018

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)	8 901	-	-	-	-	-	-
Highly skilled production (Levels 6-8)	25 359	-	-	-	-	-	-
Highly skilled supervision (Levels 9-12)	6 986	-	-	-	-	-	-
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	41 462	-	-	-	-	-	-

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

Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2017 and 31 March 2018

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

The following table summarises the number of instances in respect of which remuneration bands exceeded the grade determined by job evaluation reviews. 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 2017 and 31 March 2018

OCCUPATION	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Human resource related	1	11	12	Counter offer
Human resource related	1	9	11	Counter offer
Total	2	20	23	
Total number of employees whose salaries exceeded the level determined by job evaluation				2
Percentage of total employed				0.01

The following table summarises beneficiaries indicated 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 2017 and 31 March 2018

BENEFICIARIES	African	Asian	Coloured	White	Total
Female	2	-	-	-	2
Male	-	-	-	-	-
TOTAL	2	-	-	-	2
Employees with a Disability	-	-	-	-	-
Percentage of Total Employment					-

3.2 Employment Changes:

This section provides information on changes in employment during the financial year. Turn-over rates provide an indication regarding trends in the employment profile of the Department. The following tables provide a summary of turn-over rates by salary band and critical occupations (refer to the definition provided in the notes below).

Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2017 and 31 March 2018

SALARY BAND	Number of employees at beginning of period - 1 April 2017	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)	7 645	1 044	93	1.2
Highly skilled production (Levels 6-8)	27 011	105	687	2.5
Highly skilled supervision (Levels 9-12)	4 388	102	409	9.3
Senior Management Service Bands A	148	-	8	5.4
Senior Management Service Bands B	29	2	5	17.2
Senior Management Service Bands C	8	-	1	12.5
Senior Management Service Bands D	2	-	1	50.0
Contracts (Levels 3-5)	265	93	1 122	423.4
Contracts (Levels 6-8)	16	3	5	31.3
Contracts (Levels 9-12)	103	125	130	126.2
Contract (Levels 13-16)	18	5	7	38.9
Total	39 634	1 479	2 468	6.2

Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2017 to 31 March 2018

CRITICAL OCCUPATION	Number of employees at beginning of period - April 2017	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Custodian and Security personnel	34 560	1 143	1 980	5.7
Educationists	515	18	13	2.5
Medical practitioners	9	2	1	11.1
Pharmacists	84	56	47	55.9
Professional nurse	891	69	73	8.1
Psychologists and vocational counsellors	108	25	36	33.3
Social work and related professionals	646	16	22	3.4
Total	36 813	1 329	2 172	5.9

The table below identifies the major reasons for staff leaving the Department.

Table 3.5.3 Reasons why staff left the Department for the period 1 April 2017 to 31 March 2018

TERMINATION TYPE	Number	% of Total Resignations
Death	175	7.1
Resignation	494	20
Expiry of contract	1 209	49
Transfers	75	3
Discharged due to ill health	32	1.3
Dismissal/-misconduct	128	5.2
Retirement	355	14.4
TOTAL	2 468	100
Number of employees who left as a % of total employment		6.2

Table 3.5.4 Promotions by critical occupation for the period 1 April 2017 to 31 March 2018

OCCUPATION	Employees 1 April 2017	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	34 560	161	0.3	11 497	33.3
Educationists	515	7	1.4	356	69.1
Medical practitioners	9	-	-	5	55.6
Pharmacists	84	-	-	19	22.6
Professional nurses	891	26	2.9	247	27.7
Psychologists and vocational counsellors	108	4	-	47	43.5
Social work and related professionals	646	9	0.3	166	25.7
Total	36 813	208	0.6	12 337	33.5

Table 3.5.5 Promotions by salary band for the period 1 April 2017 to 31 March 2018

SALARY BAND	Employees 1 April 2017	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	-	-	1	100
Skilled (Levels 3-5)	7 645	66	0.9	1 876	24.5
Highly skilled production (Levels 6-8)	27 011	67	0.2	9 754	36.1
Highly skilled supervision (Levels 9-12)	4 388	168	3.8	2 500	57
Senior Management (Levels 13 – 16)	187	3	1.6	102	54.5
Contracts (level 3-5)	265	-	-	-	-
Contracts (level 6-8)	16	-	-	-	-
Contracts (level 9-12)	103	-	-	-	-
Contracts (level 13-16)	18	-	-	-	-
Total	39 634	304	0.8	14 233	36.3

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 2018

OCCUPATIONAL CATEGORY	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	86	10	6	8	68	8	1	2	189
Professionals	564	53	13	51	1 068	151	34	117	2 051
Technicians and associate professionals	658	152	25	333	1 098	207	28	194	2 695
Clerks	1 544	204	28	183	1 376	131	25	87	3 578
Service and sales workers	15 191	2 921	375	2 668	7 773	1 231	141	305	30 605
Craft and related trades workers	237	46	3	52	50	2	-	-	390
Total	18 280	3 386	450	3 295	11 433	1 730	229	705	39 508
Employees with disabilities	133	22	3	31	90	9	2	6	296

Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2018

OCCUPATIONAL BAND	Female				Male				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	2	-	1		7	-	-	1	11
Senior Management	60	8	-	2	72	10	6	7	165
Professionally qualified and experienced specialists and mid-management	1 590	208	41	255	2 085	592	141	1 267	6 179
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	6 047	1 037	124	338	1 2304	2 327	254	1 927	24 358
Semi-skilled and discretionary decision-making	3 645	461	51	85	3 741	452	46	81	8 562
Unskilled and defined decision making	-	-	-	-	1	-	-	-	1
Contract (Senior Management)	6	-	-	-	7	-	-	-	13
Contract (Professionally qualified)	20	7	12	25	25	5	3	11	108
Contract (Skilled Technical)	6	1	-	-	8	-	-	-	15
Contract (Semi-skilled)	57	8	-	-	30	-	-	1	96
Total	11 433	1 730	229	705	18 280	3 386	450	3 295	39 508
Employees with disabilities	90	9	2	6	133	22	3	31	296

Table 3.6.3 Recruitment for the period 1 April 2017 to 31 March 2018

OCCUPATIONAL BAND	Female				Male				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	-	-	-	-	-	-	-	-	-
Senior Management	-	-	-	-	1	-	1	-	2
Professionally qualified and experienced specialists and mid-management	46	8	-	3	40	3	-	2	102
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	48	4	1	-	46	4	-	2	105
Semi-skilled and discretionary decision making	428	63	3	8	459	73	2	8	1 044
Contract (Senior Management) contract	2	-	-	-	2	-	-	1	5
Contract (Professionally qualified) contract	29	6	12	24	34	8	3	9	125
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	1	1	-	-	1	-	-	-	3
Contract (Semi-skilled), contract	29	5	-	-	45	13	-	1	93
Total	583	87	16	35	628	101	6	23	1 479
Employees with disabilities	3	1	-	-	3	1	-	-	8

Table 3.6.4 Promotions for the period 1 April 2017 to 31 March 2018

OCCUPATIONAL BAND	Female				Male				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	-	1	-	-	-	1	-	-	2
Senior Management	-	-	-	-	-	1	-	-	1
Professionally qualified and experienced specialists and mid-management	4	64	4	14	2	58	3	19	168
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	-	32	-	5	2	21	1	6	67
Semi-skilled and discretionary decision making	9	9	1	1	42	3	1	-	66
Unskilled and defined decision making	-	-	-	-	-	-	-	-	-
Total	13	106	5	20	46	84	5	25	304
Employees with disabilities	-	-	-	1	-	2	-	1	4

Table 3.6.5 Terminations for the period 1 April 2017 to 31 March 2018

OCCUPATIONAL BAND	Female				Male				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	-	-	-	-	1	-	-	-	1
Senior Management	2	-	-	-	9	2	1	-	14
Professionally qualified and experienced specialists and mid-management	83	8	18	1	165	34	98	2	409
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	124	10	17	-	405	60	65	6	687
Semi-skilled and discretionary decision making	26	1	3	3	50	6	3	1	93
Unskilled and defined decision making	2	-	-	-	3	1	1	-	7
Contract (Senior Management)	32	6	30	12	33	6	10	1	130
Contract (Professionally qualified)	2	1	-	-	2	-	-	-	5
Contract (Skilled technical)	442	69	5	2	502	90	8	2	1 120
Contract (Semi-skilled)	2	-	-	-	-	-	-	-	2
Total	715	95	73	18	1 170	199	186	12	2 468
Employees with Disabilities	7	-	-	-	2	4	-	-	13

Table 3.6.6 Disciplinary action for the period 1 April 2017 to 31 March 2018

DISCIPLINARY ACTION	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Correctional counselling	244	95	2	31	64	18	1	6	461
Verbal warning	677	119	10	60	174	30	8	10	1 088
Written warning	641	115	11	59	143	29	3	6	1 007
Final written warning	439	75	13	34	71	10	2	4	648
Suspended without pay	75	7	1	4	1-	2	-	-	99
Fine	-	-	-	-	-	-	-	-	-
Demotion	-	-	-	-	-	-	-	-	-
Dismissal	88	12	3	4	14	4	-	3	128
Not guilty	86	8	1	7	17	3	-	-	122
Case withdrawn	47	4	-	3	6	-	-	-	60
No outcome	170	15	3	7	37	1	1	-	234
Total	2 467	450	44	209	536	97	15	29	3 847

Table 3.6.7 Skills development for the period 1 April 2017 to 31 March 2018

OCCUPATIONAL CATEGORY	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	3	3	1	2	2	1	1	1	14
Professionals	66	25	38	56	68	18	52	54	377
Technicians and associate professionals	134	49	19	59	96	27	57	36	477
Clerks	312	123	27	35	107	38	23	15	680
Service and sales workers	5 752	1 903	776	2 506	4 046	1 347	768	2 259	19 357
Skilled agriculture and fishery workers	-	-	-	-	-	-	-	-	-
Craft and related trades workers	49	10	5	9	7	6	3	6	95
Plant and machine operators and assemblers	-	-	-	-	-	-	-	-	-
Total	6 316	2 113	866	2 667	4 326	1 437	9 04	2 371	21 000
Employees with disabilities	18	11	7	6	35	6	15	7	105

3.7 Signing of Performance Agreements by SMS Members:

All members of the SMS must finalise and sign performance agreements within specified time-frames. Information regarding the signing of these performance agreements by SMS members, the reasons for non-compliance within the prescribed time-frames and disciplinary steps accordingly taken is presented here-after.

Table 3.7.1 Signing of Performance Agreements by SMS members as on 31 May 2017

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	8	80
Salary Level 14	37	25	22	88
Salary Level 13	160	140	132	95
Total	215	176	162	92

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

REASONS
Non-compliance due to late signing after 31 May 2017 (excluding SMS members appointed after 31 May 2017)
In terms of Chapter 4 of the SMS Handbook, newly appointed SMS members have a period of three months within which to sign performance agreements
Non-compliance due to performance agreements not having been signed by the end of the financial year

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 have been issued.

3.8 Performance Rewards:

In an effort to encourage good performance, the Department granted the following performance rewards to employees during the year under review. The information is presented in terms of race, gender, disability, salary bands and critical occupations (refer to the definition provided in notes below).

Table 3.8.1 Performance Rewards by race, gender and disability for the period 1 April 2017 to 31 March 2018

RACE AND GENDER	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African	13 584	29 713	45.7	70,921	5,221
Male	8 265	18 280	45.2	43,879	5,309
Female	5 319	11 433	46.5	27,042	5,084
Asian	363	679	53.5	2,259	6,223
Male	233	450	51.8	1,536	6,592
Female	130	229	56.8	723	5,561
Coloured	2 554	5 116	49.9	14,516	5,683
Male	1 660	3 386	49	9,892	5,959
Female	894	1 730	51.7	4,624	5,172
White	2 065	4 000	51.6	14,645	7,092
Male	1 625	3 295	49.3	11,671	7,182
Female	440	705	62.4	2,974	6,759
Employees with a disability	130	296	43.9	693	5,330
Total	18 566	39 508	47	102,341	5,512

Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2017 to 31 March 2018

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)	2 612	8 532	30.6	8,229	3,150	0.1
Highly skilled production (Levels 6-8)	12 593	24 353	51.7	65,559	5,206	0.4
Highly skilled supervision (Levels 9-12)	3 359	6 184	54.3	28,531	8,493	0.2
11 Contract (Levels 3-5)	-	126	-	-	-	-
12 Contract (Levels 6-8)	-	15	-	-	-	-
13 Contract (Levels 9-12)	2	108	1.9	22	11,000	-
Total	18 566	39 319	47.2	102,341	5,512	0.7

Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2017 to 31 March 2018

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	15 550	34 431	45.2	80,916	5,203
Educationists	267	521	51.2	1,785	6,685
Medical practitioners	5	10	50	109	21,800
Pharmacists	22	93	23.7	251	11,409
Professional nurses	442	887	49.9	3,676	8,316
Psychologists and vocational counsellors	35	97	36	520	14,857
Social work and related professionals	308	645	47.8	2,107	6,840
Total	16 629	36 684	45.3	89,364	5,373

Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2017 to 31 March 2018

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	-	140	-	-	-	-
Band B	-	25	-	-	-	-
Band C	-	10	-	-	-	-
Band D	-	1	-	-	-	-
Contract B and A	-	10	-	-	-	-
Contract B and B	-	3	-	-	-	-
Total	-	189	-	-	-	-

3.9 Foreign Workers:

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

Table 3.9.1 Foreign workers by salary band for the period 1 April 2017 and 31 March 2018

SALARY BAND	01-Apr-17		31-Mar-18		Change	
	Number	% of total	Number	% of total	Number	% Change
Highly skilled production (Lev. 6-8)	3	19.0	3	17.6	-	-
Highly skilled supervision (Levels 9-12)	1	6.0	1	5.9	-	-
Periodical Remuneration	12	75.0	13	76.5	1	100
Total	16	100	17	100	1	100

Table 3.9.2 Foreign workers by major occupation for the period 1 April 2017 and 31 March 2018

MAJOR OCCUPATION	01-Apr-17		31-Mar-18		Change	
	Number	% of total	Number	% of total	Number	% Change
National security and custodian personnel	7	44	8	47.1	1	100
Professionals and managers	8	50	8	47.1	-	-
Service workers	1	6	1	5.9	-	-
Total	16	100	17	100	1	100

3.10 Leave Utilisation:

The Public Service Commission identified a need for the careful monitoring of sick leave within the Public Service. The following tables provide an indication regarding the utilisation of sick 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 2017 to 31 December 2018

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)	12	25.0	4	-	3	6
Skilled (Levels 3-5)	75 022	70.1	10 371	24.5	7	57,897
Highly skilled production (Levels 6-8)	216 170	71.8	24 665	58.2	9	275,575
Highly skilled supervision (Levels 9 -12)	43 635	75.6	5 572	13.1	8	89,783
Senior management (Levels 13-16)	1 207	80.6	178	0.4	7	4,788
Contract (Level 3-5)	5 401	65.1	1 393	3.3	4	3,564
Contract (Level 6-8)	97	53.6	16	-	6	137
Contract (Level 9-12)	1 322	68.3	176	0.4	8	2,799
Contract (Level 13-16)	83	74.7	14	-	6	329
Total	342 949	71.8	42 389	100	8	434,878

Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2017 to 31 December 2017

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)	8 223	100	269	15.3	31	6,401
Highly skilled production (Levels 6-8)	50 523	100	1 185	67.3	43	67,051
Highly skilled supervision (Levels 9-12)	11 588	100	287	16.3	40	24,196
Senior management (Levels 13-16)	144	100	8	0.5	18	534
Contract (Levels 3-5)	429	100	11	0.6	39	287
Contract (Levels 6-8)	-	-	-	-	-	-
Contract (Levels 9-12)	33	100	1	0.1	33	82
Total	70 960	100	1 762	100.0	40	98,632

Table 3.10.3 Annual Leave for the period 1 January 2017 to 31 December 2017

SALARY BAND	Total days taken	Average Days per Employee	Number of Employees who took leave
Lower skilled (Levels 1-2)	58	4	14
Skilled (Levels 3-5)	177 778	12	15 376
Highly skilled production (Levels 6-8)	706 551	25	28 004
Highly skilled supervision (Levels 9-12)	157 091	24	6 533
Senior management (Levels 13-16)	5 386	23	236
Contract (Levels 3-5)	15 730	7	2 228
Contract (Levels 6-8)	251	15	17
Contract (Levels 9-12)	3 064	15	198
Contract (Levels 13-16)	265	13	20
Total	1 066 173	20	52 626

Table 3.10.4 Capped leave for the period 1 January 2017 to 31 December 2017

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 2018
Lower skilled (Levels 1-2)	-	-	-	-
Skilled (Levels 3-5)	6	2	3	9
Highly skilled production (Levels 6-8)	3 120	474	7	25
Highly skilled supervision (Levels 9-12)	2 468	245	10	49
Senior management (Levels 13-16)	180	16	11	53
Total	5 774	737	8	33

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

Table 3.10.5 Leave pay outs for the period 1 April 2017 and 31 March 2018

REASON	Total amount (R'000)	Number of employees	Average per employee (R'000)
Leave pay-outs for 2017/18 due to non-utilisation of leave during the previous cycle	440	20	22
Capped leave pay-outs on termination of service for 2017/18	76,232	1 093	69
Current leave pay-outs on termination of service for 2017/18	1,590	104	15
Total	78,262	1 217	64

3.11 HIV/AIDS and 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 AND 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 (859) vaccinated against Hepatitis A and B
<ul style="list-style-type: none"> ▪ Dog handlers and trainers ▪ Horse riders 	<ul style="list-style-type: none"> ▪ Officials (119) vaccinated against Rabies infections

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
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		<p>Employee Health and Wellness:</p> <ul style="list-style-type: none"> ▪ 1 x Director; ▪ 3 x Deputy Directors; ▪ 6 x Assistant Directors; ▪ 42 Employee Assistance Program's (EAP) ▪ 6 Employee Assistance Program (EAP) Regional Co-ordinators; and ▪ 6 Sport Co-ordinators. <p>There is one national HIV/AIDS Coordinator at ASD Level There is no dedicated budget for HIV/AIDS Budget: R1 041 000</p> <p>Occupational Health and Safety Directorate</p> <ul style="list-style-type: none"> ▪ 1 x Director (vacant not funded); ▪ 1 x Deputy Director; ▪ 2 x Assistant Directors; and ▪ 6 Regional Co-ordinators. <p>Budget: R9 160 000</p>

QUESTION	Yes	No	Details, if yes
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>The Employee Assistance Programme (EAP) within the Department is an on-site based programme which covers four fundamental areas serviced by 42 trained professionals: For the 2017/18 financial year:</p> <ul style="list-style-type: none"> ▪ Therapeutic services emphasising short-term counselling and an effective referral system (number of employees consulted: 1 424) ▪ Wellness programmes reached 47 357 employees and focused on aerobics management, human settlements, fun walks, alcohol and drug management, hypertension, child protection, marriage counselling and trauma debriefing, child maintenance, health and fitness, domestic violence, men's health, condom distribution, will and testament management, bullying at the workplace, relaxation, team-building, conflict resolution, activism and prayer services, health and cancer screening, career guidance, physical health, bereavement, debriefing and education ▪ Training programmes reached 4 548 employees and focused on supervisory and management training, deceased estate management, TB infection and prevention, conflict management, absenteeism management, stress management, trauma management, sexual harassment in the workplace, marriage enrichment, domestic violence, healthy eating and neck and back pain, retirement, burn-out and depression, child abuse and protections, work-life balance ▪ Marketing and Information sharing of the programme reached 36 061 employees
4. Has the Department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent	X		<ul style="list-style-type: none"> ▪ The Terms of Reference for the committee has been approved ▪ The TOR is being consulted and accordingly marketed with the regions during roll-out processes
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"> ▪ Four wellness policies have been forwarded for approval ▪ The HIV/AIDS, STI's and TB management policy addresses unfair discrimination ▪ The other policies are the Equity and Gender Policies and the Recruitment, Transfers and Terminations Policies
6. Has the Department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures	X		<ul style="list-style-type: none"> ▪ The measures are guided by the following codes and policies namely the Code of Conduct, the Integrated Employee Health and Wellness Policy and Procedures, the Equity and Gender Policy, the Basic Conditions of Employment Act and the Constitution of South Africa ▪ Any contravention against the above codes and policies is addressed through the DCS Disciplinary Policy and Procedure manual ▪ The following principles from the Integrated Employee Health and Wellness Policy has relevance: ▪ Every employee has a right to confidentiality non-disclosure and privacy regarding their health status and medical records; and ▪ Health and wellness professionals and practitioners must be impartial and neutral.

