



ANNUAL REPORT 2016 - 2017



home affairs

Department:
Home Affairs
REPUBLIC OF SOUTH AFRICA



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Home Affairs
REPUBLIC OF SOUTH AFRICA

DEPARTMENT OF HOME AFFAIRS

**VOTE NO. 05
ANNUAL REPORT
2016/2017 FINANCIAL YEAR**

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PART A:

GENERAL INFORMATION

1. DEPARTMENT GENERAL INFORMATION

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2. LIST OF ABBREVIATIONS/ACRONYMS

ABBREVIATION	MEANING/DESCRIPTION
ABET	Adult Basic Education and Training
ABT	Automated Booking Terminal
ACP	African, Caribbean and Pacific
ACSA	Airports Company of South Africa
AENE	Adjusted Estimates of National Expenditure
AIDS	Acquired Immunodeficiency Syndrome
AFIS	Automated Finger Identification System
AGSA	Auditor-General of South Africa
AMDP	Advanced Management and Development Programme
APP	Annual Performance Plan
ASD	Assistant Director
ASM	Asylum Seeker Management
AU	African Union
ARV	Anti-retroviral
BAS	Basic Accounting System
BASA	Banking Association South Africa
BAUD	Barcoded auditing system
BEC	Bid Evaluation Committee
BMA	Border Management Authority
BMI	Body Mass Index
BMD	Birth Marriage Death
BQMS	Branch Queue Management System
CAU	Corporate Accounts Unit
CBD	Central Business District
CCSS	Counter Corruption and Security Services
CD	Chief Director
CD:LS	Chief Director: Legal Services
CD: P&SM	Chief Director: Policy and Strategic Management
CFO	Chief Financial Officer
CoE	Compensation of Employees
CORE	Code of Remuneration
CRM	Customer Relations Management
CTIA	Cape Town International Airport

ABBREVIATION	MEANING/DESCRIPTION
DDG: CS	Deputy Director-General: Civic Services
DDG: HR	Deputy Director-General: Human Resources
DDG: IMS	Deputy Director-General: Immigration Services
DDG: CC&SS	Deputy Director-General: Counter Corruption and Security Services
DDG: IP&S	Deputy Director-General: Institutional Planning and Support
DDG: IS	Deputy Director-General: Information Services
DDG:HRM&D	Deputy Director-General: Human Resources Management & Development
DG	Director-General
DHA	Department of Home Affairs
DIRCO	Department of International Relations and Cooperation
DMC	Departmental Management Meeting
DoL	Department of Labour
DORA	Division of Revenue Act
DPME	Department of Planning, Monitoring and Evaluation
DPSA	Department of Public Service and Administration
DPW	Department of Public Works
EAP	Employee Assistance Programme
EDMS	Electronic Document Management System
EPP	Employment Equity Plan
EFT	Electronic Funds Transfer
EMCS	Enhanced Movement Control System
EOH	Environmental Occupational Health
ES&E	Economic Sectors, Employment and Infrastructure Development
EWP	Employee Wellness Programme
EU	European Union
EXCO	Executive Committee
FNB	First National Bank
GCIS	Government Communication and Information System
GEMS	Government Employees Medical Scheme
GPW	Government Printing Works
GEHS	Government Employees Housing Scheme

ABBREVIATION	MEANING/DESCRIPTION
HANIS	Home Affairs National Identification System
HACC	Home Affairs Contact Centre
HIV	Human Immunodeficiency Virus
HOA	Home Owners' Allowance
HR	Human Resources
HRBP	Human Resources Business Partnering
HRM&D	Human Resources Management and Development
HRP	Human Resources Plan
HRSC	Human Sciences Research Council
IAB	Immigration Advisory Board
IACF	Inter-Agency Clearing Forum
IBM	International Business Machines
IBMS	Integrated Border Management Strategy
ICA	Immigration Control Account
ICAO	International Civil Aviation Organisation
ICRC	International Committee of the Red Cross
ICT	Information and Communication Technology
ICTS	International Cooperation, Trade and Security
ID	Identity Document
IEC	Independent Electoral Commission
IGC	Intergovernmental Committee
IMC	Interministerial Committee
IOM	International Organisation for Migration
IRE	Integrated Receipting Engine
IT	Information Technology
JCPS	Justice, Crime Prevention and Security Cluster
KSIA	King Shaka International Airport
LGBTI	Lesbian, Gay, Bisexual, Transgender and Intersex
LGE	Local Government Elections
LOGIS	Logistical Information System
LRB	Late Registration of Birth
LSP	Lesotho Special Permit

