

REPORT OF THE PORTFOLIO COMMITTEE ON PUBLIC WORKS, ROADS AND TRANSPORT; COMMUNITY SAFETY, SECURITY AND LIAISON

3rd QUARTERLY PERFORMANCE REPORT FOR 2016/2017 OF THE DEPARTMENT OF COMMUNITY SAFETY, SECURITY AND LIAISON (CSSL)

1. INTRODUCTION

The Portfolio Committee on Public Works, Roads and Transport; Community Safety, Security and Liaison (the Committee) has a Constitutional mandate, in terms of Section 114(2)(b) of the Constitution of the Republic of South Africa (Act 108 of 1996) read with Rule 131(1) (b) of the Mpumalanga Provincial Legislature to conduct oversight on the performance of the Department of Community Safety, Security and Liaison (the department) and hold it accountable through various measures.

The consideration and scrutiny of the third (3rd) Quarterly Performance Report for 2016/2017 of the department is the tool the Committee uses to determine whether the department had proper plans and programmes to realise its strategic objectives and ultimately to deliver basic services to the citizens of Mpumalanga.

The Committee tables this report, in accordance with the provisions of the Rules and Orders of the Mpumalanga Provincial Legislature, as an account of oversight work conducted on the budget allocated to the department for the 2016/2017 financial year.

2. METHOD OF WORK

The Honourable Speaker of the Legislature referred the department's Third (3rd) Quarterly Performance Report for 2016/2017 to the Committee for consideration and

report back to the House, in accordance with Rule 218 (4) of the Rules and Orders of the Mpumalanga Provincial Legislature.

The Committee met with the department on 23 March 2017 to deliberate on the department's 3rd quarterly Performance Report for 2016/2017 financial year. The Committee considered the draft Committee Report of the 3rd Quarterly report on 29 March 2017.

3. OVERVIEW BY THE MEC

The MEC thanked the Portfolio Committee for affording the department the opportunity to present progress on its mandate and activities as mandated by the legislations. . The MEC highlighted limited resources such as human resources and accruals as a result of the fleet management, security and the speed law enforcement contract as identified challenges in the department.

He reported that the department had to put some stringent financial control measures in place to ensure that the issues of accruals are addressed and that programmes of the department are fully implemented.

The MEC stated that unforeseen circumstances could not be accurately budgeted for, like injury and death on duty, especially in the Traffic Management Programme, resulted in increased costs for the department due to injury on duty and leave gratuity payments. The MEC reported to the Committee that the department will experience an over-spending of about R15 000 000.00 at the end of this financial year.

Furthermore, the MEC highlighted on the completion of the construction of the Traffic College and appreciated the Committee for the support provided to the department during the establishment this important institution in the Province.

The MEC indicated a need to deploy traffic officers during weekends, after hours and holidays to curb the road fatalities and that necessitates payment of overtime. However, financial constraints make it difficult for the department to deploy and pay overtime over weekends, after hours and holidays. Road safety awareness campaigns and law enforcement operations have been intensified and the department is intending to procure a Moving Violation Recorder (MVR) to address the law infringements that happen during times when traffic officers are not available on the road. He requested the Committee to support endeavors of the department that are aimed at eliminating fatal crashes on our roads. He also indicated the department intervened in Nkomazi through both campaigns and law enforcement operations following the three crashes that resulted to loss of life for fourteen people were killed within 24hrs. The operations resulted to the arrest of twenty drivers, for drunk and driving incidents.

The MEC reported that the South African Police Service (SAPS) has identified thirty (30) priority stations that contribute the highest level of crimes in the province. The department has directed resources to these priority stations to ensure that crime is reduced in the province. The department is working closely with other stakeholders such as Liquor Board, SAPS, and the Municipalities to eliminate illegal taverns since drugs and liquor are the highest contributors to increase of crimes. Structures like MUNIMEC, JCPS structure are helping to ensure that safety and crime prevention receive the appropriate attention at the local municipal level.