QUESTION	Yes	No	Details, if yes
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 954 employees participated in HCT (HIV Counselling and Testing) Testing ▪ A total of 2 163 employees were screened for TB ▪ 956 employees were reached during HIV/AIDS, TB and STI presentations, including chronic illness such as cancer ▪ A total of 200 female employees participated in cervical cancer screenings and a total of 134 male employees participated in prostate cancer screenings
8. Has the Department developed measures/indicators to monitor and 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 an HIV/AIDS monitoring tool which is aligned to the DPSA reporting tool to measure the impact of HIV promotion programmes ▪ The indicators are: <ul style="list-style-type: none"> ▪ The number of officials who tested for HIV Counselling and Testing (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.

3.12 Labour Relations:

Table 3.12.1 Collective agreements for the period 1 April 2017 and 31 March 2018

TOTAL NUMBER OF COLLECTIVE AGREEMENTS	None
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The following table summarises the outcome of disciplinary hearings conducted within the Department for the year under review.

Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2017 and 31 March 2018

OUTCOMES OF DISCIPLINARY HEARINGS	Number	% of total
Correctional counselling	461	12.0
Verbal warning	1 088	28.3
Written warning	1 007	26.2
Final written warning	648	16.8
Suspended without pay	99	2.6
Fine	-	-
Demotion	-	-
Dismissal	128	3.3
Not guilty	122	3.2
Case withdrawn	60	1.6
No outcome	234	6.1
Total	3847	100

Notes: No outcome was added to the template.

TOTAL NUMBER OF DISCIPLINARY HEARINGS FINALISED	3 613
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Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2017 and 31 March 201

TYPE OF MISCONDUCT	Number	% of total
Fails to comply with, or contravenes an Act, regulation or legal obligation	593	14.4
Mismanages the finances of the State	8	0.2
Without permission, possesses or wrongfully uses the property of the State, another employees' and/or that of a visitor	13	0.3
Misuses/abuses movable/immovable property of the State	26	0.6
Causing damage to and or causing loss of state property	92	2.2
Endangers the lives of self or others by disregarding safety rules or regulations	15	0.4
Prejudicing the administration, discipline or efficiency of a Department, offices or institutions of the State	171	4.1
Misusing position in the Department to promote or to prejudice the interest of any political party, organisation, company or individual	-	-
Theft, bribery, fraud, corruption or any combination thereof	56	1.4
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	-	-
Fails to carry out a lawful order or routine instruction without just or reasonable cause	329	8.0
Absence or repeated absence from work without a valid reason or permission	992	24.0
Commits an act of sexual harassment	12	0.3
Discriminates on the basis of race, gender, disability, sexuality or other grounds outlawed by the Constitution	3	0.1
Poor or inadequate performance for reasons other than incapacity	41	1.0
Dereliction of duties	528	12.8
Allowing a disciplinary hearing to fall away (Clause 7.3.2 of the Procedure)	5	0.1
Performs work for compensation in a private capacity for another person or organisation either during, or outside working hours without written approval	-	-
Breaches the conditions pertaining to authorised private work	-	-
Sleeping on duty	34	0.8
While on duty, is under the influence of an intoxicating, illegal, unauthorised, habit-forming and/or a stupefying drug, including alcohol	68	1.6
Being in possession of alcohol in the workplace.	1	0.0
Being in possession of illegal, unauthorised, habit-forming and/or a stupefying drug on departmental premises	59	1.4
Permitting an offender to take alcohol or any prohibited drug or to have these substances in his/her possession	14	0.3
While on duty, conducting herself or himself in an improper, disgraceful and unacceptable/unprofessional manner	104	2.5
Contravention of the Department's Code of Conduct	207	5.0
Assault, attempt or threatens to assault, another employee or person while on duty.	97	2.3
Incites other personnel towards procedural and unlawful conduct	27	0.7
Displays disrespect towards others in the workplace or demonstrates abusive or insolent behaviour	31	0.8
Intimidation or victimisation of fellow employees or other persons	6	0.1
Prevents/forces other employees from belonging/not belonging to any trade union or employee organisation	2	-
Operates any money lending scheme for employees for own benefit, during working hours within the workplace	-	-

TYPE OF MISCONDUCT	Number	% of total
Carries or keeps firearms or other dangerous weapons within the workplace, without the written authorisation of the employer	-	-
Misuse of firearms and/or other dangerous weapons within the workplace	190	4.6
Breaching of security measures.	342	8.3
Furnishing of false statements or evidence in the execution of his or her duties	20	0.5
Falsification of records or any other documentation	18	0.4
Participation in un-procedural, unprotected and/or unlawful industrial action	20	0.5
Committing a common law or statutory offence while on duty and/or on a State premises	8	0.2
Total	4132	100

Table 3.12.4 Grievances logged for the period 1 April 2017 and 31 March 2018

GRIEVANCES	Number	% of Total
Number of grievances finalised	755	73,1
Number of grievances pending	278	26,9
Total number of grievances lodged	1 033	100

Table 3.12.5 Disputes logged with Councils for the period 1 April 2017 and 31 March 2018

DISPUTES	Number	% of Total
Number of disputes upheld	104	40,9
Number of disputes dismissed	150	59,1
Total number of disputes lodged	254	100

Table 3.12.6 Strike actions for the period 1 April 2017 and 31 March 2018

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

Table 3.12.7 Precautionary suspensions for the period 1 April 2017 and 31 March 2018

Number of people suspended	342
Number of people whose suspension exceeded 30 days	205
Average number of days suspended	70.5
Cost of suspension(R'000)	R12,118

3.13 Skills Development:

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

Table 3.13.1 Training needs identified for the period 1 April 2017 and 31 March 2018

OCCUPATIONAL CATEGORY	Gender	Number of employees as at 1 April 2017	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	82	0	5	0	5
	Male	123	0	9	0	9
Professionals	Female	1 356	0	142	50	192
	Male	658	0	123	62	185
Technicians and associate professionals	Female	1 587	0	171	45	216
	Male	1 222	0	201	60	261
Clerks	Female	1 588	0	153	30	183
	Male	2 030	0	412	85	497
Service and sales workers	Female	9 186	397	7 490	930	8 420
	Male	21 406	635	10 117	820	10 937
Craft and related trades workers	Female	49	0	12	10	22
	Male	347	0	50	23	73
Total		39 634	2 064	18 885	2 115	21 000

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

Table 3.13.2 Training provided for the period 1 April 2017 and 31 March 2018

OCCUPATIONAL CATEGORY	Gender	Number of employees as at 1 April 2017	Training provided within the reporting period			
			Learnership	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	82	0	158	106	264
	Male	123	0	229	84	313
Professionals	Female	1 356	0	1 109	234	1 343
	Male	658	0	427	189	616
Technicians and Associate Professionals	Female	1 587	0	920	555	1 475
	Male	1 222	0	908	283	1 191
Clerks	Female	1 588	0	502	885	1 387
	Male	2 030	0	464	1 485	1 949
Services and Sales workers	Female	9 186	0	6 177	1 608	7 785
	Male	21 406	0	12 915	2 770	15 685
Crafts and Trade Related Workers	Female	49	0	31	11	42
	Male	347	0	223	115	338
TOTAL		39 634	0	24 063	8 325	32 388

3.14 Injury on Duty:

The following table provides basic information pertaining to injuries on duty.

Table 3.14.1 Injury on duty for the period 1 April 2017 and 31 March 2018

NATURE OF INJURY ON DUTY	Number	% of total
Required basic medical attention only	95	39.9
Temporary total disablement	139	58.4
Permanent disablement	0	0
Fatal	4	1.7
Total	238	100

3.15 Utilisation of Consultants:

The following tables relate to information regarding the utilisation of consultant services within the Department.

Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2017 and 31 March 2018

PROJECT TITLE	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
None	None	None	None

TOTAL NUMBER OF PROJECTS	Total individual consultants	Total duration Work days	Total contract value in Rand
0	0	0	0

Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2017 and 31 March 2018

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

Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2017 and 31 March 2018

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 2017 and 31 March 2018

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 2017 and 31 March 2018

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 129 to 224 which comprise the appropriation statement, the statement of financial position as at 31 March 2018, 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 effects of the matter 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 2018 and its financial performance and cash flows for the year then ended, in accordance with the Modified Cash Standard (MCS) and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA).

Basis for qualified opinion

Commitments

3. The department did not maintain accurate and complete records of the contractual information used to determine commitments. This resulted in commitments being understated by R329,704,671. In addition, I was unable to obtain sufficient appropriate audit evidence for the amounts disclosed. I could not confirm the commitments by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to commitments stated at R2,284,084,000 in the financial statements.

Context for the opinion

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 this auditor's 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) and 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. With reference to note 20 to the financial statements, contingent liabilities, the department is the defendant in various law suits. The ultimate outcome of these matters cannot presently be determined and no provision for any liability that may result has been made in the financial statements.

Accruals and payables not recognised

9. With reference to note 22 to the financial statements, payables, which exceed the payment term of 30 days as required in treasury regulation 8.2.3 amount to R281,629,000. This amount, in turn, exceeds the voted funds to be surrendered of R26,015,000 as per the statement of financial performance. The amount of R255,614,000 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 36 to the financial statements, the corresponding figures for 31 March 2017 were restated as a result of an error in the financial statements of the department at, and for the year ended 31 March 2018.

Other matters

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

Unaudited supplementary schedules

12. The supplementary information set out on pages 225 to 237 does not form part of the financial statements and is prepared as additional information. I have not audited these schedules and, accordingly, I do not express an opinion on them.

Responsibilities of the accounting officer for the financial statements

13. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS and the requirements of the 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 the accounting officer either intends to liquidate the department or to cease operations, or has 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 the 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 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 this 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/measures 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 2018:

Programmes	Pages in the annual performance report
Programme 2 – incarceration	54-62
Programme 5 – social reintegration	75-80

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 findings in respect of the usefulness and reliability of the selected programme are as follows:

Programme 2 – Incarceration

Percentage of overcrowding in correctional centers 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 38% ((45 406/118 723) (numerator of excess number of inmates and denominator of approved accommodation)). 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 38% (45 406/118 723).

Programme 5 – Social reintegration

23. I did not raise any material findings on the usefulness and reliability of the reported performance information for 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 pages 54 to 62, 63 to 70, 71 to 74, 75 to 80 for information on the achievement of planned targets for the year and explanations provided for the under/over achievement of a significant number of targets. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information in paragraph(s) 22 to 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 programme 2: incarceration and programme 5: social reintegration as management subsequently corrected some of the misstatements I raised material findings on the usefulness and reliability of the reported performance information. Those that were not corrected are reported above.

REPORT ON THE 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 on compliance with specific matters in key legislations are as follows:

Annual financial statements

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. Material misstatements of immovable capital work-in-progress, identified by the auditors in the submitted financial statements were corrected and the supporting records were provided subsequently, however the uncorrected material misstatements of commitments resulted in the financial statements receiving a qualified opinion.

Expenditure management

30. Effective and appropriate steps were not taken to prevent irregular expenditure amounting to R1 897 186 000 as disclosed in note 26 to the annual financial statements, as required by section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1. The majority of the irregular expenditure was caused by non-compliance with supply chain regulations.
31. Some payments were not made within 30 days or an agreed period after receipt of an invoice, as required by treasury regulation 8.2.3.

Strategic planning and performance management

32. Specific information systems were not established to enable the monitoring of progress made towards achieving targets as required by public service regulation 25(1)(e)(i) and (iii).

Procurement and contract management

33. Some of the goods and services of a transaction value above R500 000 were procured without inviting competitive bids, as required by treasury regulations 16A6.1 and 16A6.4. Similar non-compliance was also reported in the prior year.
34. In some instances, persons in service of the department who had a private or business interest in contracts awarded by the department failed to disclose such interest, as required by treasury regulation 16A8.4 similar non-compliance was reported in the previous year and disciplinary action was not taken against the officials involved.
35. In some instances, persons in service of the department whose close family members, partners or associates had a private or business interest in contracts awarded by the department failed to disclose such interest, as required by treasury regulation 16A8.4. Similar non-compliance was reported in the previous year and disciplinary action was not taken against the officials involved.

Consequence management

36. Disciplinary steps were not taken against officials who had incurred and/or permitted irregular expenditure as required by section 38(1)(h)(iii) of the PFMA.

OTHER INFORMATION

37. The 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 and those selected programmes presented in the annual performance report that have been specifically reported in this auditor's report.
38. 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.
39. 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.
40. If, based on the work I have performed, I concluded that there is a material misstatement in this other information; I am required to report that fact. I have nothing to report in this regard.

INTERNAL CONTROL DEFICIENCIES

41. 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 on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified, the findings on the annual performance report and the findings on compliance with legislation included in this report.

Leadership

42. The leadership did not effectively exercise oversight responsibility regarding financial and performance reporting and compliance as well as related internal controls.

Financial and performance management

43. Management did not adequately implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial and performance reporting. Management did not adequately review and monitor compliance with applicable legislation.
44. Management did not adequately implement controls over daily and monthly processing and reconciling transactions.
45. Management did not adequately prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information.

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 four investigations which have been gazetted for the special investigation unit (SIU):
- Proclamation R18 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.
 - Proclamation R.28 of 2017 to investigate the procurement of, or contracting for goods, works or services by or on behalf of the State Institutions in terms of Bid Number DCSSF02 and payments made in respect thereof.
 - Proclamation R.10 of 2018 to investigate the procurement of, or contracting for goods and services, by or on behalf of the department in respect of perishable provisions, food, toiletries, catering, marquee hire and coal in respect of 20 tenders awarded between 2012 and 2015.

Auditor-General

31 July 2018

Pretoria



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 this 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 this auditor’s report. However, future events or conditions may cause a department to cease continuing 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.
 - obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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, where applicable, related safeguards.

