

## In this Issue:

**Correctional Services Budget 2007/8 to 2009/10**

**SA Prisons at a glance**

## Correctional Services Budget 2007/8 to 2009/10

[Top of Page](#)

Author : By Lukas Muntingh (CSPRI)

### Introduction

The Department of Correctional Services (DCS) estimates of expenditure (Vote 18) for the period 2008/9 to 2010/11 recently became available following the Minister of Finance's budget speech. The DCS will this year be requesting Parliament for an allocation of R11.67 billion; R0.9 billion more than the previous year's request.<sup>1</sup> This slight increase continues to reflect the moderation in the DCS budget after the significant revision of the 2006/7 budget due to the delays in the prison construction programme (see *CSPRI Newsletter No. 21*). However, the Medium Term Expenditure Estimates (MTEE) also reflects a significant increase in expenditure on facilities in 2010/11. It is also noticeable that the DCS share of national budget is now below 2% and will remain at this level, save for the expenditure on facilities forecasted for 2010/11, when it will be 2.05% of the national budget.

This newsletter looks at the DCS MTEE focussing on five issues

- ? The cost drivers and priorities in the budget
- ? The real and nominal trends in the budget
- ? The internal distribution of the budget between DCS programmes
- ? The prison construction programme
- ? Budget trends and the White Paper on Corrections
- ? The budget in relation to other budgets in the crime and security cluster

To achieve its objectives, as articulated in Section 2 of the Correctional Services Act (111 of 1998), the DCS has developed in its Strategic Plan the following seven programmes which are the same for the budget vote:<sup>2</sup>

? *Administration* - Provide the administrative, management, financial, ICT, research, policy co-ordination and good governance support functions necessary for all service delivery by the department and in support of the functions of the Ministry.

? *Security* - Provide safe and healthy conditions for all persons incarcerated, consistent with human dignity, and thereby provide security for personnel and the public.

? *Corrections* - Provide needs-based correctional sentence plans and interventions, based on an assessment of the security risk and criminal profile of individuals, targeting all elements associated with offending behaviours, and focusing on the offence for which a person is sentenced to correctional supervision, remanded in a correctional centre or paroled.

? *Care* - Provide needs-based care programmes aimed at maintaining the well-being of incarcerated persons in the Department's care.

? *Development* - Provide needs-based personal development services to all offenders.

? *Social Reintegration* - Provide services focused on offenders' preparation for release, their effective supervision after release on parole, and on the facilitation of their social reintegration into their communities.

? *Facilities* - Ensure that physical infrastructure supports safe custody, humane conditions, and the provision of corrective services, care and development, and general administration.

### **The cost drivers and strategic priorities**

The costs of the DCS are driven by four factors, as defined by the National Treasury, namely:

? the size of the prison population

? the number of probationers and parolees

? the number of employees of the Department

? the strategic intentions of the Department.<sup>3</sup>

The 2008/9 MTEE identifies five service delivery improvement projects, which should be seen as reflecting the strategic intentions of the department; these are:

? The seven-day establishment, job refinement and enhancement to provide a seven-day a week service to prisoners and avoiding overtime payment to staff

? Infrastructure development, with reference to six new prisons with a capacity of 3000 beds each to alleviate overcrowding

? The phased implementation of the Offender Rehabilitation Path (ORP) aimed at managing each offender's term of imprisonment

? Phased implementation of the Social Reintegration Action Plan to improve monitoring of parolees and probationers, and promote the use of community-based sentencing.

? Remand Detention Project to establish a distinct arm in DCS to accommodate and manage awaiting trial prisoners.

### **Nominal and real trends**

In order to facilitate comparison and adjust for the effect of inflation, a distinction is made between real and nominal value. Real value refers to values adjusted for inflation, and in this article uses 2008/9 as the baseline year.<sup>4</sup> It therefore adjusts future and past values to be expressed in terms of "what money is worth in 2008/9". Nominal value, as shown in Table 1 below, does not include an inflation adjustment, and are the budgetary figures released by Treasury in the MTEE.<sup>5</sup> In nominal terms the budget

will increase from the 2007/8 level of R10.7 billion to R15.2 billion by 2010/11, or by 42%. Table 1 also provides the audited outcomes, revised estimated (2007/8) and the MTEE for the period 2003/4 to 2010/11. The last row in Table 1 shows the year on year increase/ decrease in the budget. In nominal terms, the budget will have doubled from 2003/4 to 2010/11.

