

A Review of Government Expenditure on the National Crime Prevention Strategy 1996-1999

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1. Government Spending on the Criminal Justice System:

Spending on the main criminal justice departments since 1994/5 is reflected in the following table. Spending on the Department of Welfare is not reflected due to difficulty in identifying specific components of their budget which were spent on criminal justice activity (which would include juvenile justice and victim empowerment).:

Nominal Budgets of Criminal Justice System and National Budget (millions)							
	1994/5	1995/6	1996/7	1997/8	1998/9	1999/00	Total
SAPS	9,087.7	9,817.9	11,634.6	12,848.5	13,877.3	14,534.1	71,800.1
Justice	1,125.1	1,404.8	1,772.5	2,210.8	2,396.4	2,544.9	11,454.5

DCS	2,265.8	2,748.9	3,424.5	3,962.3	5,206.6	5,059.4	22,667.5
CJS Total	12,478.5	13,971.6	16,831.6	19,021.6	21,480.3	22,138.4	105,922.0
Total Natnl Budget	137,156.8	151,830.9	176,291.1	190,606.9	204,292.1	216,780.0	1,076,957.8
CJS as % of Total	9.1%	9.2%	9.5%	10%	10.5%	10.2%	9.8%

Since 1994, R106 billion rand has been spent on the main criminal justice departments in SA. If allowance is made for the fact that every rand spent in 1994 was worth more in real terms than the rands spent in following years, in today's rands total spending on these departments over the last 6 years amounts to R124bn. In real terms, the budget of these departments grew by 28% between 1994/5 and 1998/9, before falling in real terms this year (1999).

Criminal justice consumes a large, and – until recently – rapidly growing, share of South Africa's national budget. In the late 1980s, the about 5.5% of the budget of the South African government was devoted to the main criminal justice departments. Rapid growth in the police budget in particular (especially in 1990/1) meant that by 1994/5, 9.1% of the budget was devoted to these departments, and this is projected to grow to over 10% by 2001.

The growth of the budgets of the CJS departments has, of necessity, been at the expense of other government services – some of which may have otherwise contributed to social (non criminal–justice) crime prevention – such as Welfare, Health and Education.

2. Spending on the National Crime Prevention Strategy since 1996

2.1 RDP¹ Spending through the NCPS Co-ordinating Mechanism

The following table, developed from figures supplied by the Programme Management Service (PMS) of the NCPS, reflects a summary of budgets and spending of NCPS-RDP funds to mid-1999. It does not include the portions of NCPS project funding which are sourced from *within* departmental budgets.

NCPS Budgets and Spending (in R thousands)			
	Budget	Spent	Forecast
Total	R492,552	R195,063	R297,738
Percentage	100%	39.6%	60.4%

Of the R493m budget for the NCPS, a little less than 40% has already been spent, with 60% of the budget still unspent. That is not to say, however, that the R298m is as yet unallocated, since the unspent funds have all been ear-marked for specific programmes and projects.

While the fact that a large proportion of the funds available to the NCPS has not been spent may reflect a degree of care in the selection and funding of programmes and projects, the fact that the budgets are fixed in nominal terms (ie do not grow with inflation), means that, over time, the real value of the budget declines.

From a policy perspective, the implication of the declining real value of the NCPS budget is that in future, funds allocated to the NCPS but unspent in the year of allocation should be increased in nominal terms using the public sector inflator, or funds should not be allocated to the NCPS until such time as they are likely to be spent. This procedural request was made by the NCPS structures but has not been implemented to date.

The above R493m of RDP Funds available to the NCPS (excluding allocations from departmental budgets) was allocated to projects managed by the following lead departments.

Budget Allocations by Lead Department (in R thousands)			
Lead Department	Budget	Spent by mid-99	Remainder
Safety & Security	R278,960	R17,746	R261,215

Justice	R115,769	R100,887	R14,882
Corrections	R53,510	R48,112	R5,398
Welfare	R44,312	R28,069	R16,243
Total	R492,552	R195,063	R297,738

The above table suggests that, on average 39.6% of allocated funds have been spent thus far, but that there is wide variation between the various departments' progress in completing RDP-funded projects which they are leading. Different types of projects have required spending at different rates.