DEPARTMENT OF CORRECTIONAL SERVICES
VOTE 18
APPROPRIATION STATEMENT
for the year ended 31 March 2018

APPROPRIATION PER PROGRAMME									
2017/18							2016/17		
Voted funds and Direct charges	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
Programme									
1. Administration	4,150,878	-	(231,313)	3,919,565	3,912,772	6,793	99.8%	3,879,599	3,879,599
2. Incarceration	13,987,379	-	(37,478)	13,949,901	13,949,901	-	100.0%	13,423,945	13,388,093
3. Rehabilitation	1,822,411	-	(107,878)	1,714,533	1,695,311	19,222	98.9%	1,187,826	1,185,661
4. Care	1,998,674	-	324,001	2,322,675	2,322,675	-	100.0%	2,235,094	2,235,094
5. Social Reintegration	855,251	-	52,668	907,919	907,919	-	100.0%	853,727	853,727
TOTAL	22,814,593	-	-	22,814,593	22,788,578	26,015	99.9%	21,580,191	21,542,174

2017/18				2016/17	
	Final Appropriation	Actual Expenditure		Final Appropriation	Actual Expenditure
TOTAL (brought forward)					
Reconciliation with statement of financial performance					
ADD					
Departmental receipts	164,986			147,484	
NRF Receipts	-			-	
Aid assistance	-			-	
Actual amounts per statement of financial performance (total revenue)	22,979,579			21,727,675	
ADD					
Aid assistance					1,278
Prior year unauthorised expenditure approved without funding					
Actual amounts per statement of financial performance (total expenditure)		22,788,578			21,543,452

DEPARTMENT OF CORRECTIONAL SERVICES
VOTE 18
APPROPRIATION STATEMENT
for the year ended 31 March 2018

APPROPRIATION PER ECONOMIC CLASSIFICATION									
	2017/18					2016/17			
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as% of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
Economic classification	21,927,690	-	83,000	22,010,690	21,949,534	61,156	99.7%	20,548,793	20,528,963
Current payments	15,776,687	-	-	15,776,687	15,613,459	163,228	99.0%	14,821,416	14,417,167
Compensation of employees	12,895,324	-	(95,789)	12,799,535	12,636,307	163,228	98.7%	12,103,116	11,698,867
Salaries and wages	2,881,363	-	95,789	2,977,152	2,977,152	-	100.0%	2,718,300	2,718,300
Social contributions	6,151,003	-	83,000	6,234,003	6,331,609	(97,606)	101.6%	5,727,377	6,111,482
Goods and services	6,449	-	2,168	8,617	8,617	-	100.0%	5,541	5,541
Administrative fees	12,402	-	(10,611)	1,791	1,791	-	100.0%	6,475	6,475
Advertising	52,843	-	(43,707)	9,136	9,136	-	100.0%	12,623	12,623
Minor assets	48,271	-	7,453	55,724	55,724	-	100.0%	36,647	36,647
Audit costs: External	3,530	-	483	4,013	4,013	-	100.0%	4,769	4,769
Bursaries: Employees	17,014	-	(8,691)	8,323	8,323	-	100.0%	15,839	15,839
Catering: Departmental activities	88,595	-	22,982	111,577	111,577	-	100.0%	99,985	99,985
Communication	144,592	-	(5,830)	138,762	138,762	-	100.0%	105,421	105,421
Computer services	29,702	-	(15,458)	14,244	14,244	-	100.0%	11,870	11,870
Consultants: Business and advisory services	1,210	-	503	1,713	1,713	-	100.0%	2,925	2,925
Infrastructure and planning services	12,407	-	6,614	19,021	19,021	-	100.0%	17,487	17,487
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	35,282	-	7,727	43,009	43,009	-	100.0%	27,898	27,898
Legal services	237,975	-	(176,843)	61,132	61,132	-	100.0%	62,872	62,872
Contractors	1,519,372	-	142,981	1,662,353	1,690,491	(28,138)	101.7%	1,555,686	1,668,194
Agency and support/ outsourced services									

DEPARTMENT OF CORRECTIONAL SERVICES
VOTE 18
APPROPRIATION STATEMENT
for the year ended 31 March 2018

APPROPRIATION PER ECONOMIC CLASSIFICATION									
2017/18									
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as% of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Entertainment	479	-	(437)	42	42	-	100.0%	87	87
Fleet services	187,886	-	72,775	260,661	260,661	-	100.0%	227,414	227,414
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	159,729	-	(36,883)	122,846	122,846	-	100.0%	87,080	87,080
Inventory: Farming supplies	81,941	-	116,666	198,607	198,607	-	100.0%	162,622	198,122
Inventory: Food and food supplies	405,883	-	26,058	431,941	501,409	(69,468)	116.1%	390,510	396,109
Inventory: Fuel, oil and gas	25,901	-	2,004	27,905	27,905	-	100.0%	18,035	18,035
Inventory: Learner and teacher support material	5,936	-	(318)	5,618	5,618	-	100.0%	2,947	2,947
Inventory: Materials and supplies	71,785	-	(16,022)	55,763	55,763	-	100.0%	56,775	56,775
Inventory: Medical supplies	2,521	-	(1,034)	1,487	1,487	-	100.0%	1,574	1,574
Inventory: Medicine	57,934	-	18,583	76,517	76,517	-	100.0%	84,314	84,314
Medsas Inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	65,376	-	(59,548)	5,828	5,828	-	100.0%	1,422	1,422
Consumable supplies	233,701	-	28,954	262,655	262,655	-	100.0%	237,216	285,080
Consumable: Stationery, printing and office supplies	76,850	-	(22,343)	54,507	54,507	-	100.0%	62,397	62,397
Operating leases	1,195,849	-	(162,724)	1,033,125	1,033,125	-	100.0%	900,344	918,935
Property payments	1,095,702	-	325,946	1,421,648	1,421,648	-	100.0%	1,318,961	1,483,004
Transport provided:	-	-	-	-	-	-	-	-	-
Departmental activity	4,419	-	3,155	7,574	7,574	-	100.0%	7,581	7,581
Travel and subsistence	224,773	-	(119,764)	105,009	105,009	-	100.0%	169,119	169,119

DEPARTMENT OF CORRECTIONAL SERVICES
VOTE 18
APPROPRIATION STATEMENT
for the year ended 31 March 2018

APPROPRIATION PER ECONOMIC CLASSIFICATION									
2017/18									
2016/17									
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as% of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Training and development	12,414	-	(9,489)	2,925	2,925	-	100.0%	4,828	4,828
Operating payments	22,121	-	(3,455)	18,666	18,666	-	100.0%	23,807	23,807
Venues and facilities	8,385	-	(7,711)	674	674	-	100.0%	2,142	2,142
Rental and hiring	1,774	-	(1,184)	590	590	-	100.0%	2,164	2,164
Interest and rent on land	-	-	-	4,466	4,466	(4,466)	-	-	314
Interest	-	-	-	4,466	4,466	(4,466)	-	-	314
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	128,454	-	-	128,454	161,656	(33,202)	125.8%	132,091	131,448
Provinces and municipalities	6,603	-	-	6,603	6,153	450	93.2%	5,739	5,739
Provinces	6,030	-	(4,304)	1,726	1,276	450	73.9%	1,510	1,510
Provincial Revenue Funds	6,030	-	(4,304)	1,726	1,276	450	73.9%	1,510	1,510
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	573	-	4,304	4,877	4,877	-	100.0%	4,229	4,229
Municipal bank accounts	573	-	4,304	4,877	4,877	-	100.0%	4,229	4,229
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	10,395	-	-	10,395	43,722	(33,327)	420.6%	20,823	20,823
Social security funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	10,395	-	-	10,395	43,722	(33,327)	420.6%	20,823	20,823
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	1,857	1,857

DEPARTMENT OF CORRECTIONAL SERVICES
VOTE 18
APPROPRIATION STATEMENT
for the year ended 31 March 2018

APPROPRIATION PER ECONOMIC CLASSIFICATION									
2017/18							2016/17		
	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
Other transfers to private enterprises	-	-	-	-	-	-	-	1,857	1,857
Households	111,456	-	-	111,456	111,781	(325)	100.3%	103,672	103,029
Social benefits	89,751	-	(9,196)	80,555	80,880	(325)	100.4%	75,760	75,117
Other transfers to households	21,705	-	9,196	30,901	30,901	-	100.0%	27,912	27,912
Payments for capital assets	758,449	-	(83,000)	675,449	620,118	55,331	91.8%	899,307	874,405
Buildings and other fixed structures	576,944	-	-	576,944	581,633	(4,689)	100.8%	770,829	748,092
Buildings	576,944	-	-	576,944	581,633	(4,689)	100.8%	770,829	748,092
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	175,953	-	(83,000)	92,953	35,750	57,203	38.5%	125,817	123,652
Transport equipment	11,690	-	(8,013)	3,677	3,677	-	100.0%	68,590	68,590
Other machinery and equipment	164,263	-	(74,987)	89,276	32,073	57,203	35.9%	57,227	55,062
Biological assets	5,552	-	-	5,552	2,735	2,817	49.3%	2,661	2,661
Payments for financial assets	-	-	-	-	57,270	(57,270)	-	-	7,358
TOTAL	22,814,593	-	-	22,814,593	22,788,578	26,015	99.9%	21,580,191	21,542,174

DEPARTMENT OF CORRECTIONAL SERVICES
VOTE 18
APPROPRIATION STATEMENT
for the year ended 31 March 2018

PROGRAMME 1: [ADMINISTRATION]									
2017/18									
	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	11,345	-	(5,257)	6,088	6,088	-	100.0%	11,252	11,252
Communication	49,815	-	22,572	72,387	72,387	-	100.0%	61,335	61,335
Computer services	144,525	-	(5,849)	138,676	138,676	-	100.0%	105,360	105,360
Consultants: Business and advisory services	28,339	-	(15,038)	13,301	13,301	-	100.0%	11,478	11,478
Laboratory services	101	-	(101)	-	-	-	-	-	-
Legal services	35,282	-	7,727	43,009	43,009	-	100.0%	27,898	27,898
Contractors	6,457	-	(470)	5,987	5,987	-	100.0%	9,726	9,726
Agency and support/ outsourced services	25,607	-	(4,416)	21,191	21,191	-	100.0%	10,220	30,968
Entertainment	468	-	(426)	42	42	-	100.0%	87	87
Fleet services	98,801	-	60,203	159,004	159,004	-	100.0%	139,171	139,171
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and supplies	45,199	-	(20,257)	24,942	24,942	-	100.0%	14,962	14,962
Inventory: Farming supplies	13	-	26,129	26,142	26,142	-	100.0%	1	35,501
Inventory: Food and food supplies	125	-	(61,024)	(60,899)	(60,899)	-	100.0%	1,152	1,152
Inventory: Fuel oil and gas	1,658	-	3,456	5,114	5,114	-	100.0%	6,126	6,126
Inventory: Learner and teacher support material	40	-	(18)	22	22	-	100.0%	(5)	(5)
Inventory: Materials and supplies	2,703	-	(11,473)	(8,770)	(8,770)	-	100.0%	22,183	22,183
Inventory: Medical supplies	66	-	(613)	(547)	(547)	-	100.0%	170	170
Inventory: Medicine	-	-	9,280	9,280	9,280	-	100.0%	513	513
Medas Inventory Interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	562	-	1,218	1,780	1,780	-	100.0%	(502)	(502)

DEPARTMENT OF CORRECTIONAL SERVICES
VOTE 18
APPROPRIATION STATEMENT
for the year ended 31 March 2018

PROGRAMME 1: [ADMINISTRATION]									
2017/18									
	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 supplies	41,298	-	(3,821)	37,477	37,477	-	100.0%	9,477	57,341
Consumable: Stationery printing and office supplies	29,524	-	(581)	28,943	28,943	-	100.0%	31,539	31,539
Operating leases	59,647	-	10,253	69,900	69,900	-	100.0%	64,984	83,575
Property payments	25,877	-	(17,351)	8,526	8,526	-	100.0%	38,050	38,050
Transport provided:									
Departmental activity	4,062	-	3,137	7,199	7,199	-	100.0%	6,023	6,023
Travel and subsistence	138,413	-	(71,059)	67,354	67,354	-	100.0%	110,648	110,648
Training and development	7,909	-	(5,779)	2,130	2,130	-	100.0%	3,284	3,284
Operating payments	17,580	-	(1,703)	15,877	15,877	-	100.0%	20,543	20,543
Venues and facilities	5,274	-	(4,616)	658	658	-	100.0%	565	565
Rental and hiring	1,298	-	(885)	413	413	-	100.0%	1,756	1,756
Interest and rent on land	-	-	-	-	1,694	(1,694)	-	-	49
Interest	-	-	-	-	1,694	(1,694)	-	-	49
Transfers and subsidies	21,481	-	21,202	42,683	41,515	1,168	97.3%	43,067	43,067
Provinces and municipalities	6,603	-	-	6,603	6,153	450	93.2%	5,739	5,739
Provinces	6,030	-	(4,304)	1,726	1,276	450	73.9%	1,510	1,510
Provincial Revenue Funds	6,030	-	(4,304)	1,726	1,276	450	73.9%	1,510	1,510
Municipalities	573	-	4,304	4,877	4,877	-	100.0%	4,229	4,229
Municipal bank accounts	573	-	4,304	4,877	4,877	-	100.0%	4,229	4,229
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	10,395	-	(2)	10,393	9,350	1,043	90.0%	20,823	20,823
Social security funds	-	-	-	-	-	-	-	-	-
Departmental agencies	10,395	-	(2)	10,393	9,350	1,043	90.0%	20,823	20,823

DEPARTMENT OF CORRECTIONAL SERVICES
VOTE 18
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for the year ended 31 March 2018

PROGRAMME 1: [ADMINISTRATION]									
2017/18									
	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
Public corporations and private enterprises	-	-	-	-	-	-	-	1,857	1,857
Private enterprises	-	-	-	-	-	-	-	1,857	1,857
Subsidies on products and production	-	-	-	-	-	-	-	-	-
Other transfers to private enterprises	-	-	-	-	-	-	-	1,857	1,857
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	4,483	-	21,204	25,687	26,012	(325)	101.3%	14,648	14,648
Social benefits	4,483	-	16,831	21,314	21,639	(325)	101.5%	12,833	12,833
Other transfers to households	-	-	4,373	4,373	4,373	-	100.0%	1,815	1,815
Payments for capital assets	79,295	-	(54,313)	24,982	24,456	526	97.9%	94,531	94,531
Machinery and equipment	79,295	-	(53,582)	25,713	25,599	114	99.6%	94,556	94,556
Transport equipment	11,690	-	(8,192)	3,498	3,498	-	100.0%	67,987	67,987
Other machinery and equipment	67,605	-	(45,390)	22,215	22,101	114	99.5%	26,569	26,569
Biological assets	-	-	(731)	(731)	(1,143)	412	156.4%	(25)	(25)
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total for SUB-PROGRAMMES	4,150,878	-	(231,313)	3,919,565	3,912,772	6,793	99.8%	3,879,599	3,879,599

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1.2 [SUB-PROGRAMME JUDICIAL INSPECTORATE FOR CORRECTIONAL SERVICES]									
2017/18									
	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	69,225	-	-	69,225	50,338	18,887	72.7%	41,242	41,242
Compensation of employees	61,070	-	-	61,070	43,603	17,467	71.4%	35,582	35,582
Goods and services	8,155	-	-	8,155	6,735	1,420	82.6%	5,660	5,660
Transfers and subsidies	12	-	-	12	12	-	100.0%	19	19
Provinces and municipalities	-	-	-	-	12	(12)	-	11	11
Households	12	-	-	12	-	12	-	8	8
Payments for capital assets	150	-	-	150	669	(519)	446.0%	249	249
Machinery and equipment	150	-	-	150	669	(519)	446.0%	249	249
Payments for financial assets	-	-	-	-	-	-	-	-	-

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1.3 [SUB-PROGRAMME MANAGEMENT]									
2017/18									
	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	801,124	-	(56,459)	744,665	746,317	(1,652)	100.2%	713,299	713,311
Compensation of employees	669,172	-	(22,079)	647,093	647,093	-	100.0%	608,575	608,575
Goods and services	131,952	-	(34,380)	97,572	97,572	-	100.0%	104,724	104,724
Interest and rent on land	-	-	-	-	1,652	(1,652)	-	-	12
Transfers and subsidies	771	-	12,070	12,841	12,841	-	100.0%	9,523	9,523
Provinces and municipalities	-	-	2	2	2	-	100.0%	1	1
Public corporations and private enterprises	-	-	-	-	-	-	-	1,857	1,857
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	771	-	12,068	12,839	12,839	-	100.0%	7,665	7,665
Payments for capital assets	3,708	-	(1,324)	2,384	2,384	-	100.0%	2,709	2,709
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	3,708	-	(1,324)	2,384	2,384	-	100.0%	2,709	2,709
Payments for financial assets	-	-	-	-	-	-	-	-	-

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1.4 [SUB-PROGRAMME HUMAN RESOURCES]									
2017/18									
	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	R'000	R'000	R'000	R'000	R'000	R'000		R'000	R'000
Current payments	1,787,370	-	(115,765)	1,671,605	1,682,620	(11,015)	100.7%	1,683,848	1,581,881
Compensation of employees	1,562,812	-	(83,551)	1,479,261	1,490,261	(11,000)	100.7%	1,499,232	1,376,480
Goods and services	224,558	-	(32,214)	192,344	192,344	-	100.0%	184,616	205,364
Interest and rent on land	-	-	-	-	15	(15)	-	-	37
Transfers and subsidies	14,468	-	4,609	19,077	18,371	706	96.3%	25,174	25,174
Provinces and municipalities	571	-	(571)	-	-	-	-	-	-
Departmental agencies and accounts	10,395	-	(2)	10,393	9,350	1,043	90.0%	20,823	20,823
Households	3,502	-	5,182	8,684	9,021	(337)	103.9%	4,351	4,351
Payments for capital assets	10,110	-	(1,755)	8,355	8,355	-	100.0%	9,970	9,970
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	10,110	-	(1,755)	8,355	8,355	-	100.0%	9,970	9,970
Payments for financial assets	-	-	-	-	-	-	-	-	-

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1.5 [SUB-PROGRAMME FINANCE]		2017/18						2016/17	
Economic classification	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as% of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
Current payments	963,001	-	31,547	994,548	995,669	(1,121)	100.1%	952,138	1,035,502
Compensation of employees	761,971	-	7,023	768,994	768,668	326	100.0%	718,706	718,706
Goods and services	201,030	-	24,524	225,554	226,974	(1,420)	100.6%	233,432	316,796
Interest and rent on land	-	-	-	-	27	(27)	-	-	-
Transfers and subsidies	6,037	-	3,946	9,983	9,521	462	95.4%	8,234	8,234
Provinces and municipalities	6,031	-	567	6,598	6,136	462	93.0%	5,726	5,726
Households	6	-	3,379	3,385	3,385	-	100.0%	2,508	2,508
Payments for capital assets	28,511	-	(24,147)	4,364	3,319	1,045	76.1%	71,331	71,331
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	28,511	-	(23,416)	5,095	4,462	633	87.6%	71,356	71,356
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	(731)	(731)	(1,143)	412	156.4%	(25)	(25)
Payments for financial assets	-	-	-	-	-	-	-	-	-

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1.6 [SUB-PROGRAMME ASSURANCE SERVICES]									
2017/18					2016/17				
	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	99,392	-	(25,037)	74,355	74,355	-	100.0%	69,943	69,943
Compensation of employees	66,832	-	(3,656)	63,176	63,176	-	100.0%	57,254	57,254
Goods and services	32,560	-	(21,381)	11,179	11,179	-	100.0%	12,689	12,689
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	193	-	314	507	507	-	100.0%	75	75
Provinces and municipalities	1	-	-	1	1	-	100.0%	1	1
Households	192	-	314	506	506	-	100.0%	74	74
Payments for capital assets	567	-	(467)	100	100	-	100.0%	1,084	1,084
Machinery and equipment	567	-	(467)	100	100	-	100.0%	1,084	1,084
Payments for financial assets	-	-	-	-	-	-	-	-	-