ABBREVIATION	MEANING/DESCRIPTION
MCS	Movement Control System
MISS	Minimum Information Security Standards
MoU	Memorandum of Understanding
MMM	Ministerial Management Meeting
MPAT	Management Performance Assessment Tool
MPSS	Minimum Physical Security Standards
MRP	Machine-readable passport
MTEF	Medium-term Expenditure Framework
MTSF	Medium-term Strategic Framework
NCOP	National Council of Provinces
NDP	National Development Plan
NEDLAC	National Economic Development and Labour Council
NHI	National Health Insurance
NIS	National Identity System
NIIS	National Immigration Information System
NRF	National Revenue Fund
NPR	National Population Register
NYDA	National Youth Development Agency
OAU	Organisation for African Unity
ORTIA	OR Tambo International Airport
OHS	Occupational Health and Safety
PERSAL	Personnel and Salaries database
PFMA	Public Finance Management Act
PILIR	Policy and Procedure on Incapacity Leave and Ill-Health Retirement
PMDS	Performance Management Development System
PM: BMA	Project Manager: Border Management Authority
PMO	Project Management Office
POS	Point-of-sale
PSETA	Public Service Sector Education and Training Authority
PPP	Public-private Partnership

ABBREVIATION	MEANING/DESCRIPTION
RAF	Request for audit findings
RFA	Request for accreditation
RIM	Research Information Management
RSDOs	Refugee Status Determination Officers
RMC	Risk Management Committee
RSA	Republic of South Africa
SAA	South African Airways
SABRIC	South African Banking Risk Information Centre
SADC	Southern Africa Development Community
SAHRC	South African Human Rights Commission
SAPS	South African Police Service
SARS	South African Revenue Service
SAQA	South African Qualifications Authority
SASSETA	Safety and Security Sector Education and Training Authority
SCM	Supply Chain Management
SCOPA	Standing Committee on Public Accounts
SDIP	Service Delivery Improvement Plan
SITA	State Information Technology Agency
SIU	Special Investigating Unit
SHE	Safety, Health and Environment
SHERQ	Safety, Health, Environment, Risk and Quality
SLA	Service Level Agreement
SMART	Specific, Measurable, Achievable, Realistic, and Time Bound
SMS	Senior Management Service
SOPs	Standard Operating Procedures
SSA	State Security Agency
Stats SA	Statistics South Africa
STI	Sexually Transmitted Infections

ABBREVIATION	MEANING/DESCRIPTION
TB	Tuberculosis
The dti	The Department of Trade and Industry
TIRRO	Tshwane Interim Refugee Reception Office
TNPA	Transnet National Ports Authority
TRAs	Threat and Risk Assessments
UAE	United Arab Emirates
UAMP	User Asset Management Plan
UN	United Nations
UNHCR	United Nations High Commissioner for Refugees
UNODC	United Nations Office on Drugs and Crime
UPS	Uninterrupted Power Supply
VAS	Visa Adjudication System
VCT	Voluntary Counselling and Testing
VFS	Visa Facilitation Services
VoIP	Voice-over Internet Protocol
WAIO	Who Am I Online
ZSP	Zimbabwe Special Permit



3. FOREWORD BY THE MINISTER



The Department of Home Affairs (DHA) expended 99% of its allocated budget over the 2016/17 financial year and fully achieved 84% of the 32 targets in its Annual Performance Plan (APP). Of great importance is the modernisation project, the context of which is a world that is being transformed through rapid developments in science and technology. Through the modernisation and repositioning programmes, we will realise our vision to be a department that is the backbone of the digital economy, capable of the seamless provision of quality services to our people.

The core mandate of the department is to be the trusted guardian of the identity and status of each and every citizen. The responsibility of regulating and managing international

migration also rests on our shoulders. If this mandate is not prudently and securely managed, the safety and security of every person and institution in South Africa can be compromised.

In terms of governance and accountability, receiving an unqualified audit for the 2016/17 financial year will further enhance the credibility of the department.

In any state, the functions performed by the DHA are strategic elements of the security and administrative system of the state. The DHA has therefore been constrained by a legacy of underfunding, outdated systems, lack of professional staff and low levels of security. As an organisation, DHA has improved significantly in relation to modernising its systems, combat corruption and deliver better services to citizens and residents.

The Business Case for Repositioning the DHA was approved by Cabinet on 1st March 2017. A modern, secure and professional Home Affairs will enable the Department to make a decisive contribution to achieving **Outcome Twelve, which includes “an efficient, effective and development oriented public service”**.