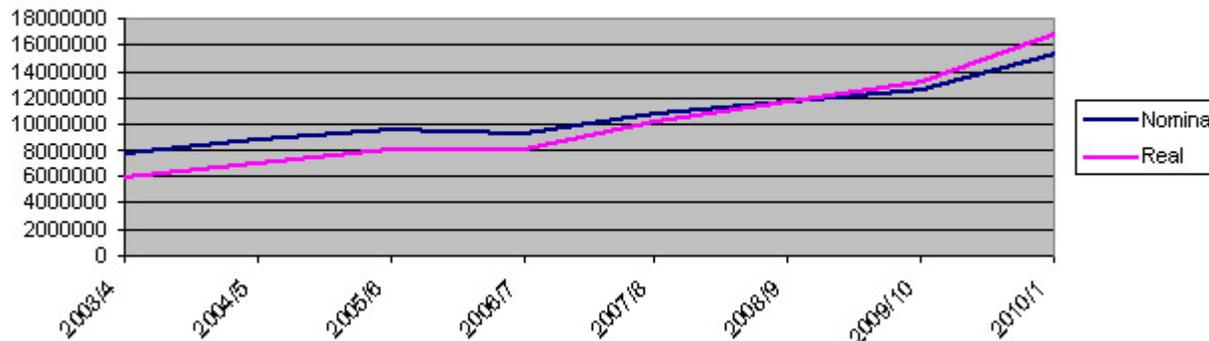
**Table 1**

R '000	Audited outcomes				Revised est.	MTEE	MTEE	MTEE
	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
1. Administration	2,309,227	2,837,099	2,545,673	2,562,802	2,874,543	3,111,582	3,373,333	3,605,016
2. Security	2,659,801	2,706,205	3,051,627	2,931,981	3,444,847	3,873,242	4,116,254	4,433,021
3. Corrections	437,253	481,083	613,560	722,000	1,041,580	1,064,678	1,125,249	1,211,717
4. Care	751,708	725,899	1,028,059	1,090,692	1,241,561	1,394,735	1,457,670	1,601,463
5. Development	269,022	266,008	478,337	347,054	394,348	396,615	476,337	509,011
6. Social Reintegration	291,174	288,079	301,335	319,166	371,356	386,538	411,320	442,021
7. Facilities	1,131,529	1,524,419	1,612,625	1,277,491	1,386,174	1,444,444	1,692,301	3,448,151
<b>Total</b>	<b>7,849,714</b>	<b>8,828,792</b>	<b>9,631,216</b>	<b>9,251,186</b>	<b>10,754,409</b>	<b>11,671,834</b>	<b>12,652,464</b>	<b>15,250,400</b>
Growth in budget yr on yr		12.5	9.1	-3.9	16.2	8.5	8.4	20.5

Figure 1 shows the nominal and real growth in the budget. Using 2008/9 as the baseline year it is evident that the DCS budget has remained below R 8 billion from 2003/4 to 2006/7. Thereafter, the budget grows aggressively and doubles in real terms by 2010/11. It is, however, in 2010/11 that the budget increases sharply in real and nominal terms. Measured at 2008/9 values, the budget will increase by 26% in the third year of the MTEE primarily due to prison construction under the Facilities Programme.

**Figure 1**

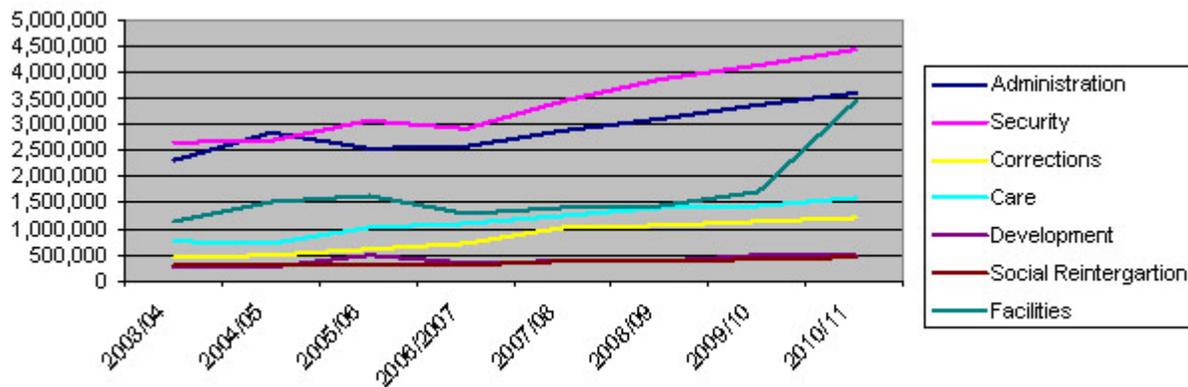
**DCS Budget; 2003/4 - 2010/11; Real and nominal growth**