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1.7 [SUB-PROGRAMME INFORMATION TECHNOLOGY]									
2017/18									
	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	215,734	-	(11,994)	203,740	203,740	-	100.0%	162,757	162,757
Compensation of employees	43,843	-	12,282	56,125	56,125	-	100.0%	49,719	49,719
Goods and services	171,891	-	(24,276)	147,615	147,615	-	100.0%	113,038	113,038
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	230	230	230	-	100.0%	34	34
Households	-	-	230	230	230	-	100.0%	34	34
Payments for capital assets	35,123	-	(25,765)	9,358	9,358	-	100.0%	8,877	8,877
Machinery and equipment	35,123	-	(25,765)	9,358	9,358	-	100.0%	8,877	8,877
Payments for financial assets	-	-	-	-	-	-	-	-	-

1.8 [SUB-PROGRAMME OFFICE ACCOMMODATION]									
2016/17									
	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	78,836	-	(8,979)	69,857	69,857	-	100.0%	94,003	112,594
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	78,836	-	(8,979)	69,857	69,857	-	100.0%	94,003	112,594
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-

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PROGRAMME 2: INCARCERATION									
2017/18									
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as% of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
SUB-PROGRAMME									
1. SECURITY OPERATIONS	7,358,303	-	(341,919)	7,016,384	7,016,384	-	100.0%	6,738,281	6,560,858
2. FACILITIES	4,118,189	-	123,950	4,242,139	4,242,139	-	100.0%	3,952,765	4,094,071
3. REMAND DETENTION	688,809	-	(20,246)	668,563	668,563	-	100.0%	576,354	576,354
4. OFFENDER MANAGEMENT	1,822,078	-	200,737	2,022,815	2,022,815	-	100.0%	2,156,545	2,156,810
Total for SUB-PROGRAMMES	13,987,379	-	(37,478)	13,949,901	13,949,901	-	100.0%	13,423,945	13,388,093
Economic classification									
Current payments	13,264,840	-	(3,708)	13,261,132	13,261,132	-	100.0%	12,578,043	12,558,213
Compensation of employees	9,687,247	-	(50,821)	9,636,426	9,633,654	2,772	100.0%	9,356,012	9,171,874
Salaries and wages	8,024,039	-	(22,362)	8,001,677	7,998,905	2,772	100.0%	7,801,160	7,617,022
Social contributions	1,663,208	-	(28,459)	1,634,749	1,634,749	-	100.0%	1,554,852	1,554,852
Goods and services	3,577,593	-	47,113	3,624,706	3,624,706	-	100.0%	3,222,031	3,386,074
Administrative fees	61	-	22	83	83	-	100.0%	153	153
Advertising		-	6	6	6	-	100.0%	8	8
Minor assets	18,839	-	(14,086)	4,753	4,753	-	100.0%	6,278	6,278
Catering: Departmental activities	1,122	-	(655)	467	467	-	100.0%	2,327	2,327
Communication	17,784	-	(951)	16,833	16,833	-	100.0%	19,026	19,026
Computer services	12	-	(7)	5	5	-	100.0%	33	33
Consultants: Business and advisory services	1,286	-	(1,223)	63	63	-	100.0%	356	356
Infrastructure and planning services	-	-	-	-	-	-	-	-	-

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	PROGRAMME 2: INCARCERATION						2016/17		
	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
Laboratory services	-	-	-	-	-	-	-	19	19
Contractors	199,763	-	(187,442)	12,321	12,321	-	100.0%	17,903	17,903
Agency and support/ outsourced services	920,961	-	102,846	1,023,807	1,023,807	-	100.0%	892,000	892,000
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services	45,054	-	11,464	56,518	56,518	-	100.0%	49,475	49,475
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and supplies	38,617	-	5,262	43,879	43,879	-	100.0%	61,430	61,430
Inventory: Farming supplies	2,135	-	1,133	3,268	3,268	-	100.0%	4,395	4,395
Inventory: Food and food supplies	659	-	(492)	167	167	-	100.0%	1,088	1,088
Inventory: Fuel oil and gas	11,640	-	1,678	13,318	13,318	-	100.0%	4,748	4,748
Inventory: Materials and supplies	35,090	-	(4,962)	30,128	30,128	-	100.0%	24,147	24,147
Inventory: Medical supplies	131	-	(1)	130	130	-	100.0%	81	81
Inventory: Medicine	204	-	13	217	217	-	100.0%	239	239
Medsas Inventory Interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	32,675	-	(25,789)	6,886	6,886	-	100.0%	1,296	1,296
Consumable supplies	62,807	-	(109)	62,698	62,698	-	100.0%	50,128	50,128
Consumable: Stationery printing and office supplies	13,427	-	(1,245)	12,182	12,182	-	100.0%	13,453	13,453
Operating leases	1,071,771	-	(163,417)	908,354	908,354	-	100.0%	767,952	767,952

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PROGRAMME 2: INCARCERATION									
2017/18									
	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
Property payments	1,068,019	-	342,426	1,410,445	1,410,445	-	100.0%	1,277,595	1,441,638
Transport provided:									
Departmental activity			4	4	4	-	100.0%	-	-
Travel and subsistence	32,656	-	(15,462)	17,194	17,194	-	100.0%	26,657	26,657
Training and development	200	-	(142)	58	58	-	100.0%	112	112
Operating payments	2,054	-	(1,168)	886	886	-	100.0%	998	998
Venues and facilities	435	-	(419)	16	16	-	100.0%	1	1
Rental and hiring	191	-	(171)	20	20	-	100.0%	133	133
Interest and rent on land	-	-	-	-	2,772	(2,772)	-	-	265
Interest	-	-	-	-	2,772	(2,772)	-	-	265
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	106,334	-	(38,196)	68,138	102,508	(34,370)	150.4%	69,225	68,582
Provinces and municipalities									
Departmental agencies and accounts					34,370	(34,370)			
Social security funds									
Departmental agencies (non-business entities)					34,370	(34,370)			
Public corporations and private enterprises									
Public corporations									
Private enterprises									
Households	106,334		(38,196)	68,138	68,138		100.0%	69,225	68,582
Social benefits	84,629		(42,840)	41,789	41,789		100.0%	45,198	44,555

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PROGRAMME 2: INCARCERATION									
2017/18									
	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
Other transfers to households	21,705	-	4,644	26,349	26,349	-	100.0%	24,027	24,027
Payments for capital assets	616,205	-	4,426	620,631	586,261	34,370	94.5%	776,677	753,940
Buildings and other fixed structures	576,944	-	-	576,944	581,633	(4,689)	100.8%	770,829	748,092
Buildings	576,944	-	-	576,944	581,633	(4,689)	100.8%	770,829	748,092
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	37,791	-	4,104	41,895	2,836	39,059	6.8%	4,975	4,975
Transport equipment	-	-	-	-	-	-	-	437	437
Other machinery and equipment	37,791	-	4,104	41,895	2,836	39,059	6.8%	4,538	4,538
Biological assets	1,470	-	322	1,792	1,792	-	100.0%	873	873
Payments for financial assets	-	-	-	-	-	-	-	-	7,358
Total	13,987,379	-	(37,478)	13,949,901	13,949,901	-	100.0%	13,423,945	13,388,093

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2.1 [SUB-PROGRAMME SECURITY OPERATIONS]									
2017/18									
	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	7,241,724	-	(255,841)	6,985,883	6,985,883	-	100.0%	6,706,723	6,522,585
Compensation of employees	7,101,769	-	(217,009)	6,884,760	6,884,760	-	100.0%	6,572,027	6,387,889
Goods and services	139,955	-	(38,832)	101,123	101,123	-	100.0%	134,696	134,696
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	83,506	-	(55,264)	28,242	28,242	-	100.0%	28,576	27,933
Households	83,506	-	(55,264)	28,242	28,242	-	100.0%	28,576	27,933
Payments for capital assets	33,073	-	(30,814)	2,259	2,259	-	100.0%	2,982	2,982
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	31,603	-	(31,136)	467	467	-	100.0%	2,109	2,109
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	1,470	-	322	1,792	1,792	-	100.0%	873	873
Payments for financial assets	-	-	-	-	-	-	-	-	7,358

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2.2 [SUB-PROGRAMME FACILITIES]									
2017/18									
	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	3,534,693	-	88,907	3,623,600	3,623,600	-	100.0%	3,180,402	3,344,445
Current payments									
Compensation of employees	174,955	-	(9,204)	165,751	162,979	2,772	98.3%	151,990	151,990
Goods and services	3,359,738	-	98,111	3,457,849	3,457,849	-	100.0%	3,028,412	3,192,455
Interest and rent on land	-	-	-	-	2,772	(2,772)	-	-	-
Transfers and subsidies	2,604	-	(1,681)	923	35,293	(34,370)	3823.7%	729	729
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	34,370	(34,370)	-	-	-
Households	2,604	-	(1,681)	923	923	-	100.0%	729	729
Payments for capital assets	580,892	-	36,724	617,616	583,246	34,370	94.4%	771,634	748,897
Buildings and other fixed structures	576,944	-	-	576,944	581,633	(4,689)	100.8%	770,829	748,092
Machinery and equipment	3,948	-	36,724	40,672	1,613	39,059	4.0%	805	805
Payments for financial assets	-	-	-	-	-	-	-	-	-

DEPARTMENT OF CORRECTIONAL SERVICES
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for the year ended 31 March 2018

2.3 [SUB-PROGRAMME REMAND DETENTION]									
2017/18					2016/17				
	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	688,686	-	(22,210)	666,476	666,476	-	100.0%	572,488	572,488
Current payments									
Compensation of employees	644,283	-	(18,859)	625,424	625,424	-	100.0%	544,398	544,398
Goods and services	44,403	-	(3,351)	41,052	41,052	-	100.0%	28,090	28,090
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	2,052	2,052	2,052	-	100.0%	3,510	3,510
Households	-	-	2,052	2,052	2,052	-	100.0%	3,510	3,510
Payments for capital assets	123	-	(88)	35	35	-	100.0%	356	356
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	123	-	(88)	35	35	-	100.0%	356	356
Payments for financial assets	-	-	-	-	-	-	-	-	-

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2.4 [SUB-PROGRAMME OFFENDER MANAGEMENT]									
2017/18					2016/17				
	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	1,799,737	-	185,436	1,985,173	1,985,173	-	100.0%	2,118,430	2,118,695
Compensation of employees	1,766,240	-	194,251	1,960,491	1,960,491	-	100.0%	2,087,597	2,087,597
Goods and services	33,497	-	(8,815)	24,682	24,682	-	100.0%	30,833	30,833
Interest and rent on land	-	-	-	-	-	-	-	-	265
Transfers and subsidies	20,224	-	16,697	36,921	36,921	-	100.0%	36,410	36,410
Households	20,224	-	16,697	36,921	36,921	-	100.0%	36,410	36,410
Payments for capital assets	2,117	-	(1,396)	721	721	-	100.0%	1,705	1,705
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	2,117	-	(1,396)	721	721	-	100.0%	1,705	1,705
Payments for financial assets	-	-	-	-	-	-	-	-	-

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PROGRAMME 3: REHABILITATION									
2017/18									
2016/17									
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as% of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
SUB-PROGRAMME									
1. CORRECTIONAL PROGRAMMES	506,279	-	(76,881)	429,398	418,398	11,000	97.4%	27,575	27,575
2. OFFENDER DEVELOPMENT	874,665	-	(48,520)	826,145	817,923	8,222	99.0%	732,073	729,908
3. PSYCHOLOGICAL SOCIAL AND SPIRITUAL SERVICES	441,467	-	17,523	458,990	458,990	-	100.0%	428,178	428,178
Total for SUB-PROGRAMMES	1,822,411	-	(107,878)	1,714,533	1,695,311	19,222	98.9%	1,187,826	1,185,661
Economic classification									
Current payments	1,773,226	-	(91,917)	1,681,309	1,625,252	56,057	96.7%	1,160,438	1,160,438
Compensation of employees	1,392,300	-	(66,693)	1,325,607	1,269,550	56,057	95.8%	885,657	885,657
Salaries and wages	1,197,074	-	(77,342)	1,119,732	1,063,675	56,057	95.0%	747,849	747,849
Social contributions	195,226	-	10,649	205,875	205,875	-	100.0%	137,808	137,808
Goods and services	380,926	-	(25,224)	355,702	355,702	-	100.0%	274,781	274,781
Administrative fees	493	-	(236)	257	257	-	100.0%	292	292
Advertising	211	-	(210)	1	1	-	100.0%	61	61
Minor assets	8,072	-	(5,383)	2,689	2,689	-	100.0%	3,799	3,799
Audit costs: External	-	-	22	22	22	-	100.0%	-	-
Catering: Departmental activities	2,283	-	(1,331)	952	952	-	100.0%	1,134	1,134
Communication	5,982	-	1,162	7,144	7,144	-	100.0%	5,108	5,108
Computer services	-	-	15	15	15	-	100.0%	25	25
Consultants: Business and advisory services	77	-	803	880	880	-	100.0%	36	36
Infrastructure and planning services	1,210	-	503	1,713	1,713	-	100.0%	2,925	2,925
Laboratory services	376	-	(282)	94	94	-	100.0%	175	175

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PROGRAMME 3: REHABILITATION									
2017/18									
2016/17									
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as% of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
Contractors	11,596	-	600	12,196	12,196	-	100.0%	10,442	10,442
Agency and support/outsourced services	2,637	-	906	3,543	3,543	-	100.0%	2,274	2,274
Entertainment	1	-	(1)	-	-	-	-	-	-
Fleet services	10,145	-	282	10,427	10,427	-	100.0%	8,316	8,316
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and supplies	73,300	-	(30,448)	42,852	42,852	-	100.0%	2,263	2,263
Inventory: Farming supplies	79,255	-	89,666	168,921	168,921	-	100.0%	157,913	157,913
Inventory: Food and food supplies	191	-	3,901	4,092	4,092	-	100.0%	4,575	4,575
Inventory: Fuel oil and gas	11,976	-	(2,952)	9,024	9,024	-	100.0%	6,630	6,630
Inventory: Learner and teacher support material	5,891	-	(295)	5,596	5,596	-	100.0%	2,952	2,952
Inventory: Materials and supplies	31,138	-	2,116	33,254	33,254	-	100.0%	9,228	9,228
Inventory: Medical supplies	511	-	(427)	84	84	-	100.0%	40	40
Inventory: Medicine	2,547	-	1,549	4,096	4,096	-	100.0%	3,270	3,270
Medas inventory Interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	29,965	-	(28,211)	1,754	1,754	-	100.0%	119	119
Consumable supplies	50,208	-	(26,908)	23,300	23,300	-	100.0%	23,722	23,722
Consumable: Stationery printing and office supplies	23,035	-	(15,566)	7,469	7,469	-	100.0%	6,753	6,753
Operating leases	16	-	(16)	-	-	-	-	-	-
Property payments	229	-	683	912	912	-	100.0%	1,305	1,305
Transport provided:	-	-	-	-	-	-	-	-	-
Departmental activity	84	-	(84)	-	-	-	-	-	-
Travel and subsistence	22,672	-	(9,838)	12,834	12,834	-	100.0%	18,332	18,332

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PROGRAMME 3: REHABILITATION									
2017/18									
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as% of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
Training and development	3,088	-	(2,744)	344	344	-	100.0%	1,005	1,005
Operating payments	883	-	233	1,116	1,116	-	100.0%	1,500	1,500
Venues and facilities	2,603	-	(2,603)	-	-	-	-	352	352
Rental and hiring	251	-	(130)	121	121	-	100.0%	235	235
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	62	-	5,225	5,287	5,287	-	100.0%	4,026	4,026
Departmental agencies and accounts	-	-	2	2	2	-	100.0%	-	-
Departmental agencies	-	-	2	2	2	-	100.0%	-	-
Households	62	-	5,223	5,285	5,285	-	100.0%	4,026	4,026
Social benefits	62	-	5,126	5,188	5,188	-	100.0%	4,026	4,026
Other transfers to households	-	-	97	97	97	-	100.0%	-	-
Payments for capital assets	49,123	-	(21,186)	27,937	7,502	20,435	26.9%	23,362	21,197
Machinery and equipment	45,041	-	(21,595)	23,446	5,416	18,030	23.1%	21,549	19,384
Transport equipment	-	-	179	179	179	-	100%	166	166
Other machinery and equipment	45,041	-	(21,774)	23,267	5,237	18,030	22.5%	21,383	19,218
Biological assets	4,082	-	409	4,491	2,086	2,405	46.4%	1,813	1,813
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	57,270	(57,270)	-	-	-
Total	1,822,411	-	(107,878)	1,714,533	1,695,311	19,222	98.9%	1,187,826	1,185,661

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3.1 [SUB-PROGRAMME CORRECTIONAL PROGRAMMES]									
2017/18									
	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	505,698	-	(90,440)	415,258	359,201	56,057	86.5%	27,514	27,514
Compensation of employees	497,754	-	(87,904)	409,850	353,793	56,057	86.3%	25,485	25,485
Goods and services	7,944	-	(2,536)	5,408	5,408	-	100.0%	2,029	2,029
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	1,715	1,715	1,715	-	100.0%	20	20
Households	-	-	1,715	1,715	1,715	-	100.0%	20	20
Payments for capital assets	581	-	11,844)	12,425	212	12,213	1.7%	41	41
Machinery and equipment	581	-	11,844	12,425	212	12,213	1.7%	41	41
Payments for financial assets	-	-	-	-	57,270	(57,270)	-	-	-

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3.2 [SUB-PROGRAMME OFFENDER DEVELOPMENT]									
2017/18									
2016/17									
	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	826,545	-	(18,279)	808,266	808,266	-	100.0%	706,056	706,056
Compensation of employees	471,637	-	(331)	471,306	471,306	-	100.0%	448,581	448,581
Goods and services	354,908	-	(17,948)	336,960	336,960	-	100.0%	257,475	257,475
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	61	-	2,438	2,499	2,499	-	100.0%	3,087	3,087
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	2	2	2	-	100.0%	-	-
Households	61	-	2,436	2,497	2,497	-	100.0%	3,087	3,087
Payments for capital assets	48,059	-	(32,679)	15,380	7,158	8,222	46.5%	22,930	20,765
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	43,977	-	(33,088)	10,889	5,072	5,817	46.6%	21,117	18,952
Biological assets	4,082	-	409	4,491	2,086	2,405	46.4%	1,813	1,813
Payments for financial assets	-	-	-	-	-	-	-	-	-

