



Privaatsak Private Bag	X94 PRETORIA	Faks No. Fax No.	(012) 393 1291
Your reference/U verwysing:		THE NATIONAL COMMISSIONER	
My reference/My verwysing:	14/1/4	DIE NASIONALE KOMMISSARIS	
Enquiries/Navrae:	Col Ziegelmeier	PRETORIA	
Tel:	012 393 1290	0001	

The Divisional Commissioner
Operational Response Services

EXPENDITURE PLANNING: 2015/16 FINANCIAL YEAR: APPORTIONING OF ALLOCATION

1. The National Commissioner approved the framework for the apportioning of the 2015/16 allocations, and to the following extend:
 - 1.1 The baseline allocations for 2015/16 were determined by utilizing the 2014/15 re-stated baseline as adjusted with function shifts (Garages and Railway), increased with 4% as an inflationary adjustment. In respect of Capital Assets, as an element of an allocation, an adjustment of minus 5% on transport equipment and a 2% increase on other capital assets were applied as to be in line with the reductions introduced by the National Treasury. The reductions were introduced by National Treasury to reprioritise baselines to provide for the carry through of upgrading of clerical posts in 2013/14 and higher than anticipated salary increases in the 2014/15 financial year.
 - 1.2 Budgetary requirements for operational priorities received from cost centres were considered for additional funding.
2. Allocations to centres are informed by the amounts as published in the annual Estimates of National Expenditure and therefore requires that spending considerations be directed towards achieving those spending priorities as contained in the Annual Performance Plan for the 2015/16 financial year.
3. Due to the alignment of allocations with the printed Estimates of National Expenditure, it is imperative that expenditures be confined to the amounts allocated

per programme, expenditure category and sub-programme, as to contain overall departmental expenditures within the framework of the PFMA, 1999, as far as virement limitations are concerned. In other words, cost centres should not order equipment, goods and services to such an extent that funds of certain cost centres are depleted towards year-end, and payments are restricted in March. In addition, it is requested to ensure the correct vesting of expenditures within the framework of the New Economic Reporting Format and Standard Chart of Accounts as introduced on 1 April 2004. Please note that some name and structural changes were introduced to the Standard Chart of Accounts structure for cost centres from the 2015/16 financial year.

4. A Report of the State of Programme Expenditure is required on a monthly basis (EWS).

The schedule reports on:

- * Actual expenditure per programme.
- * Actual expenditure per category of expenditure in accordance with the Standard Chart of Accounts.
- * Projected expenditure for the remainder of the financial year.
- * Adjustments to the budget.
- * Savings/over-spending per programme and category of expenditure.
- * Actual expenditure to the end of the reporting month.
- * Explanation of variances.

(Provision has also been made for identified cost drivers within the accounting structure. New cost drivers will be communicated with cost centres in terms of the new SCOA structure.)

This report should please be submitted by cost centres within 7 days of the preceding month for the purposes of consolidation. The Report must be e-mailed to Lt-Colonel Marinda Lourens (e-mail address: lourensma@saps.org.za) and subsequently faxed reflecting the signature of the Divisional Commissioner.

5. Please be informed herewith that the Polfin System will in all probability be activated with restrictions per programme and SCOA, which borders the possibility of overspending on a particular programme and main category of expenditure during the 2015/16 financial year. Financial discipline is of importance.
6. Previous emphasis placed on capturing of order forms and/or invoices on the Polfin system, still remains a prominent requirement. You are once again kindly requested to attend to this aspect, not only towards year-end, but throughout the financial year. This constitutes a reduced payment period from receipt of invoice. Once again,

funds should be available (reserved) in the budget allocation for the incurrence of payments.

7. The amounts allocated to the Division for the 2015/16 financial year are the following:

	R'000
* Baseline allocation	218 573
* Resourcing of NIU and Special Task Force roll -over	20 578
* External deployment to Sudan	12 000
* Borderline deployment	11 000
* POPS deployment	40 000
* Maintenance of Nyalas	15 000
* Procurement of Loudhailers	2 368
* Operation Rhino	36 000
* Overtime remuneration	17 059
Total	372 578

(Please note that the following:

- * Baseline adjusted with R15 million to accommodate the additional costs for the repair and maintenance of aircraft.
- * In respect of the accommodation requirements for Operation Rhino, please liaise with the Divisional Commissioner: Facilities Management.)

- 7.1 Your attention is however drawn to the following specific aspects:

- * Included in the allocation for payments of capital assets, is the ring fenced amounts of R9,786 million which provided for the purchasing (ordering) of vehicles. Proper utilization of these funds is necessary.
- * Over and above amounts are intended for the said purposes and may not be used for other purposes.
- * Cost centres are aware that two fuel accounts were paid in March 2015 which presents an opportunity cost when performing the planning for the new financial year as far as this line-item is concerned. The possibility for the

realization of a local election in the 2015/16 financial year should be taken into account.

Critical resource needs in respect of Frontline Service Delivery should receive prominence as far as resource allocation is concerned in 2015/16. In this regard, you are kindly requested to identify the amount that will be spent by your Division on the Frontline Service Delivery Project during the financial year. An indication summarised per economic classification needs to be submitted to the Divisional Commissioner: Financial Management for attention Major General Nelson (e-mail: nelsonj@saps.gov.za) **by 31 July 2015**.

- * The further apportioning of the operational amount i.e category of expenditure and the subsequent capturing thereof on the Polfin System, may not exceed the amounts reflected in the attached Annexure at this point in time. An opportunity to request virement (shifting of funds) will be provided at a later stage during the financial year, which should be limited to the utmost extent. The apportioning of the allocated budget per station, component or unit must be finalised and captured on the Polfin system per SCOA item **before 31 July 2015**. The apportioning of the allocation in a sound manner is of the utmost importance. The Portfolio Committee of Police referred to an equitable approach.
8. In order to facilitate the capturing of the allocated amounts on the Polfin System, you are requested to forward the Polfin account details, per programme and category of expenditure, to the Divisional Commissioner: Financial Management for attention Colonel Ziegelmeier (e-mail: anine@saps.gov.za) **before 30 June 2015**.
 9. It is trusted that this information will be to your assistance.


GENERAL
NATIONAL COMMISSIONER: SOUTH AFRICAN POLICE SERVICE
MV PHIYEGA

Date: 12 JUN 2015



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Enquiries/Navrae: Brig Nelson / Col Ziegelmeier PRETORIA
Tel: 012-393 1272 / 1290 0001

The Divisional Commissioner
Operational Response Service

BUDGETARY ADJUSTMENT : 2014/15 FINANCIAL YEAR

1. Original allocation letter 14/1/4 dated 12 June 2014 as well as other relevant correspondence pertaining budgetary matters, have reference.
2. The National Commissioner considered and approved certain in-year adjustments to centres of financial responsibility, to the following extent : (Please note that these are over-and-above allocations and will not necessarily form part of the baseline for future calculations.)

Environment	Amount (R)
* Operation Rhino	8 000 000
* SADC deployments to Lesotho (Initial period)	26 276 000
* SADC deployments to Lesotho (Additional period)	3 100 000
* NIU deployments to KZN	1 390 000
* Election shortfall	403 000
TOTAL	39 169 000

3. It is trusted that this information will be to your assistance.


LIEUTENANT-GENERAL
DEPUTY NATIONAL COMMISSIONER : RESOURCE MANAGEMENT
SJP SCHUTTE

DATE : 15/12/2014