## The budget per programme

The budget per programme is presented in Figure 2 for the period 2003/4 to 2010/11. Two programmes (Administration and Security) continue to receive the larger share of the budget as staff costs are primarily allocated to these two programmes. The Corrections Programme received a significantly larger share of the budget from 2007/8 onwards due to the re-allocation of certain staff costs to this programme. The three programmes that most closely reflect the aims of the White Paper on Corrections (Care, Development and Social Reintegration) have remained on the same trajectory and together constitute less than 17% of the budget. It is in particular the allocation to the Social Reintegration Programme that is cause for concern as the proportional share of this programme has remained at approximately 3.5%. The value of interventions during imprisonment needs to be sustained after release to reduce the risk that released prisoners return to crime. The high cost of imprisonment can only be justified if the investment made is indeed sustained.

Figure 2



## Prison construction

The construction of eight new prisons was announced in 2005 and 2006 by President Mbeki in his State of the Nation addresses.<sup>6</sup> The construction of six new prisons is planned for in this MTEE. Progress has been extremely slow and to date only construction on one (in Kimberley) has started and is scheduled to be completed in 2009 at a cost of R810 million. With a capacity for 3000 prisoners, the construction cost per bed is R270 000. On 19 February 2008 the DCS briefed the Portfolio Committee on Correctional Services on progress made in the prison construction programme. From this meeting it is evident that the Portfolio Committee is extremely concerned about the DCS proposal for fully privatised facilities (the so-called Public Private Partnerships), similar to the two existing privately operated prisons in Bloemfontein and Makhado. The Committee was concerned about the change in policy and cited the minutes of a Committee meeting on 2 May 2006 where the Minister explained that the DCS has moved away from the Public Private Partnerships (PPP) model due to the high costs involved. The Committee also expressed concern about the constitutionality of the private sector being responsible for the incarceration of citizens and that the

PPP situation was 'not enabling management of the correctional system'. The overall impression gained from the meeting of 19 February 2008 is that the Portfolio Committee on Correctional Services remains unconvinced about the construction of new prisons on this scale and that it is suspicious about the radical change in policy on PPP apparently adopted by the DCS.

There are two further issues related to the prison construction programme. The first concerns the size of 3000 prisoners per unit. These are large prisons by all standards and would result in the significant concentration of prisoners at these facilities. A consequence of this will be that prisoners may not have access to their families, especially families from rural areas. The White Paper and the Correctional Services Act place great emphasis on family contact and regard it as an important feature of the reintegration process. Large prisons, as those being proposed, will undermine this objective. Smaller units that are decentralised enabling people to be imprisoned closer to their communities of origin would be more aligned to the objectives of the White Paper. The second concern is the proposed sites for these prisons. The sites are: Kimberley (already under construction), Nigel, Klerksdorp, Leeuwkop, Port Shepstone, Polokwane, Allandale and East London. A closer inspection of current occupation figures reveals that few of the identified sites are aligned to where severe prison overcrowding is experienced. It would therefore be helpful if a clearer motivation is provided by the DCS for the selection of these particular sites.

### **Spending towards the White Paper**

It may indeed be trite to say that the DCS has only 17 years left to implement the 20-year vision of the White Paper. However, a closer inspection of current and planned spending on the four programmes that would embody the vision of the White Paper raises some questions as to how this vision will indeed be realised. The *Corrections Programme* show significant increases from 2004/5 to 2010/11. Much of this is allocated towards risk assessment and profiling, as well as Case Management Committees that advise the Correctional Supervision and Parole Boards (CSPB). The increase in the *Corrections Programme* is further accounted for in the re-allocation of staff expenses formerly under other programmes.

The *Care Programme* showed a significant increase in past years as a result of the introduction of the three-meal per day system and the progressive implementation of a national HIV/AIDS programme. *The Development Programme* description in the MTEE is, however, vague on what exactly spending will be aimed at. In 2005/6 a significant amount was spent on the installation of television monitors and these will be used in future for education and communication purposes. The *Social Reintegration Programme* budget will increase by 6% from 2008/9 to 2010/11 to 'provide for pre-release and reintegration programmes'.