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3.3 [SUB-PROGRAMME PSYCHOLOGICAL SOCIAL AND SPIRITUAL SERVICES]									
2017/18									
	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	440,983	-	16,802	457,785	457,785	-	100.0%	426,868	426,868
Compensation of employees	422,909	-	21,542	444,451	444,451	-	100.0%	411,591	411,591
Goods and services	18,074	-	(4,740)	13,334	13,334	-	100.0%	15,277	15,277
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	1	-	1,072	1,073	1,073	-	100.0%	919	919
Households	1	-	1,072	1,073	1,073	-	100.0%	919	919
Payments for capital assets	483	-	(351)	132	132	-	100.0%	391	391
Machinery and equipment	483	-	(351)	132	132	-	100.0%	391	391
Payments for financial assets	-	-	-	-	-	-	-	-	-

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PROGRAMME 4: CARE									
2017/18									
2016/17									
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as% of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
SUB-PROGRAMME									
1. NUTRITIONAL SERVICES	1,161,151	-	219,960	1,381,111	1,381,111	-	100.0%	1,318,210	1,318,210
2. HEALTH AND HYGIENE SERVICES	837,523	-	104,041	941,564	941,564	-	100.0%	916,884	916,884
Total for SUB-PROGRAMMES	1,998,674	-	324,001	2,322,675	2,322,675	-	100.0%	2,235,094	2,235,094
Economic classification									
Current payments	1,986,979	-	330,213	2,317,192	2,317,192	-	100.0%	2,223,249	2,223,249
Compensation of employees	790,283	-	139,216	929,499	831,893	97,606	89.5%	869,044	771,685
Salaries and wages	654,669	-	142,072	796,741	699,135	97,606	87.7%	744,636	647,277
Social contributions	135,614	-	(2,856)	132,758	132,758	-	100.0%	124,408	124,408
Goods and services	1,196,696	-	190,997	1,387,693	1,485,299	(97,606)	107.0%	1,354,205	1,451,564
Administrative fees	351	-	(181)	170	170	-	100.0%	222	222
Advertising	221	-	(216)	5	5	-	100.0%	2	2
Minor assets	6,159	-	(5,036)	1,123	1,123	-	100.0%	1,075	1,075
Catering: Departmental activities	1,607	-	(1,221)	386	386	-	100.0%	618	618
Communication	4,492	-	(398)	4,094	4,094	-	100.0%	4,087	4,087
Computer services	44	-	(44)	-	-	-	-	3	3
Laboratory services	11,930	-	6,997	18,927	18,927	-	100.0%	17,293	17,293
Contractors	20,075	-	10,512	30,587	30,587	-	100.0%	24,766	24,766
Agency and support/outsourced services	567,140	-	43,648	610,788	638,926	(28,138)	104.6%	648,912	740,672
Entertainment	6	-	(6)	-	-	-	-	-	-
Fleet services	9,040	-	1,158	10,198	10,198	-	100.0%	8,642	8,642
Housing	-	-	-	-	-	-	-	-	-

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	2017/18							2016/17	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as% of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
Inventory: Clothing material and supplies	2,574	-	8,466	11,040	11,040	-	100.0%	8,305	8,305
Inventory: Farming supplies	531	-	(255)	276	276	-	100.0%	311	311
Inventory: Food and food supplies	404,908	-	83,673	488,581	558,049	(69,468)	114.2%	383,695	389,294
Inventory: Fuel oil and gas	618	-	(170)	448	448	-	100.0%	530	530
Inventory: Learner and teacher support material	5	-	(5)	-	-	-	-	-	-
Inventory: Materials and supplies	2,545	-	(1,444)	1,101	1,101	-	100.0%	1,104	1,104
Inventory: Medical supplies	1,810	-	10	1,820	1,820	-	100.0%	1,281	1,281
Inventory: Medicine	55,183	-	7,741	62,924	62,924	-	100.0%	80,292	80,292
Medsas Inventory Interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	2,062	-	(6,655)	(4,593)	(4,593)	-	100.0%	498	498
Consumable supplies	77,922	-	60,824	138,746	138,746	-	100.0%	153,135	153,135
Consumable: Stationery printing and office supplies	6,111	-	(3,466)	2,645	2,645	-	100.0%	5,307	5,307
Operating leases	173	-	(173)	-	-	-	-	-	-
Property payments	1,510	-	134	1,644	1,644	-	100.0%	1,834	1,834
Transport provided:									
Departmental activity	216	-	155	371	371	-	100.0%	1,558	1,558
Travel and subsistence	17,630	-	(11,826)	5,804	5,804	-	100.0%	9,999	9,999
Training and development	1,217	-	(825)	392	392	-	100.0%	426	426
Operating payments	527	-	(340)	187	187	-	100.0%	305	305
Venues and facilities	55	-	(55)	-	-	-	-	-	-
Rental and hiring	34	-	(5)	29	29	-	100.0%	5	5
Interest and rent on land	-	-	-	-	-	-	-	-	-

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PROGRAMME 4: CARE	2017/18							2016/17	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as% of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
Transfers and subsidies	392	-	4,835	5,227	5,227	-	100.0%	8,866	8,866
Households	392	-	4,835	5,227	5,227	-	100.0%	8,866	8,866
Social benefits	392	-	4,835	5,227	5,227	-	100.0%	7,016	7,016
Other transfers to households	-	-	-	-	-	-	-	1,850	1,850
Payments for capital assets	11,303	-	(11,047)	256	256	-	100.0%	2,979	2,979
Machinery and equipment	11,303	-	(11,047)	256	256	-	100.0%	2,979	2,979
Other machinery and equipment	11,303	-	(11,047)	256	256	-	100.0%	2,979	2,979
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1,998,674	-	324,001	2,322,675	2,322,675	-	100.0%	2,235,094	2,235,094

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4.1 [SUB-PROGRAMME NUTRITIONAL SERVICES]									
2017/18					2016/17				
	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	1,157,674	-	220,452	1,378,126	1,378,126	-	100.0%	1,315,847	1,315,847
Current payments									
Compensation of employees	240,025	-	104,633	344,658	247,052	97,606	71.7%	324,603	227,244
Goods and services	917,649	-	115,819	1,033,468	1,131,074	(97,606)	109.4%	991,244	1,088,603
Transfers and subsidies	224	-	2,727	2,951	2,951	-	100.0%	1,525	1,525
Households	224	-	2,727	2,951	2,951	-	100.0%	1,525	1,525
Payments for capital assets	3,253	-	(3,219)	34	34	-	100.0%	838	838
Machinery and equipment	3,253	-	(3,219)	34	34	-	100.0%	838	838
Payments for financial assets	-	-	-	-	-	-	-	-	-

DEPARTMENT OF CORRECTIONAL SERVICES
VOTE 18
APPROPRIATION STATEMENT
for the year ended 31 March 2018

4.2 [SUB-PROGRAMME HEALTH AND HYGIENE SERVICES]									
2017/18									
2016/17									
	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	829,305	-	109,761	939,066	939,066	-	100.0%	907,402	907,402
Compensation of employees	550,258	-	34,583	584,841	584,841	-	100.0%	544,441	544,441
Goods and services	279,047	-	75,178	354,225	354,225	-	100.0%	362,961	362,961
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	168	-	2,108	2,276	2,276	-	100.0%	7,341	7,341
Households	168	-	2,108	2,276	2,276	-	100.0%	7,341	7,341
Payments for capital assets	8,050	-	(7,828)	222	222	-	100.0%	2,141	2,141
Machinery and equipment	8,050	-	(7,828)	222	222	-	100.0%	2,141	2,141
Payments for financial assets	-	-	-	-	-	-	-	-	-

DEPARTMENT OF CORRECTIONAL SERVICES
VOTE 18
APPROPRIATION STATEMENT
for the year ended 31 March 2018

PROGRAMME 5: SOCIAL REINTEGRATION									
2017/18									
2016/17									
	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. SUPERVISION	775,505	-	65,716	841,221	841,221	-	100.0%	788,503	788,503
2. COMMUNITY REINTEGRATION	45,744	-	(10,972)	34,772	34,772	-	100.0%	30,094	30,094
3. OFFICE ACCOMMODATION	34,002	-	(2,076)	31,926	31,926	-	100.0%	35,130	35,130
Total for SUB-PROGRAMMES	855,251	-	52,668	907,919	907,919	-	100.0%	853,727	853,727
Economic classification									
Current payments	852,543	-	46,614	899,157	899,157	-	100.0%	845,062	845,062
Compensation of employees	725,400	-	72,891	798,291	798,291	-	100.0%	730,531	730,531
Salaries and wages	593,646	-	66,174	659,820	659,820	-	100.0%	603,578	603,578
Social contributions	131,754	-	6,717	138,471	138,471	-	100.0%	126,953	126,953
Goods and services	127,143	-	(26,277)	100,866	100,866	-	100.0%	114,531	114,531
Administrative fees	52	-	(50)	2	2	-	100.0%	3	3
Advertising	253	-	(251)	2	2	-	100.0%	-	-
Minor assets	2,126	-	(1,768)	358	358	-	100.0%	329	329
Audit costs: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	657	-	(227)	430	430	-	100.0%	508	508
Communication	10,522	-	597	11,119	11,119	-	100.0%	10,429	10,429
Computer services	11	-	55	66	66	-	100.0%	-	-
Consultants: Business and advisory services	-	-	-	-	-	-	-	-	-
Contractors	84	-	(43)	41	41	-	100.0%	35	35

DEPARTMENT OF CORRECTIONAL SERVICES
VOTE 18
APPROPRIATION STATEMENT
for the year ended 31 March 2018

PROGRAMME 5: SOCIAL REINTEGRATION									
2017/18									
Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as% of final appropriation	Final Appropriation	Actual expenditure	2016/17
R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
Agency and support/outsourced services	3,027	-	(3)	3,024	-	100.0%	3,024	3,024	2,280
Entertainment	4	-	(4)	-	-	-	-	-	-
Fleet services	24,846	-	(332)	24,514	-	100.0%	24,514	24,514	21,810
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	39	-	94	133	-	100.0%	133	133	120
Inventory: Farming supplies	7	-	(7)	-	-	-	-	-	2
Inventory: Fuel oil and gas	9	-	(8)	1	-	100.0%	1	1	1
Inventory: Materials and supplies	309	-	(259)	50	-	100.0%	50	50	113
Inventory: Medical supplies	3	-	(3)	-	-	-	-	-	2
Inventory: Other supplies	112	-	(111)	1	-	100.0%	1	1	11
Consumable supplies	1,466	-	(1,032)	434	-	100.0%	434	434	754
Consumable: Stationery printing and office supplies	4,753	-	(1,485)	3,268	-	100.0%	3,268	3,268	5,345
Operating leases	64,242	-	(9,371)	54,871	-	100.0%	54,871	54,871	67,408
Property payments	67	-	54	121	-	100.0%	121	121	177
Transport provided:	-	-	-	-	-	-	-	-	-
Departmental activity	57	-	(57)	-	-	-	-	-	-
Travel and subsistence	13,402	-	(11,579)	1,823	-	100.0%	1,823	1,823	3,483
Training and development	-	-	1	1	-	100.0%	1	1	1
Operating payments	1,077	-	(477)	600	-	100.0%	600	600	461
Venues and facilities	18	-	(18)	-	-	-	-	-	1,224
Rental and hiring	-	-	7	7	-	100.0%	7	7	35

DEPARTMENT OF CORRECTIONAL SERVICES
VOTE 18
APPROPRIATION STATEMENT
for the year ended 31 March 2018

PROGRAMME 5: SOCIAL REINTEGRATION									
2017/18									
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as% of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers and subsidies	185	-	6,934	7,119	7,119	-	100.0%	6,907	6,907
Households	185	-	6,934	7,119	7,119	-	100.0%	6,907	6,907
Social benefits	185	-	6,852	7,037	7,037	-	100.0%	6,687	6,687
Other transfers to households	-	-	82	82	82	-	100.0%	220	220
Payments for capital assets	2,523	-	(880)	1,643	1,643	-	100.0%	1,758	1,758
Machinery and equipment	2,523	-	(880)	1,643	1,643	-	100.0%	1,758	1,758
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	2,523	-	(880)	1,643	1,643	-	100.0%	1,758	1,758
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	855,251	-	52,668	907,919	907,919	-	100.0%	853,727	853,727

DEPARTMENT OF CORRECTIONAL SERVICES
VOTE 18
APPROPRIATION STATEMENT
for the year ended 31 March 2018

		5.1 [SUB-PROGRAMME: SUPERVISION]							
		2017/18					2016/17		
	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	R'000	R'000	R'000	R'000	R'000	R'000		R'000	R'000
Current payments	773,131	-	59,417	832,548	832,548	-	100.0%	779,963	779,963
Compensation of employees	694,187	-	76,277	770,464	770,464	-	100.0%	705,940	705,940
Goods and services	78,944	-	(16,860)	62,084	62,084	-	100.0%	74,023	74,023
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	185	-	6,934	7,119	7,119	-	100.0%	6,867	6,867
Households	185	-	6,934	7,119	7,119	-	100.0%	6,867	6,867
Payments for capital assets	2,189	-	(635)	1,554	1,554	-	100.0%	1,673	1,673
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	2,189	-	(635)	1,554	1,554	-	100.0%	1,673	1,673
Payments for financial assets	-	-	-	-	-	-	-	-	-

DEPARTMENT OF CORRECTIONAL SERVICES
VOTE 18
APPROPRIATION STATEMENT
for the year ended 31 March 2018

5.2 [SUB-PROGRAMME COMMUNITY REINTEGRATION]									
2017/18					2016/17				
	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	45,410	-	(10,727)	34,683	34,683	-	100.0%	29,972	29,972
Compensation of employees	31,213	-	(3,386)	27,827	27,827	-	100.0%	24,591	24,591
Goods and services	14,197	-	(7,341)	6,856	6,856	-	100.0%	5,381	5,381
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	40	40
Households	-	-	-	-	-	-	-	40	40
Payments for capital assets	334	-	(245)	89	89	-	100.0%	82	82
Machinery and equipment	334	-	(245)	89	89	-	100.0%	82	82
Payments for financial assets	-	-	-	-	-	-	-	-	-

DEPARTMENT OF CORRECTIONAL SERVICES
VOTE 18
APPROPRIATION STATEMENT
for the year ended 31 March 2018

5.3 [SUB-PROGRAMME OFFICE ACCOMODATION:COMMUNITY CORRECTIONS]									
2017/18									
2016/17									
	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	34,002	-	(2,076)	31,926	31,926	-	100.0%	35,127	35,127
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	34,002	-	(2,076)	31,926	31,926	-	100.0%	35,127	35,127
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	3	3
Payments for financial assets	-	-	-	-	-	-	-	-	-

DEPARTMENT OF CORRECTIONAL SERVICES
VOTE 18
NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2018

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-G) 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	3,919,565	3,912,772	6,793	0.17%

The actual spending of the programme is R3,913 billion (99.8%) against the final appropriation of R3,920 billion resulting in an under spending of R6,793 million mainly on item Compensation of Employees due to outstanding payments as a result of the implementation of OSD phase 2. The department has not yet finalised implementing OSD as per DBC resolution of 1 of 2016 which was signed on the 21 November 2016 for 23% in lieu of salary back pay for service termination cases and the process of validating and confirmation of OSD figures is still on going for service terminations.

DEPARTMENT OF CORRECTIONAL SERVICES
VOTE 18
NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2018

4.2 Per programme

	Final Appropriation	Actual Expenditure	Variance R'000	Variance as a % of Final Appropriation
Rehabilitation	1,714,533	1,695,311	19,222	1.12%

The actual spending of the programme is R1,695 billion (98.9%) against the final appropriation of R1,714 billion (100%) resulting in an under spending of R19,222 million mainly on item Compensation of Employees due to funded vacant posts. Persal reported a funded permanent establishment of 2,432, which 2,188 are funded filled posts and 66 posts are filled additional to the funded establishment, mostly on entry level, resulting in total Persal Head Count of 2,254 but leaving 244 vacant funded posts (10%).

4.3 Per economic classification

	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	R'000
Current payments	22,010,690	21,949,534	61,156	0.28%
Compensation of employees	15,776,687	15,613,459	163,228	1.03%
Goods and services	6,234,003	6,331,609	(97,606)	(1.57%)
Interest and rent on land	0	4,466	(4,466)	0.00%
Transfers and subsidies	128,454	161,656	(33,202)	25.85%
Provinces and municipalities	6,603	6,153	450	6.82%
Departmental agencies and accounts	10,395	43,722	(33,327)	(320.61%)
Higher education institutions	0	0	0	0.00%
Public corporations and private enterprises	0	0	0	0.00%
Foreign governments and international organisations	0	0	0	0.00%
Non-profit institutions	0	0	0	0.00%
Households	111,456	111,781	(325)	(0.29%)
Payments for capital assets	675,449	620,118	55,331	8.19%
Buildings and other fixed structures	576,944	581,633	(4,689)	(0.81%)
Machinery and equipment	92,953	35,750	57,203	61.54%
Heritage assets	0	0	0	0.00%
Specialised military assets	0	0	0	0.00%
Biological assets	5,552	2,735	2,817	50.74%
Land and subsoil assets	0	0	0	0.00%
Intangible assets	0	0	0	0.00%
Payments for financial assets	0	57,270	(57,270)	0.00%

DEPARTMENT OF CORRECTIONAL SERVICES
VOTE 18
NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2018

Compensation of Employees

The actual spending is R15,613 billion (99.7%) against the final appropriation of R15,777 billion (100%) resulting in an under spending of R163,23 million was due to funded vacant posts. Persal reported a funded permanent establishment of 41,994, of which 39,276 were funded filled posts, 232 were posts filled additional to the funded establishment, mostly on entry level, resulting in a total Persal head count of 39,508 but leaving 2,718 vacant funded posts (6.00%). The other contributing factor was due to outstanding payments as a result of the implementation of OSD phase 2. The department has not yet finalised implementing OSD as per DBC resolution of 1 of 2016 which was signed on the 21 November 2016 for 23% in lieu of salary back pay for service termination cases and the process of validating and confirmation of OSD figures is still on going for service terminations.