4. Financial Performance

Departmental summary R'000	Main Appropriation	Adjusted budget	Actual expenditure	%	Budget variance	Budget variance %
Administration	110 942	112 394	87 653	78	-232	-3
Civilian oversight	58 280	54 390	39 820	73	1 270	2
Transport regulation	540 336	561 284	407 875	73	3 888	1
Security management	359 812	453 691	345 846	76	4 528	-1
Total	1 069 370	1 181 759	881 194	75	398	0

The Committee noted that the department actual expenditure is R881 194 000.00 or 75% against the adjusted budget of R1 181 759 000, 00, it has been adjusted up by R112 389 000.00 and the department projects to break-even at the end of the year. Civilian Oversight and Transport Regulations programmes have a positive variance with the exception of Security Management and Administration is at a negative variance.

According to the Provincial Budget and Expenditure Outcomes for the period ended 31 December 2016, it indicates that department projected budget from April 2016 to December 2016 amounts to R821 584 000.00, the actual expenditure of the department is at R880.976 000.00 and the cash transferred from Provincial Treasury is at R946 267 000.00 which is above the projected amount and the actual expenditure.

Economic Expenditure

Economic Classification	Main Appropriation	Adjusted budget	Actual expenditure	%	Budget variance	Budget variance %
Compensation of employees	422 181	463 620	322 904	70	2 037	0
Goods and Services	520 151	600 624	470 269	78	-15 408	-3
Transfers and subsidies	2 776	3 276	2 975	91	51	2
Capital assets	124 262	114 239	85 046	74	13 718	14
Total	1 069 370	1 181 759	881 194	75	398	0

Compensation of Employees (CoE) had been adjusted up by R41 439 000.00 (9.8%) from R 422 181 000.00 to R463 620 000.00 and the actual expenditure was R322 904 000.00 or 70% and they project to break even at the end of the year. The department's expenditure on Goods and Services is R470 269 000.00 or 78% out of the adjusted budget of R 600 624 000.00 and they project to overspend by R15 000 000.00 or 3% at the end of the financial year. Transfers and Subsidies was adjusted up by R500 000.00 from R2 776 000 to R3 276 000.00 and spent R2 975 000.00 (91%). On capital assets the expenditure is R85 045 000 or 74% for the period under review out of the adjusted budget of R114 239 000.00 which was adjusted down by R10 023 000.00 from the main budget of R124 262 000.00.

The Committee requested the department to explain why there was an upward adjustment on the Compensation of Employees, what has changed in the organisational structure of the department. The department reported that it took over the drivers and learners licensing function from the six municipalities as per EXCO lekgotla resolution. The municipal employees that were performing this function were also transferred to the department hence the Compensation of Employees was adjusted by R34 000 000 and R1000 000 for the appointment of nine state accountants in the revenue management unit to assist with the increasing workload.

The Committee also noted on Goods and Services that the department is projecting to overspend by R15 000 000, 00. The Committee enquired about the reason for the department's projection of an overspending. The department reported that the over-expenditure relates to payment of security management services. Savings realized on programme 2 will be utilized to curb the over expenditure.

The Committee noted that the department had spent 91% on Transfers and Subsidies and the department is currently left with only R301 000.00 (9%). The Committee requested the department to explain what led the spending to 91%. The department reported the main cost drivers of the item were expenses relating to injury on duty, leave gratuities paid for terminations due to death, dismissals, retirements and resignations which were not planned.

5. OBSERVATIONS AND COMMENTS

The Committee appreciated the presence of the MEC and his willingness to engage with the Committee.

The committee noted that the department submitted its responses on the same day of the meeting and were not signed by the MEC and HOD.

The Committee also appreciated the intervention of the department to rescuing the Dr JS Moroka Mayor after he was kidnapped.

The committee appreciated that the department intervened in Nkomazi through both campaigns and law enforcement operations during three fatal crashes where fourteen people were killed.

The Committee requested the department to ensure that campaigns and law enforcement reach in all Municipalities in the province.

The Committee noted that drug and alcohol abuse is a serious concern in all the Municipalities.