In support of **Outcome Three – All people in South Africa are and feel safe** - the department is committed to building a secure, comprehensive national identity system. Over the reporting period the DHA issued 2 698 181 smart ID cards to citizens 16 years of age and over, indicating that we have surpassed our committed target of issuing 2.2 million smart ID cards.

We have also managed to register a total of 745 204 births within 30 calendar days as required by law. This represents a 99.4% achievement towards the target of 750 000 births registered within 30 calendar days after birth. A challenge we are faced with in this regard is that it is not possible to station DHA officials at all health facilities with maternity wards.

In over-achieving the target, an important factor was the additional capacity offered by the four banks (Standard Bank, Nedbank, FNB and ABSA) we have gone into partnership with to advance government’s broad principle of Public-Private-Partnership. A total of 48 231 smart IDs were issued through 14 bank branches in this regard. Going forward, we hope to strengthen our partnerships with the four banks participating in this project as one

of the strategies used to replace all green barcoded ID books with the much more secure smart ID cards.

In order to improve processes and security, the department has commenced with enhancement of the Live Capture system to cater for births, marriages, deaths, refugee ID cards and travel documents. In addition, the e-HomeAffairs online application platform for smart ID cards and passports was improved.

An end-to-end permit system prototype was also developed as part of measures taken to improve efficiency in the issuing of visas and permits. Reducing turn-around times for visas contributes directly to **Outcome four: Decent employment through inclusive economic growth**. The Department achieved 97% of general work and business visas that were issued within the specified turnaround time.

Acknowledging the efficiency gains that the use of technology brings, the department implemented a biometric solution at four primary international airports: OR Tambo International Airport (ORTIA), Lanseria, Cape Town International Airport (CTIA) and King Shaka International Airport (KSIA), as well as in six land ports of entry (Beitbridge, Ficksburg, Kopfontein, Lebombo, Maseru and Oshoek) and one maritime port (Cape Town harbour).

In the previous financial year, we were charged with establishing a Border Management Authority, which will efficiently and securely manage the country's ports of entry and the border line. A key milestone in this regard is that, after extensive engagements within government, the National Economic Development and Labour Council (NEDLAC) and broader society, the Border Management Authority Bill was finalised. Cabinet has approved the Bill and it is now going through parliamentary processes.

In preparation of the BMA's establishment a draft BMA Blue Print, which espouses the BMA's ideal end state from the time of its establishment until 2032, has been prepared together with a draft BMA Road Map and draft BMA Change Management Strategy. The Road Map addresses the operationalisation of the draft BMA Blue Print and complements the draft Change Management Strategy.

Great strides have been made to improve the country's international migration policy so that it can support economic, social and cultural development. The review of our international migration policies underwent a rigorous consultation process, including round table discussions, a national symposium and a conference attended by several Southern Africa Development Community (SADC) states. The department engaged with a broad spectrum of stakeholders and interest groups locally, regionally and internationally. Cabinet approved the White Paper on International Migration in March 2017, thus clearing the way for a comprehensive review of legislation.

The Department is currently progressing with public dialogues putting emphasis on the following policy pillars: Management of Admissions and Departures, Management of Residency and Naturalisation, Management of International Migrants with Skills and Capital, Management of Ties with SA Expatriates, Management of International Migration within the African Context, Management of Asylum Seekers and Refugees, Management of the Integration Process for International Migrants and Management of Enforcement.

The department's overall performance during the past four financial years has been on the rise. Working together with the Deputy Minister, the Director-General and officials, we will progressively build a modern, professional department that empowers all citizens and enables inclusive economic development and efficient administration.

Prof Hlengiwe Mkhize, MP
Minister of Home Affairs
31 May 2017



4. DEPUTY MINISTER'S STATEMENT



Statement by the Deputy Minister of Home Affairs

The specific areas of my delegated responsibility in the DHA are the management of asylum seekers and refugees, legal services and the overall quality of service experienced by the public in our front offices championed under the Moetapele (Leadership) Programme.

Within the limited financial resources and capacity constraints in the DHA and an ever-increasing demand for improved services, we have had to balance our aspirations within these parameters.

Over the past year, we have recorded some major achievements, such as the renovation of the newly named Desmond Tutu Refugee Centre in Marabastad, which also incorporates the operations of the Tshwane Interim Refugee Reception Office (TIRRO), and the ongoing training of senior management, equipping them with leadership and management skills.