Goods and Services

The actual spending of R6,332 billion (101.6%) against the final appropriation of R6,234 billion (100%) resulting in an overspending of R97,606 million which is ascribed to the item Inventory: food and food supplies as well as item: Agency and Support/Outsourced services as a result of continuous increase of food prices.

Interest on Rent on Land

There was an expenditure of R4 million incurred against a zero budget due to interest paid on overdue accounts and the implementation of court orders. The Department does not budget for unforeseen circumstances and cannot be predetermined.

Departmental agencies and accounts

The actual spending of R43,722 million (420.6%) against the final appropriation of R10,395 million (100%) resulting in an over spending of R33,327 million as a result of additional expenditure incurred on IDT deferment fees relating to access control projects deferred to future financial years due to budgetary constraints

Payments for Capital Assets

The actual spending of R620 million (91.8%) against the final appropriation of R675 million (100%) resulting in an under spending of R55,331 million mainly on item: Machinery and Equipment due to continued embargo as part of cost containment measures and item Biological Assets which the budget was higher than the anticipated amount. The identified savings under machinery and equipment were utilised to defray excess expenditure on goods and services for nutritional services for inmates.

Payment of Financial Assets

The expenditure of R52,270 million was incurred against a zero budget as a result of irrecoverable debts and losses approved for write off in 2017/18 Financial year.

Explanation of Internal Charges and Negative Actual Expenditure

In the department, the supplier Programme: Administration: Stores budgets for the cost of buying the required bulk suppliers, while client programmes budget for the cost of buying from suppliers programmes.

Bulk Materials are procured externally, kept in stock and issued internally across the departmental cost centres in line with internal requisition.

Department uses Internal Charges to allocate expenditure correctly. Internal Charges is a fund on the Basic Accounting System and is allocated a negative budget.

Contractors and Property Payments Items: 2016/17

The budget and expenditure for maintaining and repairing infrastructure assets by a contractor were previously in 2016/17 Financial year recorded and paid under the item: Contractors. However, in line with the National Treasury BAS SCOA version 5 item reclassification, these amounts should be allocated under Property Payment. Comparative Figures have been restated.

Renaming of Sub-programme Internal Audit to Assurance Services under Programme 1: Administration

As per 2017/18 approved ENE, Sub-programme Internal Audit has been renamed to Assurance Services under programme 1: Administration

DEPARTMENT OF CORRECTIONAL SERVICES
VOTE 18
STATEMENT OF FINANCIAL PERFORMANCE
for the year 31 March 2018

	Note	2017/18 R'000	2016/17 R'000
REVENUE			
Annual appropriation	1	22,814,593	21,580,191
Departmental revenue	2	164,986	147,484
TOTAL REVENUE		22,979,579	21,727,675
EXPENDITURE			
Current expenditure			
Compensation of employees	4	15,613,459	14,417,167
Goods and services	5	6,331,609	6,111,482
Interest and rent on land	6	4,466	314
Aid assistance	3	-	1,278
Total current expenditure		21,949,534	20,530,241
Transfers and subsidies			
Transfers and subsidies	8	161,656	131,448
Total transfers and subsidies		161,656	131,448
Expenditure for capital assets			
Tangible assets	9	620,118	874,405
Total expenditure for capital assets		620,118	874,405
Payments for financial assets	7	57,270	7,358
TOTAL EXPENDITURE		22,788,578	21,543,452
SURPLUS/(DEFICIT) FOR THE YEAR		191,001	184,223
Reconciliation of Net Surplus/(Deficit) for the year			
Voted funds		26,015	38,017
Annual appropriation		26,015	38,017
Departmental revenue and NRF Receipts	15	164,986	147,484
Aid assistance	3	-	(1,278)
SURPLUS/(DEFICIT) FOR THE YEAR		191,001	184,223

DEPARTMENT OF CORRECTIONAL SERVICES
VOTE 18
STATEMENT OF FINANCIAL POSITION
as at 31 March 2018

	Note	2017/18 R'000	2016/17 R'000
ASSETS			
Current assets			
		284,162	256,079
Unauthorised expenditure	10	121	121
Cash and cash equivalents	11	1,613	1,596
Prepayments and advances	12	943	750
Receivables	13	281,485	253,612
Non-current assets			
		3,350	2,989
Receivables	13	3,350	2,989
TOTAL ASSETS		287,512	259,068
LIABILITIES			
Current liabilities			
		262,723	232,966
Voted funds to be surrendered to the Revenue Fund	14	26,015	38,017
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	15	14,135	4,278
Bank overdraft	16	200,996	149,136
Payables	17	21,577	41,535
TOTAL LIABILITIES		262,723	232,966
NET ASSETS		24,789	26,102
Represented by:			
Recoverable revenue		24,789	24,512
Retained funds		-	1,590
TOTAL		24,789	26,102

DEPARTMENT OF CORRECTIONAL SERVICES
VOTE 18
STATEMENT OF CHANGES IN NET ASSETS
for the year ended 31 March 2018

Note	2017/18 R'000	2016/17 R'000
Recoverable revenue		
Opening balance	24,512	24,018
Transfers:	277	494
Debts recovered (included in departmental receipts)	277	494
Closing balance	24,789	24,512
Retained funds		
Opening balance	1,590	2,868
Utilised during the year	-	(1,278)
CARA funds surrendered during the year	(1,590)	-
Closing balance	-	1,590
TOTAL	24,789	26,102

DEPARTMENT OF CORRECTIONAL SERVICES
VOTE 18
CASH FLOW STATEMENT
for the year ended 31 March 2018

	Note	2017/18 R'000	2016/17 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		22,974,076	21,711,677
Annual appropriated funds received	1.1	22,814,593	21,580,191
Departmental revenue received	2	159,076	131,271
Interest received	2.3	407	215
Net (increase)/decrease in working capital		(48,385)	7,728
Surrendered to Revenue Fund		(193,146)	(147,962)
Surrendered to CARA		(1,590)	-
Current payments		(21,945,068)	(20,529,927)
Interest paid	6	(4,466)	(314)
Payments for financial assets		(57,270)	(7,358)
Transfers and subsidies paid		(161,656)	(131,448)
Net cash flow available from operating activities	18	562,495	902,396
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	9	(620,118)	(874,405)
Proceeds from sale of capital assets	2.4	5,503	15,998
Net cash flows from investing activities		(614,615)	(858,407)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		277	494
Net cash flows from financing activities		277	494
Net increase/(decrease) in cash and cash equivalents		(51,843)	44,483
Cash and cash equivalents at beginning of period		(147,540)	(192,023)
Cash and cash equivalents at end of period	19	(199,383)	(147,540)

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.

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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 comprises 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.

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

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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 at cost at the reporting date.

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 only recorded in the notes to the financial statements where the department has entered into a lease agreement directly with the lessor.

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.

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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 shown separately on the face of the statement of financial position as a current liability.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.

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

15. CAPITAL ASSETS

15.1 Immovable capital assets

Immovable assets reflected in the asset register of the department are recorded in the notes to the financial statements at cost or fair value where the cost cannot be determined reliably. Immovable assets acquired in a non-exchange transaction are recorded at fair value at the date of acquisition. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment.

Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.

Additional information on immovable assets not reflected in the assets register is provided in the notes to financial statements.

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. Biological assets are subsequently carried at fair value.

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

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.

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 and are not subject to depreciation or impairment.

Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.

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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.

Where the cost of intangible assets cannot be determined reliably, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1.

All 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 of a capital nature forms part of the cost of the existing asset when ready for use.

15.4 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.

15.5 Project Costs: Work-in-progress

Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid.

Amounts paid towards capital projects are separated from the amounts recognised and accumulated in work-in-progress until the underlying asset is ready for use. Once ready for use, the total accumulated payments are recorded in an asset register. Subsequent payments to complete the project are added to the capital asset in the asset register.

Where the department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.

16. PROVISIONS AND CONTINGENTS

16.1 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.

16.2 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 as well as legal cost. Management's estimate is based on facts, historical data and case law.

16.3 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.

16.4 Commitments

Commitments (other than for employee related commitments and those related 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.

17. 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.

18. 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.

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19. 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.

20. CHANGES IN ACCOUNTING POLICIES, ACCOUNTING ESTIMATES AND ERRORS

Changes in accounting policies that are effected by management have been applied retrospectively in accordance with Modified Cash Standards requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the change in policy. In such instances the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

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

Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with Modified Cash Standards requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

21. EVENTS AFTER THE REPORTING DATE

Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.

22. 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.

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23. 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 Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.

24. RELATED PARTY TRANSACTIONS

A related party transaction is a transfer of resources, services or obligations between the reporting entity 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.

25. 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.

26. 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.

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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:

	2017/18			2016/17	
	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	4,150,878	4,150,878	-	3,879,599	3,879,599
Incarceration	13,987,379	13,987,379	-	13,423,945	13,423,945
Rehabilitation	1,822,411	1,822,411	-	1,187,826	1,187,826
Care	1,998,674	1,998,674	-	2,235,094	2,235,094
Social Reintegration	855,251	855,251	-	853,727	853,727
Total	22,814,593	22,814,593	-	21,580,191	21,580,191

2. DEPARTMENTAL REVENUE

	Note	2017/18	2016/17
		R'000	R'000
Sales of goods and services other than capital assets	2.1	64,451	60,016
Fines, penalties and forfeits	2.2	24,339	21,757
Interest, dividends and rent on land	2.3	407	215
Sales of capital assets	2.4	5,503	15,998
Transactions in financial assets and liabilities	2.5	70,286	47,248
Transfer received	2.6	-	2,250
Departmental revenue collected		164,986	147,484

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2.1 Sales of goods and services other than capital assets

	Note	2017/18	2016/17
	2	R'000	R'000
Sales of goods and services produced by the department		61,599	57,588
Sales by market establishment		35,339	34,877
Other sales		26,260	22,711
Sales of scrap, waste and other used current goods		2,852	2,428
Total		64,451	60,016

2.2 Fines, penalties and forfeits

	Note	2017/18	2016/17
	2	R'000	R'000
Fines		23,418	20,743
Forfeits		921	1,014
Total		24,339	21,757

2.3 Interest, dividends and rent on land

	Note	2017/18	2016/17
	2	R'000	R'000
Interest		407	215
Total		407	215

2.4 Sale of capital assets

	Note	2017/18	2016/17
	2	R'000	R'000
Tangible assets		5,503	15,998
Machinery and equipment	32	5,502	15,998
Biological assets		1	-
Total		5,503	15,998

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2.5 Transactions in financial assets and liabilities

	Note	2017/18	2016/17
	2	R'000	R'000
Receivables		30,861	32,762
Other Receipts including Recoverable Revenue		39,425	14,486
Total		70,286	47,248

2.6 Transfers received

	Note	2017/18	2016/17
	2	R'000	R'000
Public corporations and private enterprises		-	2,250
		-	2,250

3. AID ASSISTANCE

	Note	2017/18	2016/17
		R'000	R'000
Opening Balance		-	-
Transferred from statement of financial performance		-	(1,278)
Transfers to or from retained funds		1,590	1,278
Paid during the year		(1,590)	-
Closing Balance		-	-

4. COMPENSATION OF EMPLOYEES

4.1 Salaries and Wages

	Note	2017/18	2016/17
		R'000	R'000
Basic salary		10,203,457	9,349,755
Performance award		110,951	86,969
Service Based		24,965	22,118
Compensative/circumstantial		963,587	995,704
Periodic payments		70,316	64,538
Other non-pensionable allowances		1,263,031	1,179,783
Total		12,636,307	11,698,867

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4.2 Social contributions

Note	2017/18	2016/17
	R'000	R'000
Employer contributions		
Pension	1,576,909	1,451,998
Medical	1,397,002	1,263,394
UIF	3	10
Bargaining council	3,238	2,898
Total	2,977,152	2,718,300
Total compensation of employees	15,613,459	14,417,167
Average number of employees	39,508	39,634

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5. GOODS AND SERVICES

	Note	2017/18 R'000	2016/17 R'000
Administrative fees		8,617	5,541
Advertising		1,791	6,475
Minor assets	5.1	9,136	12,623
Bursaries (employees)		4,013	4,769
Catering		8,323	15,839
Communication		111,577	99,985
Computer services	5.2	138,762	105,421
Consultants: Business and advisory services		14,244	11,870
Infrastructure and planning services		1,713	2,925
Laboratory services		19,021	17,487
Legal services		43,009	27,898
Contractors		61,132	62,572
Agency and support/outsourced services		1,690,491	1,668,194
Entertainment		42	87
Audit cost – external	5.3	55,724	36,647
Fleet services		260,661	227,414
Inventory	5.4	995,980	846,378
Consumables	5.5	317,162	347,477
Operating leases		1,033,125	,918,936
Property payments	5.6	1,421,648	1,483,304
Rental and hiring		590	,2,165
Transport provided as part of the departmental activities		7,574	7,581
Travel and subsistence	5.7	105,009	169,118
Venues and facilities		674	2,142
Training and development		2,925	4,828
Other operating expenditure	5.8	18,666	23,806
Total		6,331,609	6,111,482

An amount of R162,979 million in the prior period has been reclassified from Contractors to Property Maintenance: Contracted Maintenance Property as per BAS version 5 Standard Chart of Accounts

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5.1 Minor assets

Note	2017/18	2016/17
	R'000	R'000
Tangible assets	9,136	12,623
Biological assets	596	681
Machinery and equipment	8,540	11,942
Total	9,136	12,623

5.2 Computer services

Note	2017/18	2016/17
	R'000	R'000
SITA computer services	134,631	97,386
External computer service providers	4,131	8,035
Total	138,762	105,421

5.3 Audit cost – External

Note	2017/18	2016/17
	R'000	R'000
Regularity audits	53,836	36,453
Environmental audits	22	-
Computer audits	1,866	194
Total	55,724	36,647

5.4 Inventory

Note	2017/18	2016/17
	R'000	R'000
Clothing material and accessories	122,846	87,080
Farming supplies	198,607	198,122
Food and food supplies	501,409	396,109
Fuel, oil and gas	27,905	18,035
Learning, teaching and support material	5,618	2,947
Materials and supplies	55,763	56,775
Medical supplies	1,487	1,574
Medicine	76,517	84,314
Other supplies	5,828	1,422
Total	995,980	846,378

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5.4.1 Other supplies

	2017/18	2016/17
Note	R'000	R'000
5.4		
Ammunition and security supplies	5,828	1,050
Assets for distribution	-	12
Other assets for distribution	-	12
Other	-	360
Total	5,828	1,422

5.5 Consumables

	2017/18	2016/17
Note	R'000	R'000
5		
Consumable supplies	262,655	285,080
Uniform and clothing	9,064	8,172
Household supplies	230,403	229,811
Building material and supplies	15,011	28,390
Communication accessories	40	27
IT consumables	2,064	3,934
Other consumables	6,073	14,746
Stationery, printing and office supplies	54,507	62,397
Total	317,162	347,477

5.6 Property payments

	2017/18	2016/17
Note	R'000	R'000
5		
Municipal services	1,182,472	1,305,715
Property maintenance and repairs	-	88
Other	239,176	177,501
Total	1,421,648	1,483,304

An amount of R162,979 million in the prior period has been reclassified from Contractors to Property Maintenance: Contracted Maintenance Property as per BAS version 5 Standard Chart of Accounts

5.7 Travel and subsistence

	2017/18	2016/17
Note	R'000	R'000
5		
Local	104,284	168,420
Foreign	725	698
Total	105,009	169,118

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5.8 Other operating expenditure

	Note	2017/18	2016/17
	5	R'000	R'000
Professional bodies, membership and subscription fees		735	1,858
Resettlement costs		7,293	11,166
Other		10,638	10,782
Total		18,666	23,806

6. INTEREST AND RENT ON LAND

	Note	2017/18	2016/17
		R'000	R'000
Interest paid		4,466	314
Total		4,466	314

7. PAYMENTS FOR FINANCIAL ASSETS

	Note	2017/18	2016/17
		R'000	R'000
Material losses through criminal conduct			
Other material losses	7.1	45,391	5,531
Debts written off	7.2	11,879	1,827
Total		57,270	7,358

7.1 Other material losses written off

	Note	2017/18	2016/17
	7	R'000	R'000
Nature of losses			
Damage and losses		34,398	2,213
Damage to State vehicles		10,993	3,318
Total		45,391	5,531

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7.2 Debts written off

Note	2017/18	2016/17
	R'000	R'000
Nature of debts written off		
Staff Debts written off	11,879	1,827
Total debt written off	11,879	1,827

8. TRANSFERS AND SUBSIDIES

Note	2017/18	2016/17
	R'000	R'000
Provinces and municipalities	6,153	5,739
Departmental agencies and accounts	43,722	20,823
Public corporations and private enterprises	-	1,857
Households	111,781	103,029
Total	161,656	131,448

9. EXPENDITURE FOR CAPITAL ASSETS

Note	2017/18	2016/17
	R'000	R'000
Tangible assets	620,118	874,405
Buildings and other fixed structures	581,633	748,092
Machinery and equipment	35,750	123,652
Biological assets	2,735	2,661
Total	620,118	874,405

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9.1 Analysis of funds utilised to acquire capital assets – 2017/18

	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
Tangible assets	620,118	-	620,118
Buildings and other fixed structures	581,633	-	581,633
Machinery and equipment	35,750	-	35,750
Biological assets	2,735	-	2,735
Total	620,118	-	620,118

9.2 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

9.3 Finance lease expenditure included in Expenditure for capital assets

Note	2017/18	2016/17
	R'000	R'000
Tangible assets	114,819	141,580
Buildings and other fixed structures	98,860	127,003
Machinery and equipment	15,959	14,577
Total	114,819	141,580

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10. UNAUTHORISED EXPENDITURE

10.1 Reconciliation of unauthorised expenditure

	Note	2017/18 R'000	2016/17 R'000
Opening balance		121	121
Closing balance		121	121

10.2 Analysis of unauthorised expenditure awaiting authorisation per economic classification

	Note	2017/18 R'000	2016/17 R'000
Current		121	121
Total		121	121

10.3 Analysis of unauthorised expenditure awaiting authorisation per type

	Note	2017/18 R'000	2016/17 R'000
Unauthorised expenditure relating to overspending of the vote or a main division within a vote		121	121
Total		121	121

10.4 Unauthorised expenditure split into current and non-current asset

	2017/18			2016/17		
	Current R'000	Non-current R'000	Total R'000	Current R'000	Non-current R'000	Total R'000
Details						
Unauthorised expenditure relating to overspending of the vote or a main division within the vote	-	121	121	-	121	121
Total	-	121	121	-	121	121

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11. CASH AND CASH EQUIVALENTS

	Note	2017/18 R'000	2016/17 R'000
Cash on hand		1,613	1,596
Total		1,613	1,596

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 R13,579 million (R26,703 million: 2016/17).