In general terms, RDP-funded projects have served to build, renovate or replace infrastructure in key areas of the criminal justice system. This means that the bulk of the money actually spent does not represent the implementation of crime prevention policy, as much as it represents a process for replacing infrastructure – a process that could, alternatively, be seen as the responsibility of the departments concerned.

Examples of this include:

- The Integrated Security System project, which involved the improvement of security infrastructure at prisons;
- The project for Upgrading Justice Infrastructure, which involved the purchase of furniture and equipment for offices of the DoJ in former TBVC areas; and
- Part of the Secure Care project which involved the building or renovation of structures to house youth in conflict with the law.

Apart from the concern about whether these projects could/should have been the responsibility of the relevant departments, the fact that the NCPS has funded these infrastructural projects may have created the impression in state departments that the NCPS is a source of funds with which departments can supplement their budgets, rather than a source of funds for genuinely new activities.

2.2 Spending through the IJS² User Board

In addition to the above projects, the IJS User Board (which has taken responsibilities for some of the above RDP-funded projects) was also responsible for the spending and budgeting for the IJS Phase I and II projects. The R10.9m spent thus far on the IJS programme arose from the costs (human resources, logistic and administrative) of putting together the Mulweli report, which recommends the approach to be taken by

government in integrating and reforming the criminal justice system and its procedures and administration.

3. Cost-Benefit Analysis

The original formulation of the NCPS stressed the importance of improving the performance of the criminal justice system, while, at the same time, identifying the centrality of addressing the causes of crime. In doing so, it identified social processes, and their breakdown under apartheid and the struggle for democracy, as the enduring inheritance which would have to be ameliorated if crime were to be addressed. In identifying both of these strands, the NCPS won international acclaim for its insight and relevance.

However, actual NCPS expenditure between 1996 and 1999, under pressure from the key NCPS departments, has focussed almost exclusively on addressing the blockages, inefficiencies and backlogs in the criminal justice system, with virtually no expenditure on social aspects of crime prevention.

At the same time, it is apparent that the NCPS has been relatively careful in the allocation of scarce and finite resources, and, despite the inadequacy of the decision-making process, it appears to have tended to err on the side of caution.

One concern raised repeatedly in discussions about the NCPS is the apparent absence of a rigorous cost-benefit analysis preceding the making of decisions to fund projects and/or programmes. The absence of such a process is unfortunate both because it reduces the likelihood that funds will be optimally utilised, and because it reinforces poor financial decision-making processes in the constituent departments.

Even within the expenditure on criminal justice described above, it is not possible to conduct a sound cost-benefit analysis. For example, we do not know how many prison escapes have been prevented since R28 Million was spent on an NCPS project to improve prison security.

Research findings about cost-benefit ratios depends heavily on the level of services already delivered. Thus, in the US, crime prevention may be relatively more cost-effective than law enforcement because the existing level of resourcing of law enforcement means that it has reached a point at which diminishing returns have already begun to set in. This may not, of course, be the case in SA.

The wide variety, and complexity, of assigning a monetary value to crime prevention makes it extremely difficult to determine accurately the benefits of a programme, and, therefore, to determine the economic rationale for the programme.³ Nonetheless, elsewhere, there have been projects which have been evaluated, and benefits have been costed. Some of these international studies suggest that social crime prevention programmes can significantly reduce crime at a lower cost to the state than law enforcement focussed programmes. [A useful summary of these studies is provided by the International Centre for the Prevention of Crime (ICPC) based in Vancouver, Canada.]

On the basis of the high cost of crime to the societies affected, the ICPC argues that there is a strong economic case for investing in social crime prevention because such investments, by reducing crime, enhancing community cohesion, fostering better families and improving the quality of lives of potential victims and offenders alike, produce a return far higher than the initial cost of the programmes. In particular, based on a number of projects taken from around the (developed) world, they identify examples of positive economic rates of return for crime prevention projects outside of the traditional criminal justice system, such as youth development initiatives, urban local government crime prevention, drug treatment and environmental prevention schemes.

It is recommended that cost-benefit analyses should be attempted as part of the regular evaluation of NCPS activities.

Notes:

¹ Reconstruction and Development Programme

² Integrated Justice System Program

³ ICPC, *Crime Prevention Digest*: Chapter 2
<http://www.crime-prevention-intl.org/english/digest/chap2.htm>

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