South Africa ranked in the top ten asylum seeker destinations between 2008 and 2015. After registering 35 377 new asylum seekers in the 2016 calendar period, the 2016 United Nations High Commissioner for Refugees (UNHCR) Global Statistical Report records South Africa as having moved out of the top ten for the first time in eight years. In line with our Moetapele philosophy to streamline and enhance the client experience at the Desmond Tutu Refugee Centre, an Automated Booking Terminal (ABT), which is integrated with the National Immigration Information System (NIIS), was introduced. The ABT allows clients to book a date and time of their choice, reducing queues. The ABT further enables qualifying asylum seekers to self-extend their section 22 permits using biometric verification. The ABT is currently only available at the Desmond Tutu Refugee Centre. However, the department plans to roll out this service to other locations in the future.

Another initiative that was introduced was the location of interpretation services off-site to mitigate the risks of impropriety between interpreters, clients and staff.

During this financial year the department plans to implement the new, improved refugee travel document with enhanced security features that comply with the requirements of the UNHCR, as well as the International Civil Aviation Organisation (ICAO) standards. Soon refugees will be able to apply at any of the department's Live Capture offices for both smart ID and travel documents aligned to the validity period of their refugee status. It should be noted, though, that refugees are not allowed to travel to their home countries. We have, however, noted that many seek to travel to countries neighbouring their countries of origin. This raises several protection concerns.

The Legal Unit has been championing two key Bills through Parliament: the Border Management Authority Bill and the Refugees Amendment Bill, which will further assist us in implementing tools that secure our country and the safety of citizens and visitors alike.



The Refugees Amendment Bill seeks to improve operational efficiencies and address unintended consequences visited on the bureaucracy.

The department is considering locating legal capacity and expertise within the two main business units so that the focus is on risk and litigation management. The refurbishment of front offices to meet our Moetapele standards has been curtailed due to the austerity measures that the DHA is facing. However, we have continued to train our staff in leadership development and management techniques. A total of 779 managers were trained across the board. Leadership workshops were conducted for office managers and supervisors in all nine provinces, supported by the implementation of operational tools to improve management practices in the front and back office. The training of our most valuable asset, our people, will enable optimal outcomes in client experiences.

The new Home Affairs Contact Centre was established last year. Training staff in our various product offerings is ongoing. We have not reached the level of expertise that we wish to have attained, but we remain focused to improve this vital area of our service. Our back office operations are constantly evaluated for further improvements to our systems and processes. A document tracking system for Birth Marriage Death (BMD) will be implemented in the forthcoming year to ensure that we monitor each step in the processing flow and increase our efficiencies by managing production throughputs.

The development of a case management system for Counter Corruption, Legal Services and Labour Relations will be beneficial to managers who will be able to monitor cases and trends, and facilitate analysis in the two critical units.

Significant improvements have been made in achieving our targets this year, with a score of over 80%. However, we continue to strive to attain 100% achievement of our targets. Underpinning this achievement, is an improvement in our financial management and controls, as shown by the unqualified audit opinion for 2016/17 financial year.

As we chart ahead with our innovative Moetapele initiatives under challenging conditions, we appreciate the goodwill from our partners, stakeholders and staff to make our country proud. All of the baetapele (leaders) in our organisation will recall: *“Success is not a function of the size of your title, but the richness of your contribution.”*
– Robin Sharma

Ms F Chohan, MP
Deputy Minister of Home Affairs
31 May 2017

5. REPORT OF THE ACCOUNTING OFFICER



5.1 OVERVIEW OF THE OPERATIONS OF THE DEPARTMENT

5.1.1 Introduction

The DHA is mainly responsible for determining and recording the identity and status of all people living in South Africa and issuing documents that affirm this. The Civic Affairs branch is the custodian of the National Population Register (NPR), which contains the records of all citizens and permanent residents, including changes in status, such as

marriage and death. Services to citizens include issuing enabling documents after these citizens' status has been confirmed, such as birth and death certificates, and travel documents. Verification of identity is a service that is rendered to all government institutions, banks and other private sector institutions. Civic Affairs collects fees for its services at 412 frontline offices.

The Immigration Affairs branch determines the status and identity of foreigners, facilitates the movement of people through ports of entry, regulates immigration through permitting and movement control systems, and provides consular services abroad. Immigration officers are present at ports of entry and at regional offices in provinces. The branch has an inspectorate function that is responsible for enforcing the Immigration Act and Regulations. Immigration Affairs is also responsible for processing and determining the status of asylum seekers and refugees, and operates refugee reception centres nationally in this regard.

With regard to services rendered abroad, the department was represented in 30 missions and is assisted by the Department of International Relations and Cooperation (DIRCO) where it is not represented. The Head of the Mission, who is a DIRCO official, is responsible for the overall management of the mission, including the activities of Home Affairs where the department has no representation. DIRCO also collects revenue at the missions on behalf of the department on an agent/principal relationship and deposits money directly into the National Revenue Fund (NRF). In addition, for the collection of applications for visa and permit applications, the department sourced the services of Visa Facilitation Services (VFS) in some countries abroad, as well as within South Africa. The costs of foreign operations are covered by means of a baseline transfer to DIRCO.