12. ADVANCES

	Note	2017/18 R'000	2016/17 R'000
Advances paid (Not expensed)	12.1	943	750
Total		943	750

12.1 Advances paid (Not expensed)

	Note	Balance as at 1 April 2017 R'000	Less: Amount expensed in current year R'000	Add: Current Year prepayments R'000	Balance as at 31 March 2018 R'000
National departments	12	750	-	193	943
Total		750	-	193	943

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13. RECEIVABLES

	Note	2017/18			2016/17		
		Current	Non-current	Total	Current	Non-current	Total
		R'000	R'000	R'000	R'000	R'000	R'000
Claims recoverable	13.1	90,090	-	90,090	19,432	-	19,432
Recoverable expenditure	13.2	24,840	-	24,840	55,952	-	55,952
Staff debt	13.3	55,461	3,186	58,647	58,637	2,666	61,303
Other debtors	13.4	111,094	164	111,258	119,591	323	119,914
Total		281,485	3,350	284,835	253,612	2,989	256,601

13.1 Claims recoverable

	Note	2017/18	2016/17
		R'000	R'000
National departments	13 and Annex 3	90,090	19,432
Total		90,090	19,432

13.2 Recoverable expenditure (disallowance accounts)

	Note	2017/18	2016/17
		R'000	R'000
Disallowance Miscellaneous	13	4	-
Salary Reversal Control		143	-
Disallowance Damages and Losses		3,489	29,843
Disallowance Payment Fraud		5,354	5,354
Damage Vehicle		12,176	17,410
Private Telephone		9	8
Salary Disallowance		2,477	1,979
Salary Deduction Disallowance account		481	481
Salary Tax Debt		704	872
Receipt Control Account		3	5
Total		24,840	55,952

13.3 Staff debt

	Note	2017/18	2016/17
		R'000	R'000
Debt Account	13	58,647	61,303
Total		58,647	61,303

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13.4 Other debtors

	Note	2017/18	2016/17
	13	R'000	R'000
Other Debtors		586	9,242
Bloemfontein Correctional Centre (PPP)		110,672	110,672
Total		111,258	119,914

13.5 Impairment of receivables

	Note	2017/18	2016/17
		R'000	R'000
Estimate of impairment of receivables		22,127	81,562
Total		22,127	81,562

14. VOTED FUNDS TO BE SURRENDERED TO THE REVENUE FUND

	Note	2017/18	2016/17
		R'000	R'000
Opening balance		38,017	-
Transfer from statement of financial performance (as restated)		26,015	38,017
Paid during the year		(38,017)	-
Closing balance		26,015	38,017

15. DEPARTMENTAL REVENUE AND NRF RECEIPTS TO BE SURRENDERED TO THE REVENUE FUND

	Note	2017/18	2016/17
		R'000	R'000
Opening balance		4,278	4,756
Transfer from Statement of Financial Performance (as restated)		164,986	147,484
Paid during the year		(155,129)	(147,962)
Closing balance		14,135	4,278

16. BANK OVERDRAFT

	Note	2017/18	2016/17
		R'000	R'000
Consolidated Paymaster General Account		200,996	149,136
Total		200,996	149,136

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17. PAYABLES – CURRENT

	Note	2017/18 R'000	2016/17 R'000
Clearing accounts	17.1	21,546	41,513
Other payables	17.2	31	22
Total		21,577	41,535

17.1 Clearing accounts

	Note	2017/18 R'000	2016/17 R'000
Salary accounts	17	21,531	41,512
Other(receipts deposit)		15	1
Total		21,546	41,513

17.2 Other payables

	Note	2017/18 R'000	2016/17 R'000
Rental Deposit	17	31	22
Total		31	22

18. NET CASH FLOW AVAILABLE FROM OPERATING ACTIVITIES

	Note	2017/18 R'000	2016/17 R'000
Net surplus/(deficit) as per Statement of Financial Performance		191,001	184,223
Add back non cash/cash movements not deemed operating activities		371,494	718,173
(Increase)/decrease in receivables – current		(28,234)	(28,350)
(Increase)/decrease in prepayments and advances		(193)	2,366
Increase/(decrease) in payables – current		(19,958)	33,712
Proceeds from sale of capital assets		(5,503)	(15,998)
Expenditure on capital assets		620,118	874,405
Surrenders to Revenue Fund		(193,146)	(147,962)
Surrenders to CARA		(1,590)	-
Net cash flow generated by operating activities		562,495	902,396

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19. RECONCILIATION OF CASH AND CASH EQUIVALENTS FOR CASH FLOW PURPOSES

	Note	2017/18 R'000	2016/17 R'000
Consolidated Paymaster General account		(200,996)	(149,136)
Cash on hand		1,613	1,596
Total		(199,383)	(147,540)

20. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

20.1 Contingent liabilities

	Note	2017/18 R'000	2016/17 R'000
Liable to			
	Nature		
Housing loan guarantees	Employees	365	531
Claims against the department		253,905	253,880
Intergovernmental payables (unconfirmed balances)		236,268	47,731
Total		490,538	302,142

20.2 Contingent assets

	Note	2017/18 R'000	2016/17 R'000
Nature of contingent asset			
Breach of contract		576	576
Stolen state vehicle		165	165
Total		741	741

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21. COMMITMENTS

Note	2017/18 R'000	2016/17 R'000
Current expenditure		
Approved and contracted	2,090,900	1,932,497
Approved but not yet contracted	1,483	58,084
	2,092,383	1,990,582
Capital expenditure		
Approved and contracted	191,673	325,694
Approved but not yet contracted	28	-
	191,701	325,694
Total Commitments	2,284,084	2,316,276

Commitments amounting to R784,880 million 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

			2017/18	2016/17
			R'000	R'000
Listed by economic classification				
	30 Days	30+ Days	Total	Total
Goods and services	240,494	5,244	245,738	278,473
Transfers and subsidies	733	-	733	-
Capital assets	11,733	-	11,733	4,232
Compensation of Employees	75	60	135	11
Total	253,035	5,304	258,339	282,716
	Note			2016/17
		2017/18		
		R'000		
Listed by programme level				
Administration		74,975	255,290	
Incarceration		158,761	3,085	
Care		13,041	14,600	
Rehabilitation		11,444	4,913	
Social Reintegration		118	4,828	
Total		258,339	282,716	

Accruals mainly consist of services rendered by organs of State where services were rendered during the financial year under review but invoices were received after year-end.

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22.2 Payables not recognised

			2017/18	2016/17
			R'000	R'000
Listed by economic classification				
	30 Days	30+ Days	Total	Total
Goods and services	74,997	274,533	349,530	485,345
Transfers and subsidies	378	56	434	-
Capital assets	8	26	34	143,310
Compensation of Employees	1	1,737	1,738	176
Total	75,384	276,352	351,736	628,831

			2017/18	2016/17
			R'000	R'000
Listed by programme level				
Administration			33,915	126,121
Incarceration			287,399	444,977
Care			29,962	22,981
Rehabilitation			430	2,192
Social Reintegration			30	32,560
Total			351,736	628,831

Confirmed balances with other departments	<i>Annex 4</i>	26,347	3,269
Confirmed balances with other government entities	<i>Annex 4</i>	440,086	573,558
Total		466,434	576,827

Payables not recognised mainly consist of fourth quarter invoices for Accommodation Charges where the Department of Public Works has not substantiated services rendered.

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23. EMPLOYEE BENEFITS

	Note	2017/18 R'000	2016/17 R'000
Leave entitlement		530,924	492,604
Service bonus (Thirteenth cheque)		432,027	395,905
Performance awards		50,059	94,264
Capped leave commitments		639,591	650,237
Occupational Specific Dispensation (OSD) Phase2		202,041	267,169
Other		54,071	24,296
Total		1,908,713	1,924,475

Capped leave commitment:

Included in the capped leave commitment is a negative amount of R29,7 million for 22 143.80 negative leave 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

2017/18	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	-	-	-
Later than 1 year and not later than 5 years	-	-	-
Total lease commitments	-	-	-

2016/17	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	-	59,317	59,317
Later than 1 year and not later than 5 years	-	74,147	74,147
Total lease commitments	-	133,464	133,464

For all leased buildings utilised by the Department, the lease agreements are between the Department of Public Works (DPW) and the private landlords. No sub-lease agreements have been entered into between DPW and the Department.

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24.2 Finance leases **

2017/18	Machinery and equipment	Total
Not later than 1 year	13,237	13,237
Later than 1 year and not later than 5 years	11,496	11,496
Later than five years	-	-
Total lease commitments	24,733	24,733

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

****This note excludes leases relating to Public Private Partnership as they are separately disclosed in note no. 30.**

25. ACCRUED DEPARTMENTAL REVENUE

Note	2017/18	2016/17
	R'000	R'000
Sales of goods and services other than capital assets	44	24
Total	44	24

25.1 Analysis of accrued departmental revenue

Note	2017/18	2016/17
	R'000	R'000
Opening balance	24	-
Add: amounts recorded	44	24
Less: amounts received	(24)	-
Closing balance	44	24

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26. IRREGULAR EXPENDITURE

26.1 Reconciliation of irregular expenditure

Note	2017/18 R'000	2016/17 R'000
Opening balance	1,322,795	489,566
Prior period error	-	(2,664)
As restated	1,322,795	486,902
Add: Irregular expenditure – relating to prior year	1,756,902	-
Add: Irregular expenditure – relating to current year	140,284	836,347
Less: Prior year amounts condoned	(24,112)	(454)
Less: Current year amounts condoned	(1)	-
Less: Amounts not condoned and recoverable	15 (29)	-
Less: Amounts not condoned and not recoverable	-	-
Closing balance	3,195,839	1,322,795

Analysis of awaiting condonation per age classification

Current year	140,284	833,683
Prior years	3,055,555	489,112
Total	3,195,839	1,322,795

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

Incident	Disciplinary steps taken/criminal proceedings	2017/18 R'000
Competitive bidding process not followed by the implementing agent	Investigation Pending	1,724,075
Non-compliance with SITA Act	Investigation Pending	46,155
Contract variations in excess of 20% threshold	Investigation Pending	41,149
Rental of office accommodation without signed lease agreement	Investigation Pending	553
S&T claims paid without prior trip authorisation	Investigation Pending	1
Emergency procurement not followed	Investigation Pending	10
Three price quotations were not obtained	Investigation Pending	5,351
Bidding documents not available for audit		32,827
Bidding amount split into items of lesser value		47,065
Total		1,897,186

Thirty one (31) new cases amounting to R134.8 million were confirmed during the year. One case amounting to R1.7 billion committed by Independent Development Trust.

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26.3 Details of irregular expenditure condoned

Incident	Condoned by (condoning authority)	2017/18 R'000
Incorrect application of emergency clause	Acting National Commissioner	43
Payment of medical accounts	Acting National Commissioner	18,163
Three quotations not obtained	Acting National Commissioner	4,757
Officials who failed to declare interest	Acting National Commissioner	3
Payment of Goods and services before delivery	Acting National Commissioner	8
Procurement done with prohibited supplier	Acting National Commissioner	2
Financial documents signed off by officials without delegated powers	Acting National Commissioner	219
Invoices paid without being stamped/signed	Acting National Commissioner	195
Order issued after receipt of invoice	Acting National Commissioner	50
Extension of contract not approved by delegate authority	Acting National Commissioner	103
Amount on invoices not agreeing to payments made	Acting National Commissioner	490
S&T claims paid without prior trip authorisation	Acting National Commissioner	43
Rental of office accommodation without signed lease agreement	Acting National Commissioner	37
Total		24,113

One (1) case relating to the current year and one hundred and sixty four (164) cases relating to previous financial years amounting to R24 million were condoned following investigations and where applicable disciplinary actions taken.

26.4 Details of irregular expenditure recoverable (not condoned)

Incident	2017/18 R'000
Logistical procedures not followed	5
Amount exceeding cell phone limits not deducted from official	1
Original Tax Clearance Certificate not submitted for audit purposes	13
S&T claims paid without prior trip authorisation	9
Amount on invoice not agreeing to payment made	1
Total	29

Seven (7) cases amounting to R29 thousand were referred for recovery from officials and/or other parties.

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26.5 Details of irregular expenditure under investigation (not included in the main note)

Incident	2017/18 R'000
Bidding process not properly followed	19,924
Bidding amount split into items of lesser value	1,646
Incorrect application of emergency clause	140
Total	21,710

26.6 Prior period error

Note	2016/17 R'000
Nature of prior period error	
Relating to 2016/17 [affecting the opening balance]	(2,664)
Three quotations not obtained, payment of medical accounts, incorrect application of emergency clause, officials who failed to declare their interest, Bidding amounts split into items of lesser value.	(2,664)
Total prior period errors	(2,664)

27. FRUITLESS AND WASTEFUL EXPENDITURE

27.1 Reconciliation of fruitless and wasteful expenditure

Note	2017/18 R'000	2016/17 R'000
Opening balance	37,854	37,241
Prior period error	-	3
As restated	37,854	37,244
Fruitless and wasteful expenditure – relating to prior year	-	-
Fruitless and wasteful expenditure – relating to current year	41,235	920
Less: Amounts resolved	(1,892)	(310)
Less: Amounts transferred to receivables for recovery	-	-
Closing balance	77,197	37,854

27.2 Analysis of awaiting resolution per economic classification

Note	2017/18 R'000	2016/17 R'000
Current	77,197	37,854
Total	77,197	37,854

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27.3 Analysis of Current year's (relating to current and prior years) fruitless and wasteful expenditure

Incident	Disciplinary steps taken/criminal proceedings	2017/18 R'000
Travelling Cancellations	Pending	36
Fleet Services and Transport	Pending	5
Interest paid relating to court orders, arbitration awards and others	Pending	5,617
Other	Pending	35,577
Total		41,235

27.4 Prior period error

Nature of prior period error	Note	2016/17 R'000
Relating to 2016/17		3
		3
Total prior period errors		3

27.5 Details of fruitless and wasteful expenditures under investigation (not included in the main note)

Incident	2017/18 R'000
Fleet services and Transport Payment	113
Intangible asset production not completed	27,036
Interest charged for payments	2,011
Internal Audit payment for sub-standard	503
More bread than the number of inmates	34
Payments non-compliance(Vat)	236
Suspensions not reviewed	4,859
Training(not Attended)	12
Travel Cancellation: Conference/Accommodation	739
Others	1,865
Total	37,409

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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 R71,715 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 2018. Refer to intangible asset note 33.

Note	2017/18 R'000	2016/17 R'000
Receivables from related parties	71,715	18,080
Total	71,715	18,080

29. KEY MANAGEMENT PERSONNEL

No. of Individuals	2017/18 R'000	2016/17 R'000
<i>Political office bearers:</i>		
Deputy Minister of Justice and Correctional Services responsible for Correctional Services	1	2,098
<i>Officials:</i>		
Level 15 to 16	11	16,266
Level 14 (incl. CFO if at a lower level)	41	46,835
Family members of key management personnel	27	9,700
Total	74,899	70,541

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30. PUBLIC PRIVATE PARTNERSHIP

Note	2017/18 R'000	2016/17 R'000
Unitary fee paid	1,120,291	1,019,121
Fixed component	98,860	127,003
Indexed component	1,021,431	892,118
Analysis of indexed component	1,021,431	892,118
Goods and services (excluding lease payments)	1,021,431	892,118
Capital/(Liabilities)	98,860	127,003
Property	98,860	127,003

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.

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.

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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.

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.