6. Analysis of Programme Performance

6.1. Programme 1: Administration

The Committee made the following observation on Programme 1

Programme 1 has achieved 100% or ten (10) out of ten (10) planned targets for the 3rd quarter of the 2016/17 financial year. There is no over-achievement or under-achievement on this programme, all targets were achieved as planned.

6.1.1. Financial expenditure

Programme Expenditure Programme	Main appropriation R'000	Adjusted Budget R' 000	Actual Expenditure R'000	Actual Expenditure %
Administration	110 942	112 394	87 653	78

Out of the total main appropriation of R110 942 000.00 allocated for this programme for the 2016/17 budget, it has been adjusted up by R1 452 000.00 or 1.2% which is currently R112 394 000.00. The actual expenditure amounted to R87 653 000.00 or 78 % of the total main budget appropriation.

6.1.2. Economic Classification

	Main budget R'000	Adjusted budget R'000	Actual Expenditure R'000	Actual Expenditure %
Compensation of employees	67 418	67 961	51 094	75
Goods and Services	41 214	40 863	33 537	82
Transfers and Subsidies	600	560	140	25
Payments for capital assets	1 710	3 010	2 882	96
Total	110 942	112 394	87 653	78

Programme 1(Administration) on Compensation of Employees has been appropriated an amount of R67 418 000.00 and it has been adjusted up by R543 000.00 to R67 961 000.00 during the adjustment period. The programme had spent R51 094 (75%) by the end of the 3rd quarter on Compensation of Employees. On Goods and Services for programme 1; the department has been appropriated an amount of R41 214 .00 and it is currently adjusted down from R351 000.00 to R40 863 000.00 and it had spent R33 537 00.00 (82 %).On Transfers and Subsidies the main appropriation was R600 000 and is adjusted down by R40 000,00 to R560 000 and the spending was at R140 000.00 (25%). On Payments of Capital assets the main appropriation was R1 710 000.00 and it has been adjusted up by R1 300 000.00 (43%) and the spending is at R2 882 000.00 (96%).

6.2. Programme 2: Civilian Oversight

The Committee noted that Programme 2 has achieved 10(62%) out of 16planned targets for the 3rdquarter of the 2016/17 financial year. The department has failed to achieve its target on the following:

- Under Civilian Oversight there are two (2) targets and both are not achieved, the department was supposed to conduct one (1) research report on policing matters

and also compile one (1) report on the implementation of research recommendations.

- Under Monitoring and evaluation the sub-programme had six (6) planned targets and achieved five (5), the department was supposed to compile one(1) special project and the reason for failure is that the National Civilian Secretariat for police service has delayed the commissioning of the special project.
- Under Community Police Relations, the sub-programme had three (3) planned targets and all were not achieved. The department was supposed to assess functionality of six (6) Community Safety Forums (CSFs) and only five (5) were assessed and the reason for failure is the non-availability of stakeholders. The department was supposed to assess the functionality of 21 Community Policing Forums and 20 were assessed and the remaining 1 was not assessed due to non-availability of stakeholders. The department was supposed to monitor and support 534 Tourism Safety Monitors (TSMs) and only 475 TSMs have been monitored and supported reason for failure is the continued resignation of TSMs.

The Committee requested the department to explain why it failed to achieve both targets that were planned for this quarter on Civilian Oversight. The department reported that it was unable to conduct the research as planned due to the shifting of the planned target to the fourth quarter. However, all the targets will be achieved in the fourth quarter. The non-achievement of the implementation of recommendations was due to the delay in providing feedback on the implementation of research recommendations by departmental stakeholders. The feedback has now been provided and the target will also be achieved in the fourth quarter.

The Committee further requested the department to explain on Monitoring and Evaluation as to when the special project will be commissioned and when it will be compiled.