The Minister of Home Affairs has oversight over three statutory bodies: the Immigration Advisory Board, the Refugee Appeal Board and the Standing Committee on Refugee Affairs. The main responsibility of these bodies is to assist the department in discharging its mandate with regard to the Immigration Act and the Refugees Act.

5.1.2 Results

The progress made by the department must be assessed in terms of its predetermined strategic objectives, which were aligned with its mandate and national priorities.

During the year under review, the department achieved 84% of its set targets, which is a 3% improvement against the achievement of 81% of the previous year. In part, this was due to improved and more realistic planning, stringent monitoring processes, ensuring that targets are properly costed and funded, and that all levels of the organisation are involved in the development of the APP, including its monitoring.

TABLE 1: APP TARGETS ACHIEVED IN THE 2016/17 FINANCIAL YEAR

PROGRAMME	TARGETS	ACHIEVED	NOT ACHIEVED
ADMINISTRATION	19	17 (89%)	2 (9%)
CITIZEN AFFAIRS	5	4 (80%)	1 (20%)
IMMIGRATION AFFAIRS	8	6 (75%)	2 (25%)
PROGRAMMES COMBINED	32	27 (84%)	5 (16%)

Programme 1: Administration covers all functions of the DHA that support its core business, such as policy, governance, finance, human resource (HR) management, information technology (IT) and security. It is also responsible for the provision of information and communication technology (ICT) infrastructure, accommodation, transport and the keeping of records. In addition, large transversal IT systems reside under this programme, which explains why its budget is relatively large, and it is responsible for key systems development targets, such as building the National Identity System (NIS). The targets funded by this programme used one or more of these functions to support the achievement of the following strategic objectives:

- An integrated and digitised NIS that is secure and contains biometric details of every person recorded on the system
- Ensure that systems are in place to enable the capturing of biometric data of all travellers who enter or exit South Africa legally
- Secure, effective, efficient and accessible service delivery to citizens and immigrants
- Good governance and administration
- Ethical conduct and a zero tolerance approach to crime, fraud and corruption
- Collaboration with stakeholders in support of enhanced service delivery and core business objectives
- Refugees and asylum seekers are managed and documented efficiently

An important advance over the period under review was the role played by the Home Affairs Contact Centre, which replaced the outsourced call centre at the end of 2014/15. This enabled the department to respond more effectively to problems presented by citizens and other clients. At the policy level, Cabinet has approved the business case for repositioning the DHA, which cleared the way for developing a White Paper and enabling legislation. Progress was made in the design and development of new automated digital systems for births, marriages and deaths, documents issued to refugees and an e-permit system. A total of 490 managers received training on leadership and management development programmes to improve performance.

The non-achievement of two targets can be attributable to delays in the development of the specifications for an integrated electronic movement control system with full biometric capabilities, as this is a complex undertaking, considering the number of interfaces to be built with a variety of existing systems. Furthermore, the annual report for 2015/16 was tabled late due to delays in completion of the audit as a result of the revocation of the previous departures granted by National Treasury from the Modified Cash Standard with regard to the accounting policy for foreign revenue and tangible moveable assets.

Programme 2: Citizen Affairs covers the activities of the Civic Affairs branch at national and provincial levels. This involves the provision and management of identity and status services for citizens, permanent residents and persons accorded refugee status. Clients have to be serviced at over 700 sites, which include local and mobile offices, health facilities and bank branches. The table below shows the targeted and actual outputs of the major identity and status services.

TABLE 2: TARGETED AND ACTUAL OUTPUTS OF THE MAJOR IDENTITY AND STATUS SERVICES

TARGET OUTPUT	ACTUAL OUTPUT
750 000 births registered within 30 calendar days of birth	745 204 births registered within 30 calendar days of birth during the period under review
2.2 million smart ID cards issued to citizens 16 years of age and older	2.6 million smart ID cards issued to citizens 16 years of age and older
90% of IDs (first issues) issued within 54 working days for applications collected and processed within the RSA	96.6% of IDs (first issues) issued within 54 working days (RSA applications only): 178 442 first issues

TARGET OUTPUT	ACTUAL OUTPUT
95% of IDs (re-issues) issued within 47 working days for applications collected and processed	97.2% of IDs (re-issues) issued within 47 working days: 140 005 re-issues
90% of machine-readable passports (Live Capture process) issued within 13 working days for applications collected and processed within the RSA	95.4% of machine-readable passports (Live Capture process) issued within 13 working days: 740 259 passports issued