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Approved and contracted

Note	2017/18 R'000	2016/17 R'000
Current Expenditure (Index fee)	9,741,464	11,020,605
Capital Expenditure (Fixed fee)	82,506	174,788
Total	9,823,970	11,195,393

31. PROVISIONS

Note	2017/18 R'000	2016/17 R'000
Legal claim against the department	1,349	1,734
Total	1,349	1,734

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

31.1 Reconciliation of movement in provisions – 2017/18

	Legal Claims against the department R'000	Total provisions R'000
Opening balance	1,624	1,624
Increase in provision	974	974
Settlement of provision	(1,143)	(1,143)
Change in provision due to change in estimation of inputs	(106)	(106)
Closing balance	1,349	1,349

Reconciliation of movement in provisions – 2016/17

	Legal Claims against the department R'000	Total provisions R'000
Opening balance	1,341	1,341
Increase in provision	665	665
Settlement of provision	(124)	(124)
Change in provision due to change in estimation of inputs	(258)	(258)
Closing balance	1,624	1,624

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32. MOVABLE TANGIBLE CAPITAL ASSETS

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018

	Opening balance	Value adjustments	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	2,010,168	-	45,104	52,595	2,002,677
Transport assets	1,054,675	-	1,797	30,304	1,026,168
Computer equipment	343,592	-	33,757	11,028	366,321
Furniture and office equipment	75,830	-	3,591	735	78,686
Other machinery and equipment	536,071	-	5,959	10,528	531,502
BIOLOGICAL ASSETS	62,924	19,454	4,086	14,700	71,764
Biological assets	62,924	19,454	4,086	14,700	71,764
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	2,073,092	19,454	49,190	67,295	2,074,441

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:		
Heritage assets		
Machinery and equipment	1,155	29,208
Specialised military assets	-	-
Biological assets	129	1,056

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 2018

	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	35,321	27,270	(15,959)	(1,528)	45,104
Transport assets	3,677	(1,880)	-	-	1,797
Computer equipment	8,886	24,856	-	15	33,757
Furniture and office equipment	1,169	2,422	-	-	3,591
Other machinery and equipment	21,589	1,872	(15,959)	(1,543)	5,959
BIOLOGICAL ASSETS	2,480	1,750	-	(144)	4,086
Biological assets	2,480	1,750	-	(144)	4,086
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	37,801	29,020	(15,959)	(1,672)	49,190

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32.2 Disposals

DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018

	Sold for cash	Non-cash disposal	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	30,556	22,039	52,595	5,503
Transport assets	29,634	670	30,304	5,400
Computer equipment	-	11,028	11,028	-
Furniture and office equipment	-	735	735	-
Other machinery and equipment	922	9,606	10,528	103
BIOLOGICAL ASSETS	-	14,700	14,700	-
Biological assets	-	14,700	14,700	-
TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS	30,556	36,739	67,295	5,503

32.3 Movement for 2016/17

MOVEMENT IN TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	1,986,660	6,289	101,637	(84,418)	2,010,168
Transport assets	1,056,372	(616)	51,499	(52,580)	1,054,675
Computer equipment	345,014	(1,152)	14,743	(15,013)	343,592
Furniture and office equipment	71,971	(1,364)	6,399	(1,176)	75,830
Other machinery and equipment	513,303	9,421	28,996	(15,649)	536,071
BIOLOGICAL ASSETS	65,713	(130)	8,683	(11,342)	62,924
Biological assets	65,713	(130)	8,683	(11,342)	62,924
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	2,052,373	6,159	110,320	(95,760)	2,073,092

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32.3.1 Prior period error

	Note	2016/17 R'000
Nature of prior period error		
Relating to 2016/17 [affecting the opening balance]		6,159
Machinery and equipment		6,289
Biological Assets		(130)
Total prior period errors		6,159

32.4 Minor assets

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2018

	Intangible assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000
Opening balance	-	614,699	13,276	627,975
Value adjustments	-	-	(5,479)	(5,479)
Additions	-	24,834	10,679	35,513
Disposals	-	(13,808)	(4,450)	(18,258)
TOTAL MINOR ASSETS	-	625,725	14,026	639,751

	Intangible assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	28	17	1	46
Number of minor assets at cost	-	584,950	4,344	589,294
TOTAL NUMBER OF MINOR ASSETS	28	584,967	4,345	589,340

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	4,153	4,398
Biological assets	94	307

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

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MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2017

	Intangible assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000
Opening balance	-	609,209	10,398	619,607
Prior period error	-	3,437	-	3,437
Additions	-	25,070	7,367	32,437
Disposals	-	(23,017)	(4,489)	(27,506)
TOTAL MINOR ASSETS	-	614,699	13 276	627 975

	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 ASSETS	28	507,025	4,368	511,421

32.4.1 Prior period error

Note 2016/17
R'000

Nature of prior period error

Relating to 2016/17 *[affecting the opening balance]*

Machinery and Equipment

3,437

Total prior period errors

3,437

32.5 Movable assets written off

MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2018

	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000
Assets written off	21,898	14,621	36,519
TOTAL MOVABLE ASSETS WRITTEN OFF	21,898	14,621	36,519

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

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33. INTANGIBLE CAPITAL ASSETS

33.1 Additions

ADDITIONS TO INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018

	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	-	71,715	(71,715)	-	-
TOTAL ADDITIONS TO INTANGIBLE CAPITAL ASSETS	-	71,715	(71,715)	-	-

34. IMMOVABLE TANGIBLE CAPITAL ASSETS

**MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED
31 MARCH 2018**

	Opening balance	Value adjustments	Additions	Disposals	Closing Balance
	R'000		R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	864,864	-	233,173	-	1,098,037
Dwellings	-	-	-	-	-
Non-residential buildings	1,380	-	175	-	1,555
Other fixed structures	863,484	-	232,998	-	1,096,482
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	864,864	-	233,173	-	1,098,037

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34.1 Additions

ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018

	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	581,633	232,998	(581,458)	-	233,173
Dwellings	356,914	-	(356,914)	-	-
Non-residential buildings	107,529	-	(107,354)	-	175
Other fixed structures	117,190	232,998	(117,190)	-	232,998
TOTAL ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS	581,633	232,998	(581,458)	-	233,173

34.2 Movement for 2016/17

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	1,380	863,484	-	-	864,864
Non-residential buildings	1,380	-	-	-	1,380
Other fixed structure	-	863,484	-	-	863,484
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	1,380	863,484	-	-	864,864

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34.2.1 Prior period error

	Note	2016/17 R'000
Nature of prior period error		863,484
Relating to 2016/17 [affecting the opening balance]		863,484
Relating to 2016/17		-
Total prior period errors		863,484

34.3 Capital Work-in-progress

CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2018

	Opening balance 1 April 2017	Current Year WIP	Ready for use (Assets to the AR)/Contracts terminated	Closing balance 31 March 2018
Note	R'000	R'000	R'000	R'000
Annexure 6				
Buildings and other fixed structures	680,613	92,519	(227,675)	545,457
Intangible assets	86,583	71,715	-	158,298
TOTAL	767,196	164,234	(227,675)	703,755

	Number of projects		2017/18 Total R'000
	Planned, Construction not started	Planned, Construction started	R'000
0 to 1 Year	-	-	-
1 to 3 Years	-	-	-
3 to 5 Years	106	3	703,755
Longer than 5 Years	-	-	-
Total	106	3	703,755

Accruals and payables not recognised relating to Capital WI	Note	2017/18 R'000	2016/17 R'000
[Amounts relating to progress certificates received but not paid at year end and therefore not included in capital work-in-progress]		17,256	-
Total		17,256	-

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CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2017

Note	Opening balance 1 April 2016	Prior period error	Current Year WIP	Ready for use (Assets to the AR)/Contracts terminated	Closing balance 31 March 2017
Annexure 6	R'000	R'000	R'000	R'000	R'000
Building and other fixed structures	-	680,613	-	-	680,613
Intangible assets	68,503	-	18,080	-	86,583
TOTAL	68,503	680,613	18,080	-	767,196

35. PRINCIPAL-AGENT ARRANGEMENTS

35.1 Department acting as the principal

	Fee paid	
	2017/18	2016/17
	R'000	R'000
Independent Development Trust (IDT)		
Management fees paid to IDT	9,139	13,870
Total	9,139	13,870

The total amount paid to IDT is R154,073 million (2016/17: R275,930 million). The principal-agent relationship between the department and IDT (agent) is based on a fixed term Memorandum of Agreement and the management fees paid are based on services rendered by the agent. The role of the IDT is that of an Implementing Agent on behalf of the department on some of the infrastructure projects, e.g. security fencing. The security fencing project was split into two phases. Phase I was completed and Phase II is still running, with two outstanding projects at St Albans and Durban Westville. If the arrangement is terminated there would not be any cost implications for the department.

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36. PRIOR PERIOD ERRORS

36.1 Correction of prior period errors

	Note	Amount before error correction	Prior period error	Restated Amount
		2016/17	2016/17	2016/17
		R'000	R'000	R'000
Assets:				
Movable Assets	32	2,066,933	6,159	2,073,092
Immovable Assets	34	-	863,484	863,484
Immovable Assets: Capital Work in Progress	34.3	-	680,613	680,613
		2,066,933	1,550,256	3,617,189
Liabilities:				
Provisions on claims against the Department that were paid in prior period	31	1,882	(258)	1,624
Payables on claims against the Department that were not recorded in prior period	22.2	628,237	594	628,831
Contingent Liabilities on claims against the Department that were not recorded in prior period	20	253,692	188	253,880
Operating leases – Building and other fixed structures	24.1	3,621,963	(3,488,499)	133,464
Net effect		4,505,774	(3,487,975)	1,017,799

Movable Assets and Minor Assets:

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

Immovable Assets and CWIP:

The Department did not record capital work in progress as per paragraph 101 of the MCS as prescribed by National Treasury as it was impracticable to do so.

Operating Lease Commitments:

Correction of prior period error where the Department disclosed lease commitments for all leased buildings whereas the lease agreements are between the Department of Public Works (DPW) and the private landlords. No sub-lease agreements have been entered into between DPW and the Department. The DPW discloses in its annual financial statements these operating lease commitments.

	Note	Amount before error correction	Prior period error	Restated Amount
		2016/17	2016/17	2016/17
		R'000	R'000	R'000
Other				
Irregular Expenditure	26	1,325,459	(2,664)	1,322,795
Fruitless and Wasteful Expenditure	27	37,851	3	37,854
Net effect		1,363,310	(2,661)	1,360,649

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

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ANNEXURE 1A

STATEMENT OF OTHER TRANSFERS PAID TO MUNICIPALITIES

CATEGORY OF ENTITIES	Other transfers	Adjustments	Total Available	Actual Transfer	2016/17
	R'000	R'000	R'000	R'000	R'000
Provincial Departments	6 030	-	6 030	1 276	1,510
Municipalities	573	-	573	4 877	4,229
TOTAL	6 603	-	6 603	6 153	5,739

Transfers to Provincial Departments responsible for transport and Municipalities is expenditure relating to registration and renewal of licences for state owned vehicles

ANNEXURE 1B

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENTAL AGENCY/ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2016/17
	Adjusted Appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000
Safety and Security Sector Educational and Training Authority(SASSETA)	10,395	-	-	10,395	9,352	90%	20,823
Independent Development Trust	-	-	-	-	34,370	-	-
TOTAL	10,395	-	-	10,395	43,722	90%	20,823

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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				2016/17 Final Appropriation R'000
	Adjusted Appropriation Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available funds Transferred	Capital R'000	Current R'000	
Private Enterprises Transfers	-	-	-	-	-	-	-	-	1,857
TOTAL	-	-	-	-	-	-	-	-	1,857

ANNEXURE 1D

STATEMENT OF TRANSFERS TO HOUSEHOLDS

HOUSEHOLDS	TRANSFER ALLOCATION			EXPENDITURE			2016/17 Final Appropriation R'000
	Adjusted Appropriation Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available funds Transferred	
Transfers							
Leave Gratuity	87,240	-	-	87,240	75,016	86%	73,869
Poverty Relief	357	-	-	357	833	233%	524
Prisoner gratuity (Pocket Money)	20,930	-	-	20,930	25,013	120%	22,577
Claims	308	-	-	308	4,935	1 602%	4,810
Post Retirement benefit	2,512	-	-	2,512	5,864	233%	1,249
Refund	109	-	-	109	120	110%	-
TOTAL	111,456	-	-	111,456	111,781		103,029

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ANNEXURE 1E
STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2017/18 R'000	2016/17 R'000
Received in cash			
Merseta	Tools, equipment and raw materials	-	2,250
Subtotal		-	2,250
Received in kind			
Various private persons	Animals	15	30
Various private persons	Sports and equipment	6	16
Various private persons	Computer equipment and software	483	2,270
Various private persons	Books	7,667	535
Various private persons	Food related products	6	19
Various private persons	Toiletries	127	8
Various private persons	Electrical Appliances	13	689
Various private persons	Toys, baby accessories and recreation	13	53
Various private persons	Stationery	10	2
Various private persons	Other	129	577
Subtotal		8,469	4,199
TOTAL		8,469	6,449

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ANNEXURE 1F
STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE

	2017/18	2016/17
	R'000	R'000
NATURE OF GIFT, DONATION OR SPONSORSHIP		
Made in kind		
Poverty alleviation(clothing and food) to private organisation	2	-
Gifts to dignitaries	1	-
Other	296	9
TOTAL	299	9

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ANNEXURE 2A

STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2018 – LOCAL

GUARANTOR INSTITUTION	Guarantee in respect of	Opening balance	Guarantees draw downs	Guarantees	Closing balance
		1 April 2017	during the year	repayments/cancelled/reduced/ released during the year	31 March 2018
		R'000	R'000	R'000	R'000
Standard Bank	Housing	203	30	-	233
ABSA	Housing	255	-	196	59
Green Start Housing Loans	Housing	36	-	-	36
Mpumalanga Housing Finance	Housing	37	-	-	37
TOTAL		531	30	196	365

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ANNEXURE 2B

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2018

NATURE OF LIABILITY	Opening Balance 1 April 2017	Prior period error	Liabilities incurred during the year	Liabilities paid/ cancelled/reduced during the year	Closing Balance 31 March 2018
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Assault/Bodily injury	58,066	-	17,541	10,707	64,900
Breach of contract	71,158	-	15,231	34,738	51,651
Compensation	643	-	1,726	1,639	730
Damages	26,310	95	3,706	600	29,511
Damages to property	59	-	-	-	59
Death in detention	2,769	-	1,750	-	4,519
Defamation	407	60	1,929	60	2,336
Injury in correctional centre	2,886	-	4,680	1,550	6,016
Loss of support	4,581	-	-	796	3,785
Motor accident	4,656	(2)	3,658	1,114	7,198
Others	6,838	-	-	65	6,773
Pain and suffering	1,782	-	-	-	1,782
Rape	54,611	-	7,730	10,039	52,302
Unlawful deduction	459	-	123	43	539
Unlawful detention	18,467	36	5,819	2,520	21,802
TOTAL	253,692	188	63,894	63,870	253,905

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ANNEXURE 3
CLAIMS RECOVERABLE

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
	R'000	R'000	R'000	R'000	R'000	R'000
Department						
Department of Telecommunications	-	155	56	-	56	155
South African Police Services	-	-	13	-	13	-
Department of Justice	-	-	89,824	18,112	89,824	18,112
Department of Water and Sanitation	-	-	30	920	30	920
Department of Defence	-	-	-	185	-	185
Department of Rural Development and Land Reform	-	-	-	35	-	35
Provincial of Treasury: Eastern Cape	-	-	-	25	-	25
Department of Community Safety	-	-	167	-	167	-
TOTAL	-	155	90,090	19,277	90,090	19,432

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ANNEXURE 4
INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2018 R'000	31/03/2017 R'000	31/03/2018 R'000	31/03/2017 R'000	31/03/2018 R'000	31/03/2017 R'000
DEPARTMENTS						
Current						
Department of Justice	25,088	934	-	17,325	25,088	18,259
Department of Women	-	15	-	-	-	15
Independent Police Investigative Directorate(IPID)	20	-	-	-	20	-
South African Police Services	377	-	157	117	534	117
Department of Defence	-	-	20	3	20	3
Department of Public Works	-	-	-	60	-	60
Department of Higher Education and Training	-	-	7	-	7	-
Department of Health (WC)	152	-	-	-	152	-
Department of Health (GP)	689	2,320	28,843	15,087	29,532	17,407
Department of Health (FS)	9	-	-	-	9	-
Department of Health (Mpumalanga)	13	-	-	-	13	-
Provincial Treasury (Gauteng)	-	-	68	-	68	-
Department of Education (Limpopo)	-	-	40	197	40	197
Subtotal	26,347	3,269	29,136	32,789	55,484	36,057

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ANNEXURE 4
INTER-GOVERNMENT PAYABLES

	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
	R'000	R'000	R'000	R'000	R'000	R'000
GOVERNMENT ENTITY						
OTHER GOVERNMENT ENTITY						
Current						
Property Management Trading Entity	388,971	492,505	181,159	-	570,130	492,505
Independent Development Trust	17,256	45,250	9,362		26,618	45,250
State Information Technology Agency	9,272	19,926	10,652	9,554	19,924	29,480
National Health Laboratory Services	-	160	5,959	5,388	5,959	5,548
Government Employees Pension Fund	967	1,461	-	-	967	1,461
South African Qualifications Authority	11	-	-	-	11	-
Auditor General of SA	3,719	6,196	-	-	3,719	6,196
Armsscor	5,279	-	-	-	5,279	-
Special Investigating Unit	6,355	-	-	-	6,355	-
Telkom	8,256	8,060	-	-	8,256	8,060
Subtotal	440,086	573,558	207,132	14,942	647,218	588,500
TOTAL	466,434	576,827	236,268	47,731	702,702	624,557

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ANNEXURE 5
INVENTORIES

	2017/18	2016/17
	Quantity	Quantity
	R'000	R'000
Opening balance	199,340	202,737
Add/(Less): Adjustments to prior year balance	14	38
Add: Additions/Purchases - Cash	809,106	598,692
Add: Additions - Non-cash	(946)	4,160
(Less): Disposals	(18,685)	(100,537)
(Less): Issues	(563,455)	(518,160)
Add/(Less): Adjustments	301	574
Closing balance	251,136	187,504
	86,802	544,821

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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

ANNEXURE 6

MOVEMENT IN CAPITAL WORK IN PROGRESS

MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2018

	Opening balance	Current Year Capital WIP	Ready for use (Asset register)/ Contract terminated	Closing balance
	R'000	R'000	R'000	R'000
	680,613	92,520	(227,675)	545,458
	-	1,612	-	1,612
	680,613	90,908	(227,675)	543,846
SOFTWARE	86,583	71,715	-	158,298
Software	86,583	71,715	-	158,298
TOTAL	767,196	164,235	(227,675)	703,756

BUILDINGS AND OTHER FIXED STRUCTURES

Non-residential buildings
Other fixed structures

	Number of projects		2017/18
	Planned, Construction started	Planned, Construction started	Total R'000
AGE ANALYSIS ON ONGOING PROJECTS			
0 to 1 Year	-	-	-
1 to 3 Years	-	-	-
3 to 5 Years	106	3	703,755
Longer than 5 Years	-	-	-
Total	106	3	703,755

DEPARTMENT OF CORRECTIONAL SERVICES
VOTE 18
ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

ANNEXURE 6

MOVEMENT IN CAPITAL WORK IN PROGRESS

MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2017

	Opening balance	Prior period error	Current Year Capital WIP	Ready for use (Asset register)/ Contract terminated	Closing balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	1,926,210	(1,407,995)	222,554	(60,155)	680,614
Dwellings	1,430,975	(1,430,975)	-	-	-
Non-residential buildings	56,769	(56,769)	-	-	-
Other fixed structures	438,466	79,749	222,554	(60,155)	680,614
SOFTWARE	68,503	-	18,080	-	86,583
Software	68,503	-	18,080	-	86,583
TOTAL	1,994,713	(1,407,995)	240,634	(60,155)	767,197

DEPARTMENT OF CORRECTIONAL SERVICES
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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
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ANNEXURE 7
INTER-ENTITY ADVANCES PAID (note 14)

ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
	R'000	R'000	R'000	R'000	R'000	R'000
NATIONAL DEPARTMENTS						
Department of International Relations and Cooperation	732	732	18	18	750	750
Government Communication and Information System	-	-	193	-	193	-
TOTAL	732	732	211	18	943	750



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Compiled and Distributed by Department of Correctional Services

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Private Bag X136, Pretoria 0001

RP410/2018

ISBN: 978-0-621-46851-9