6.2.1. Financial expenditure

Programme Expenditure Programme	Main appropriation R'000	Adjusted appropriation R'000	Actual Expenditure R'000	Actual Expenditure %
Civilian Oversight	58 280	54 390	39 820	73

At the end of the 3rd quarter of the 2016/17 financial year, actual expenditure for this programme amounted to R39 820 000.00 (73%) out of the adjusted appropriation of R54 390 000.00. The budget for this programme has been adjusted down by R3 890 000.00 (7%)

6.2.2. Economic Classification

	adjusted budget R'000	Actual Expenditure R'000	Actual Expenditure %
Compensation of employees	38 302	28 557	75
Goods and Services	15 627	10 938	70
Transfers and Subsidies			
Payments for capital assets	461	325	70
Total	54 390	39 820	73

The department was appropriated an amount of R38 302 000.00 and had spent R28 557 000.00 (75%) on Compensation of Employees. The department had spent R10 938 000.00 (70%) of the adjusted budget of R15 627 000 on Goods and Services. The department had spent R70 000.00(70%) from the adjusted budget of R461 000 on Payments for Capital assets.

6.3. Programme 3: Transport Regulation

Programme 3 has achieved fifteen (15) out of seventeen (17) planned targets for the 3rd quarter of the 2016/17 financial year.

- Under Traffic Law Enforcement the department had seven (7) planned targets and achieved six (6); the department was supposed to conduct 600 speed operations and only 599 speed operations were conducted due to the over achievement in the first quarter.
- Under Overload Control, the department had two (2) planned targets and achieved one (1); the department was supposed to weigh 221 912 vehicle but 216 977 were weighed and reason cited was that less freight vehicles were found on the road.

6.3.1 Financial expenditure

Programme Expenditure Programme	Main appropriation R'000	Adjusted appropriation R'000	Actual Expenditure R'000	Actual Expenditure %
Transport Regulation	540 336	561 284	407 875	73

At the end of the 3rd quarter of the 2016/17 financial year the actual expenditure for this programme amounted to 73% or R407 875 000.00 out of the R561 284 000.00 adjusted appropriation for 2016/17 financial year. The budget was adjusted up by R20 948 000 .00(3.8%)

6.3.2. Economic Classification

	Adjusted budget R'000	Actual Expenditure R'000	Actual Expenditure %
Compensation of employees	350 515	238 790	68

Goods and Services	99 430	84 590	85
Transfers and Subsidies	2 676	2 656	99
Payments for capital assets	108 663	81 839	75
Total	561 284	407 875	73

The department adjusted budget on Compensation of Employees is R350 515 000.00 and it had spent R238 790000.00 (68%). The department had spent R84 590 000.00 (85%) of the adjusted budget of R99 430 000.00 on Goods and Services. under Transfers and Subsidies the department had spent R2 656 000.00(99%) from an adjusted budget of R108 663 000.00. The department had spent R81 839 000 00(75%) from the adjusted budget of R108 663 000.00 on Payments for Capital assets.

The Committee noted that Transfers and Subsidies spending was at 99%, the Committee asked the department whether the remaining 1% will be enough for the remaining quarter. The department reported that it will be difficult to estimate whether the funds will be sufficient. Funds will be shifted from other items in terms of section 43 of PFMA where there will be unplanned expenditure emanating from injuries on duty and untimely terminations.

6.4. Programme 4: Security Management

Programme 4 has achieved 4 out of 4 (100%) targets planned for the 3rd quarter of the 2016/17 financial year.

6.4.1 Financial expenditure

Programme Expenditure Programme	Main appropriation R'000	Adjusted appropriation R'000	Actual Expenditure R'000	Actual Expenditure %
Security management	540 336	561 284	407 875	73

At the end of the 3rd quarter of the 2016/17 financial year, actual expenditure for this programme amounted to 73% or R407 875 000.00 out of the adjusted budget of R561 284 000.00 allocated budget.

6.4.1. Economic Classification

	Main budget R'000	Actual Expenditure R'000	Actual Expenditure %
Compensation of employees	6 842	4 463	65
Goods and Services	444 704	341 204	77
Transfers and Subsidies	40	179	448
Payments for capital assets	2 105	-	0
Total	453 691	346 846	76

The department's main budget on Compensation of Employees is R6 842 000.00 and R4 463 000.00 (65%) was spent. The department had spent R341 204 000.00 (77%) on Goods and Services from R444 704 000.00 adjusted budget. The department on Transfers and Subsidies has spent R19 000.00 from a zero budget in the 2nd quarter and after adjustment it had spent R179 000 (448%) from an adjusted budget of R40 000.00. Payments for Capital assets have not spent its budget but during adjustment the budget has been adjusted up from R2 000 000.00 to R2 105 000.00.