Eligible citizens are issued with enabling documents relating to identity and status. An important strategy is to speed up the process of replacing the vulnerable green ID book with the more secure smart ID card. Despite infrastructure, network and capacity constraints, the target of 2.2 million smart ID cards issued was exceeded by over 400 000 cards. This was achieved by vigorous campaigns conducted by various provinces, the implementation of directed communication strategies, as well as applications processed through the e-Home Affairs platform in partnership with the banks. Going forward, larger-scale initiatives will be needed to replace the green ID books within five years, including making greater use of the banks and other partners. Over 95% of the new passports issued by a fully digital process were delivered within 13 days, which exceeded the target by 5.4%. The one target not achieved related to the registration of 750 000 births within 30 days. The department was able to register 99.4% (745 204) of children born within 30 days. The set target was under-achieved by 0.6% (4 796). This can be attributed to a lack of capacity to register children born in hospitals on public holidays and over weekends, as well as a lack of understanding in certain parts of our society about the importance of registering births within 30 days. This is evidenced by the fact that approximately 29 000 births were recorded between 31 and 60 days. In this regard, the department, together with the Department of Planning, Monitoring and Evaluation (DPME), commissioned a national evaluation study to scientifically determine the reasons for citizens not registering their children within 30 days. Going forward, based on this outcome, strategies will be developed and implemented to inculcate the discipline of registering children within 30 days.

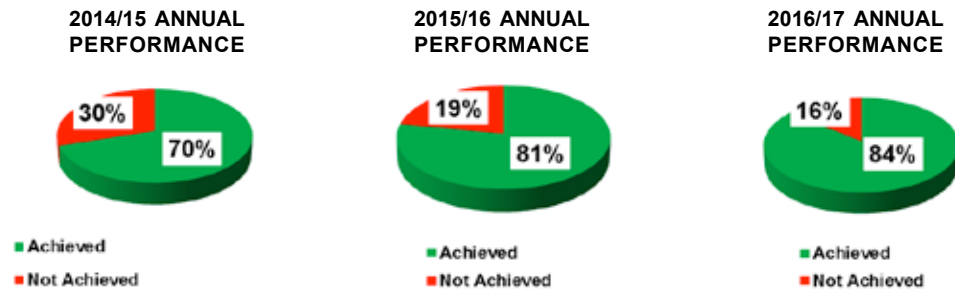
Programme 3: Immigration Services is responsible for the implementation of immigration legislation, the management of the immigration system, functions at ports of entry, the immigration inspectorate and deportations, the visa and permitting regime, and the processing of asylum seekers and refugees. The movement control system (MCS) and advance passenger processing system require 24-hour control centres. There is ongoing liaison with other countries and international and multilateral bodies. The APP targets supported the achievement of the following strategic objectives:

- Movement of persons in and out of the country managed according to a risk-based approach
- Enabling documents issued to foreigners efficiently and securely
- Management of refugees and asylum seekers

Advances were made at policy and operational levels. Following an international conference, the draft White Paper on International Migration was finalised and subsequently approved by Cabinet. This provides South Africa with a new policy paradigm shift, which will enable the country and the department to respond to current challenges and harness immigration for economic development, while not ignoring security imperatives. During the year under review, the department finalised the amendments to the Refugees Act, which are aimed at improving efficiencies in the management of the entire value chain of refugees as asylum seekers. The Bill was approved by Cabinet and the Portfolio Committee on Home Affairs, and has now been tabled to the Select Committee on Social Services for further processing. The department also approved a Lesotho Special Permit, which gave a waiver to certain requirements for the application of business, work and study visas. In this regard, a project was developed and implemented in consultation with the Lesotho government. The efficiency gains made in 2016/17 in processing visas and permits were either maintained or improved by improving systems and business processes. The department has made significant progress for the approval of a public-private partnership (PPP) to upgrade the six most-important land ports, which will have major positive economic benefits, as the request for Treasury Approval : I was submitted during March 2017. A major overhaul using new technology transformed the problematic Marabastad Refugee Reception Office, which was renamed the Desmond Tutu Refugee Centre. Two targets were not achieved, mainly due to external dependencies. The launch of the Border Management Authority was delayed due to protracted negotiations with government partners. These negotiations have now largely been resolved, and the Bill is being processed by Parliament. The improvements to accommodation at three selected ports of entry were not implemented due to delays in finalising the lease agreements in order to commence with the refurbishments.