The Budget Vote also, for the first time, provides very specific performance indicators for the DCS.<sup>7</sup> One of these indicators is 'Number of offenders serving more than 24 months who are assessed and have sentence plans'. It should be noted that the Correctional Services Act requires that all prisoners serving a sentence of longer than 12 months should have sentence plan, although this will in all likelihood be raised to 24 months by the Correctional Services Act Amendment Bill. At the end of November 2007 there were 99 934 sentenced prisoners in South Africa serving sentences of longer than 24 months. The performance indicators in the budget indicate that in 2007/8 there will be 1400 prisoners in this category with sentence plans, in the following year 2800, then 5600 and in 2010/11 a total of 8400 prisoners with sentence plans. Cumulatively, this represents 18% of the current population of prisoners serving sentences of longer than 24 months. The same performance indicators set very high targets in respect of prisoners participating in needs-based care sessions, 277 860 - 296 000 sessions per year. Between 65 000 and 85 000 prisoners are also targeted for participation in development programmes, and a further 22 500 prisoners are targeted for participation in formal education. Given the low number of prisoners for whom sentence plans will be in place, it is not clear how these high numbers will be selected for participation in needs-based care programmes, formal education

and development programmes. It should, after all, be the sentence plan that determines what activities and programmes a prisoner should participate in.

Budget votes since the release of the White Paper, with its overarching purpose of rehabilitation, pose an interesting question: How does one spend on rehabilitation? Rehabilitation and social reintegration programmes do not ordinarily involve large capital programmes or expensive equipment. Typically it entails socio-psychological interventions aimed at cognitive behavioural modification of offenders, usually in the form of semi-structured programmes. While there are personnel costs involved, the interventions do not require significant expenditure above that in most instances. Even post-release support services are not dependent on significant capital costs similar to that of prison construction or security services. However, securing the right staff, with the correct skills and required levels of motivation are significant challenges and it is well known that the DCS is finding it difficult to retain scarce skills. It then appears as if it is indeed easier to spend the budget on large capital works and technologically advanced security systems.

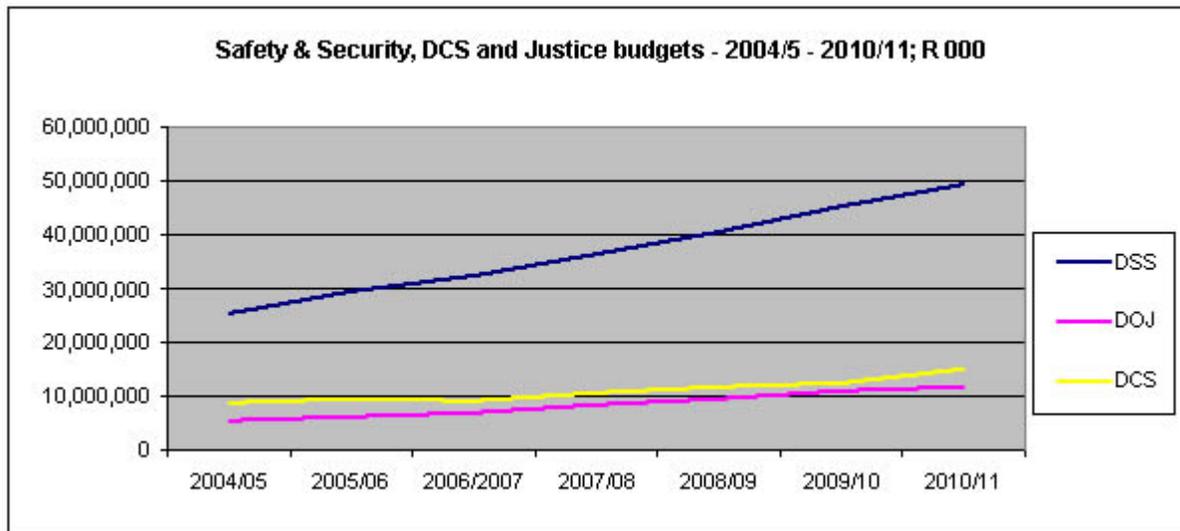
One option is to acquire rehabilitation services from the private sector and given the turn-around on PPPs, it is evident that the DCS has already selected this option through the planned construction of eight new prisons of which seven will be operated by the private sector. Following the model of the existing two private prisons, there will be a full range of services available at these prisons. The second option is the involvement of civil society on a significant scale in the rehabilitation and reintegration of prisoners and ex-prisoners. There are numerous non-governmental organisations (NGOs) already providing services to prisoners, ex-prisoners and their families without payment from the DCS. This has been a bone of contention for many years amongst NGOs who feel that they are contributing significantly to the objectives of the Department without receiving compensation and little recognition. This situation is indeed in need of fundamental review.