The Committee noted that during the second quarter the department has spent R19 000.00 on zero budget from Transfers and Subsidies and on the 3rd quarter the budget has been adjusted to R 40 000.00 and the spending was at R179 000 .00 (448%). The Committee requested the department to explain why Transfer and Subsidies was under-budgeted for even during budget adjustments. The department reported that it does budget for payment of benefits of officials who terminate their services based on old age. In this case the termination was not planned. The Committee also requested the department to explain what has changed in this programme that necessitated the

spending of 448% during the third quarter. The department reported that this was due to the unplanned termination of service which the department did not budget for.

The Committee asked the department to explain why Payments for Capital Assets budget were adjusted up from R2 000 000.00 to R2 105 000.00 while there was no spending during the second and even third quarter. The department reported that the budget was increased to cover the supply and the installation of CCTV cameras in the crime hotspots in the Mbombela City.

7. FINDINGS

The Committee made the following findings:

- 7.1 The department intervened in Nkomazi through both campaigns and law enforcement operations following the three crashes that resulted to loss of lives for fourteen people were killed within 24hrs. The operations resulted to the arrest of twenty drivers for drunk and driving
- 7.2 Drug and alcohol abuse is a serious concern in all the municipalities.
- 7.3 The department submitted its responses on the same day of the meeting and were not signed by the MEC and HOD, thus members of the committee did not have enough time to prepare for its meeting with the department.
- 7.4 The department had to put some stringent financial control measures in place to ensure that the issues of accruals are address.
- 7.5 The department failed to achieve both targets that were planned on Civilian Oversight for the third quarter, due to the shifting of the planned target to the fourth quarter.

8 RECOMMENDATIONS

The Committee made the following recommendations:

8.1. (i) That the house notes the good work done by the department in dealing with criminal tendencies and unbecoming conducts by road users;

(ii) The department must provide progress on profile hotspot areas, and regularly update the committee, on measures it embarked upon in stepping up proactive road safety campaigns and law enforcement operation in all municipal areas.

8.2 The department must provide the committee with drug and alcohol abuse hotspot areas in all municipalities, and further present a Provincial Master Plan to deal with the prevalence of drug and alcohol abuse, in a multi-discipline and integrated manner.

8.3. In future the department must desist from submitting information on the same day of the meeting because this disempowers members of the committee to fairly engage with the department.

8.4 The department must develop a plan that will ensure that service providers or invoice are paid on time within 30 days , as required by the PFMA so that accruals are not occurring in future.

8.5 The department must ensure that the target on Civilian Oversight is achieved in the fourth quarter and should provide evidence of those targets achieved in the fourth quarter.

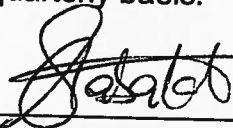
The Portfolio Committee tables this report to the House for adoption with its recommendations

8. CONCLUSION

The Chairperson takes this opportunity to thank the Members of the Portfolio Committee for their active participation and the Department of Community Safety, Security and Liaison on their third (3rd) Quarter Performance Report for 2016/2017 financial year.

In addition, the Chairperson extends a word of thanks to the MEC, HOD and senior management officials for availing themselves to deliberate on matters pertaining to the department. The Chairperson also thanks the support staff for contributing to the production of this report.

The department should provide the Committee with a progress report on the implementation of House Resolutions not later than **28 April 2017** and thereafter on a quarterly basis.



HON GC SHABALALA

**CHAIRPERSON: PORTFOLIO COMMITTEE ON
PUBLIC WORKS, ROADS AND TRANSPORT;
COMMUNITY SAFETY, SECURITY AND LIAISON**

30/03/2017

DATE