In the 2016/17 period, the DHA achieved 84% of the targets set out in its APP, which were approved by Parliament, along with the budget. This is an improvement of 3% compared to the 2015/16 financial year, and is 14% better than the performance recorded in 2014/15. The following table provides a comparative analysis of the performance of the department against the set targets over a period of three years:

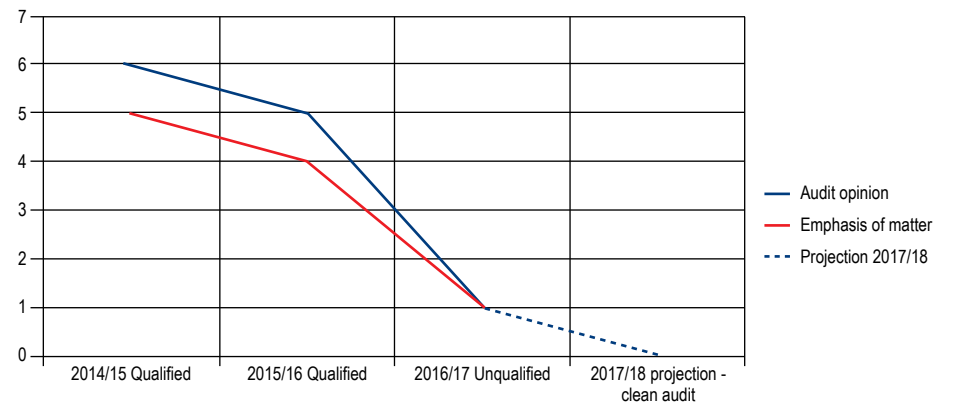
TABLE 3: COMPARATIVE ANALYSIS OF ANNUAL PERFORMANCE PLAN (APP) TARGETS ACHIEVED OVER THE LAST THREE FINANCIAL YEARS



The improved performance, in part, reflects the continued efforts to improve planning, monitoring and alignment with budgeting. This is a result of more effective planning and budgeting processes and the development of coherent objectives that are based on a sound understanding of the mandate of the department and a common vision of where it is going. The department has implemented processes, which ensured that priorities that are set are funded and evidence based. The department also introduced governance practices such as the formation of a Key Performance Indicator Panel to ensure the quality assurance of indicator description sheets, compliance with specific, measurable, achievable, realistic, time-bound (SMART) principles and design reporting templates. The auditing of quarterly performance information reports has also assisted a great deal. Another reason for the improvement of performance is the increased use of modern digital technology, combined with the use of operations management to continually monitor production and improve processes. As the improved audit results indicate, these positive trends are supported by stronger governance, accountability and controls. This is supported by the improvement of audit conclusions in the 2015/16 financial year on the reliability and usefulness of performance information, compared to 2013/14 and 2014/15. During the 2015/16 financial year, a concern was only raised with regard to the reliability of reported performance information on Immigration Affairs, and corrective measures were implemented. The corrective measures taken have assisted. This is evident by the unqualified audit opinion expressed by the AGSA in respect of the performance information in both the Civic and Immigration Services environments for the financial year under review.

There was also an improved performance in respect of financial management evidenced by the improved audit outcome. In this regard, the AGSA issued the Department with an unqualified audit opinion for the financial year under review. What makes this achievement memorable is the fact that the DIRCO foreign revenue legacy issues that have plagued the Department for a number of years have been successfully resolved. The table below indicates the improved audit outcomes over the past three financial years.

TABLE 4: COMPARATIVE ANALYSIS OF THE AUDIT OUTCOMES FOR THE LAST THREE FINANCIAL YEARS



The Department received an unqualified audit opinion in respect of the 2016/17 financial year.

Current progress shows a sustained history of improved planning, sound financial management and strong organisational performance. Combined, these pillars have yielded progressive improvement illustrated best in the last three financial years. We had focused on service delivery improvement, understanding it is what the citizens had aspired for and expected of us.

We set out to address systemic issues that were evident in the 2015/16 audit opinion. As a result, the department was able to turn the corner and was ready for a safe take-off, aided by a capable crew and leadership. The gradual ascent towards efficiency and better results gained traction in 2016/17 when the department moved to an unqualified report due to intervention strategies that were put in place in a conscious quest for sound governance and accountability.

Such impressive performance was a product of detailed planning, effort and enforcement of measures to improve, incrementally, the department's financial management and organisational performance thus to achieve higher service delivery improvement. Importantly, the department would not have come this far had it not been of the invaluable support and guidance of several government departments and persons who served as the pushback tractor guiding the Home Affairs plane back to the runway the better to have it ready for a safe and secure take-off.

