

# On the record...

## Interview with Vincent Smith, MP

*Chandré Gould interviews Vincent Smith, Chair of the Parliamentary Portfolio Committee on Correctional Services, 27 August 2009.*

**Chandré Gould (CG):** Mr Smith, you were appointed after the elections in April to head the Parliamentary Portfolio Committee on Correctional Services. Can you tell me a bit about your background and why you are suited for this position?

**Vincent Smith (VS):** Well, I don't know if there are indeed specific qualifications required for this position. From my point of view though, I think that one of the strengths I bring to this position is that I served for ten years on Scopa (Parliament's Standing Committee on Public Accounts) which means that I have a broader view of oversight than just looking at policy implementation. In the past I think the focus of the Committee was on policy, not value for money or the interrogation of expenditure. In Scopa I also focused on SAPS and DCS as my priority departments and therefore I have some insight into the challenges the department has in relation to expenditure.

**CG:** The DCS has received qualified audits for the past five years. This clearly indicates that there is a problem with financial management in the department. How do you plan to remedy the situation?

**VS:** Many problems with the DCS's expenditure in the past relate to a lack of policy, and a lack of compliance with policy. I have introduced quarterly meetings with the DCS and the Auditor General with a specific focus on reviewing the year to date expenditure patterns and matters of compliance. Just yesterday we went through the actual expenditure of the department for the first quarter. The committee requested the department

to collect a lot more information about their expenditure and to return to have a more thorough discussion. For example, the department is paying in the region of R5m a month for TV maintenance. That is more than R50m a year to maintain televisions. And that is after having purchased the TVs for R163m. Now I know that once I have bought myself a television it very seldom (if ever) needs maintenance. So the question is, why is the maintenance of the department's televisions so expensive? We have asked the question and will wait for DCS to come back with an answer. We have also asked them about the high cost of internal audits. The DCS is paying R20m a year for internal audits to be done. So the committee wants to know the names of the companies that have been engaged to conduct outsourced work and why they are needed. Why, for example, did the DCS pay a consultant R2m to tell them whether they should outsource the catering? That is a management decision – why would you get a consultant to tell you if it's a good or a bad idea?

In the past these kinds of things would only have been picked up long after the fact, after the annual audit by the Auditor General and after his report is made available to Scopa. That takes about 18 months. So you only get the report 18 months after the expenditure when it's too long after the fact to be asking for detailed expenditure breakdowns. So this quarterly review will act as an early warning for over- and under-expenditure and ensure that we get value for money. It will also mean that the committee can pick up whether regular or monthly reconciliations are not being carried out and whether the safekeeping of supporting

documentation is being carried out in accordance with prudent audit requirements.

Most of the qualifications in the past audits were lack of reconciliation and a lack of supporting documents. It's too late to fix the problems with 2009 expenditure because the financial year ended in March, but by the end of the 2010 financial year we should have cleared some of these problems and dealt with some of the qualifications.

Overcrowding was also a matter raised in the audit report. We highlighted to the AG that in fact this is not a matter that DCS alone can resolve and therefore it could be unfair for this issue to appear in the AG's report of the department as a matter of emphasis or qualification. The committee is hopeful that within the next two years, through regular oversight interaction, it will contribute towards fixing the problems with audit queries. Furthermore the committee is hopeful that there will be a far greater focus on value for money for services rendered by the department.

**CG:** The problems in DCS don't only relate to financial management. There is currently a crisis of management in the DCS as a result of the suspension of the Commissioner. How is that particular problem going to be addressed, and how are you going to ensure that there is an appropriate appointment made for that very challenging position?

**VS:** We were first in the loop when it came to this problem. As soon as the story broke in the *City Press* I called the Minister and was briefed by her on what she was going to do. Twenty-four hours later the Minister suspended the Commissioner. When the Department of Public Service and Administration completes its investigation (probably by the end of August), a decision will be made about whether the Commissioner will be dismissed or re-appointed. So we will be watching the situation very closely and calling for swift action in order to restore leadership stability within the department.

**CG:** The problem will be to find a suitable and appropriate person for the job.

**VS:** The challenge for DCS is that it has never had a Commissioner for the full five-year term of their appointment. There is a need to stabilise the leadership. The CFO was also suspended, though I believe that has now been finalised. Of course we cannot have a say in the appointment, but we will be watching and overseeing the process.

**CG:** The DCS presented a budget vote in May that was heavily skewed towards infrastructural development, in particular R10,8 billion was allocated to the building of new facilities through public-private partnerships. These are highly controversial and a number of stakeholders have raised concerns about the privatisation of prisons. On the other hand indications are that the services offered at the private prisons are superior to those offered by state run prisons. How do you think this problem should be dealt with?