#### **The DCS budget in relation to other budgets in the cluster**

Three departments in the cluster perform closely related functions; namely the Department of Safety and Security (DSS), the Department of Justice (DoJ) and the DCS. Seen together, DSS receives 65%, DoJ 15% and DCS 20% on average of the allocation for law enforcement. It should also be kept in mind that a significant proportion of the DoJ budget is spent on items not related to the criminal justice system, for example the national human rights institutions and the administration of civil matters. The gap between the DoJ and DCS has narrowed in the past three years but both are overshadowed by the sustained increase in the DSS budget as shown in Figure 3. It remains to be seen what impact increased and more effective policing will have on the other two departments. It is also cause for concern that the DoJ budget remains less than the DCS budget and that there is such a wide gap between the DSS and DoJ budgets. This may indeed be the 'weak link' in the chain of law enforcement.

As a matter of interest, the DCS budget constitutes 64% of the Department of Education (DoE) budget. This comparison again illustrates the enormous costs involved in imprisonment as the DCS deals with an average population in custody of 162 000 and the DoE is responsible for an estimated 13.7 million school children as well as the tertiary education system.<sup>8</sup>

#### **Figure 3**



### Conclusion

*CSPRI Newsletter 21* on last year's Budget Vote concluded: 'The focal points of the budget vote, as reflected by the requested allocations, struggle to find a balance between the requirements of the Correctional Services Act, addressing the human rights situation in the prison system, and the strategic aspirations of the White Paper. Shorter term security issues remain a major distraction in spending on the South African prison system.' It appears that the six new prisons is the new distraction. The costs involved are enormous and will be in excess of R810 million per prison; bearing in mind that this is only the construction cost and not the operating cost over the contract term. It is also envisaged that these prisons will be operated under contract by the private sector for a period of 25 years after which the buildings will be returned to the state. It is also clear that the Portfolio Committee on Correctional Services is not convinced that this is indeed the best route upon which to proceed and it can be expected that Committee meetings on the 2008/9 Correctional Services Budget Vote will be heated.

The increases in expenditure also require justification in the form of evidence that the DCS is starting to achieve results in respect of key areas, being success in rehabilitation, reduced human rights violations and improved staff performance. Such evidence has been provided in respect of security, for example escapes are dramatically down from previous years. Measuring success on the other fronts must now be a priority. There are encouraging signs in this regard: the DCS has achieved real successes in combating corruption and it is continuing with its efforts to improve systems and financial management. There is also a focussed approach on training the management staff of the Department.

At the end of the 2010/11 financial year, as provided for in the MTEE, six years into the 20-year period of the White Paper's time frame would have passed. While it can be accepted that the first three years was by and large spent on developing appropriate strategy objectives, the next three years should see some tangible results in turning the DCS around. Maintaining long term

focus and not falling prey to short term distractions will be essential.

### Endnotes

1. National Treasury (2008) Estimates of National Expenditure - Vote 18 Correctional Services, pp. 353-371, [www.treasury.gov.za](http://www.treasury.gov.za)
2. Ibid at pp. 353-355.
3. PMG Minutes of the Portfolio Committee on Correctional Services meeting, 7/3/2006
4. Budget deflators from the Idasa Budget Information Service were used to calculate real growth estimates using 2008/9 as baseline.
5. See CSPRI Newsletter No. 16 for a description on the seven programmes as well as more background information on the budgeting process.
6. State of the Nation Address 2006 <http://www.info.gov.za/speeches/2006/06020310531001.htm> Accessed 17 March 2007
7. National Treasury (2008) Estimates of National Expenditure - Vote 18 Correctional Services, pp. 357, <http://www.treasury.gov.za/>
8. Department of Education (2005) Education Statistics in South Africa at a Glance in 2003, p. 3.

---

### SA Prisons at a glance

[Top of Page](#)

Category	Feb '07	Nov '07	Incr/Decr %
Functioning prisons	237	239	0.8
Total prisoners	161674	163464	1.1
Sentenced prisoners	113213	114226	0.9
Unsentenced prisoners	48461	49238	1.6
Male prisoners	158115	160002	1.2
Female prisoners	3559	3462	-2.7
Children in prison	2077	2121	2.1
Sentenced children	912	945	3.6
Unsentenced children	1165	1176	0.9
Total capacity of prisons	115327	114559	-0.7
Overcrowding	140.20%	142.69%	
<i>Most overcrowded</i>			
Umtata Medium	353%	416%	
<i>Least overcrowded</i>			
Flagstaff	15.50%		
Ebongweni Max (Kokstad)		29.90%	
Awaiting trial longer than 3 months	21203	21527	1.5
Infants in prison with mothers	168	166	-1.2

---

CSPRI welcomes your suggestions or comments for future topics on the email newsletter.  
Tel: (+27) 021-7979491  
<http://www.communitylawcentre.org.za/cspri>