**VS:** I think that we need to look at the problem in a holistic way. There is indeed a need for prisons to be built, and they must be fast-tracked. But to outsource the core business of the state, which is rehabilitation of offenders, is a problem. Private facilities will be more concerned with making profit than with rehabilitation. Also, we enter into a 25-year contract with these private prisons, and we don't know what product we will be getting at the end of the period. I am not referring to the buildings; I am less worried about that than I am with the kind of people who will come out of these facilities.

Rehabilitation will ultimately result in a reduction in crime, so I have my reservations about private prisons.

In terms of financing the building of prisons, I can see that there may be a need for private-public partnerships, but can the contract not be five rather than 25 years?

So, while prisons must be built we need a debate about how they are managed. If we are to build those prisons at a cost of over R1bn each in order to get an additional 16 000 beds we are paying a very high price for those beds. Money that should rather be going into rehabilitation. The skew in

the budget has to be looked at. The problem is, that if not addressed now, DCS could very well base the envisaged five new prisons on the same model as the two previous private prisons. We've started the debate and by the time we get to the next budget vote we hopefully should have an ideological position on this matter, of what kind of model the new prisons should be based upon. I know that there will be a lot of lobbying because there is a lot of money involved, but it's a fight or debate the committee is prepared to have.

**CG:** Aside even from the privatisation of prisons, there has been strong criticism of the extent to which DCS outsources its core services. How will you be dealing with this?

**VS:** Absolutely. We discussed this yesterday. For example, DCS currently has 886 outsourced contracts at a cost of R1.4bn for services. They are outsourcing security, fences, catering and so on. So the question is, other than opening and closing doors, what is the permanent staff doing? The committee has requested a detailed response to these and other questions from the DCS and hope to revisit these issues in about two weeks from today.

**CG:** Will the Special Investigating Unit's (SIU) report into the Bosasa tender be made public?

**VS:** The SIU is looking not only at this tender, but generally at corruption in prisons. We have asked for a briefing of the Committee by the SIU; that should have happened last week but the investigation was not yet finalised. When they do come and brief the committee it will be a public briefing that anyone can attend. The committee won't be asking for a closed briefing. So any member of the public will be free to attend.

**CG:** How do you see your relationship with the Judicial Inspectorate of Prisons (JIOP) developing in future?

**VS:** In the short period that I've been here I have passed a number of cases on to the JIOP. All complaints that come to me I send on to the JIOP so that they have a first go at dealing with them.

They then come back to us with their response and we will decide whether we need to do further investigations or whether we are satisfied with their response. To date I have passed four cases on to the JIOP. Of course we also do our own site visits. So it's going to be a relationship that says 'go and do what you are supposed to do and then we will evaluate your response.'

**CG:** One of the inherent problems within the criminal justice system is that what constitutes an improvement at one end of the system (i.e. an increase in arrests and convictions) constitutes a major problem at the other end (i.e. overcrowding). There is currently a review of the criminal justice system underway and I understand that the people involved are aware of this problem, but according to the documents I have seen so far there is little indication of what the particular solutions are that will be offered to deal with it. What is your view about how this problem can be solved?

**VS:** The criminal justice system review is currently being discussed. One of the proposed solutions is shorter timeframes for the conclusion of police investigations. The main problem in relation to overcrowding is not convicted, sentenced prisoners, but rather awaiting trial detainees (ATDs). So if the police do their job more quickly we will have fewer people waiting for long periods in prison. There will also have to be a strong call to the judiciary for alternative sentences. For example, someone guilty of shoplifting should surely not be sent to an overcrowded facility. If someone is not a threat to society there could be other things they can be doing other than going to jail. We will also have to find a way to suggest to judges to perhaps revisit the bail processes for those people who have committed minor offences but who cannot pay bail. There are 50 000 too many people in prisons and 65 000 ATDs, that means if we take away the ATD problem, we go a long way towards solving the overcrowding problem.

We also have to consider dedicated remand centres – in other words placing ATDs somewhere other than in the current prison facilities.

CG: Is there anything else that you would like to add?

VS: I think that our relationship with other stakeholders will be intensified from now, whether that is with Popcru and other unions, or people like yourselves. I believe the solutions to our problems are out there in the public domain and we need to get solutions, advice and wisdom from a wider base than we have been. We need to get all the information on the table and from that we will be able to find practical steps forward. One of the challenges we face is getting society involved. You can have all sorts of policies in place but if when someone is released they cannot get a job because businesses don't want to employ someone with a criminal record. Or if they are not accepted back into communities, we can't solve the problem of crime and reoffending. We can't win. People will have to find it in their hearts to see released offenders as part of society and not stigmatise them. I know that is difficult because if someone killed my mother or father and I had to deal with them being back in my community it would be very hard. But we will have to shift our thinking, because prison comes at a very high cost to the taxpayer and society. We have to find societal solutions to the problem of crime and reduce the pressure on the fiscus.