For leadership, guidance, oversight and unrelenting support underpinning this significant improvement, the department is indebted to the Minister, the Deputy Minister, Parliament's Standing Committee on Public Accounts, Portfolio Committee on Home Affairs, the DHA Audit Committee, Auditor-General's Office, National Treasury and DIRCO. They helped in placing the department on a new trajectory of strong performance and sound governance. The positive result was achieved also because managers and officials of the department grasped the nettle understanding the plane, with the citizens on board, would not take-off safely without all crew members pulling in the same direction. Even so, we will not become complacent until we are assured of cruising at around 30 000 to 40 000 feet.

5.1.3 Challenges

(i) Principal/agent relationship with DIRCO

Although the department complies with the provisions of the Modified Cash Standard with regard to accounting for foreign revenue collected by DIRCO in terms of the principal/agent relationship, it still shoulders a high risk. In terms of this relationship, DIRCO collects revenue and deposits money directly into the NRF. However, any error or omission will still have an impact on the audit opinion of the DHA. Furthermore, the department will report the revenue collected in the Statement of Financial Performance and Note 2 of the Annual Financial Statements. Any amount not yet paid to the NRF by DIRCO is recorded as a payable to NRF in the books of the department.

The department has no control over the management of this process, hence it has engaged in a process of transferring the collection of revenue to DIRCO. In this regard, DIRCO is currently tabling a Foreign Service Bill in Parliament, and the department has requested the insertion of a clause, which will transfer the collection of revenue abroad to DIRCO. This will obviate the double reporting and auditing of the same item and provide for clear lines of accountability. Furthermore, the department will also approach National Treasury to review the requirement to report on the revenue collected abroad in the statement of financial performance as the cash is not received by DHA.

(ii) Network connectivity

In the last couple of years, the department implemented its modernisation programme, in which it moved into a paperless environment by automating its processes, capturing the information of citizens through Live Capture systems. The DHA's products i.e. smart ID card and passport are also applied online. This modernisation programme depends on a reliable and uninterrupted network infrastructure. Unfortunately, this is not the case, as downtimes of the system are high. This frustrates clients, as the services of the DHA cannot be sourced anywhere else. The department can only source network services

from the State Information Technology Agency (SITA) as it is classified as mandatory services. Due to the impact of this problem to service delivery to the DHA's clients, the Department of Telecommunication and Postal Services was approached to grant the DHA an exemption to utilising SITA. In this regard, both Cabinet and the Portfolio Committee on Home Affairs were informed, and a briefing was done by SITA to the Committee with proposals of how they would address the matter. The department will continue to engage SITA in the next financial year to find an amicable solution to the matter.

(iii) Provision of office accommodation

The department is utilising the physical office infrastructure as the main delivery channel of its services. However, it is dependent on the Department of Public Works (DPW) for the acquisition and maintenance of its offices. Currently, the department is accommodated in 412 civic services front offices across the country, which by all means is inadequate considering that the DHA provides civic services to all citizens of this country, permanent residence holders and refugees. Therefore, the footprint of the DHA does not meet the minimum accessibility norms (distance to be travelled by clients to access services) of 50 km in the Northern Cape and 25 km in other provinces, as set by the Department of Public Service and Administration (DPSA). This remains a challenge to improve service delivery and access to services, in particular to the populations in rural areas. Furthermore, it hampers the programme of the department to increase the roll-out of smart ID cards, as the remaining offices are unable to be reconfigured, or it is too expensive to do so, in order to provide the requisite infrastructure for the new system of smart ID cards and passports.

(iv) Human resources capacity constraints

During January 2016, the department was informed of the reduction of the Compensation of Employees (CoE) budget due to fiscal constraints, which resulted in a loss of 687 vacant funded positions over the Medium-term Expenditure Framework (MTEF) period in order for the department to partially absorb a reduction of R253 967 million (2017/18) and R396 942 million (2018/19). Furthermore, the department had to stop the filling of posts for staff that had left the service of the department during the period under review until the department was able to meet the ceiling set for the 2017/18 financial year. This left the department with severe staff shortages in various critical areas of operations, such as the Inspectorate, IT, front offices and Legal Services. This matter was brought to the attention of the Portfolio Committee on Home Affairs, which is currently engaging National Treasury on this matter.

5.2 OVERVIEW OF THE FINANCIAL RESULTS OF THE DEPARTMENT

5.2.1 Departmental revenue

During the 2016 MTEF, the department received an initial budget allocation of R7.141 billion as voted funds. During the adjustment estimate, an additional amount of R988.665 million (R962.3 million for self-financing plus R71.3 million for the Independent Electoral Commission (IEC) and minus R45.2 million cut on the CoE) was allocated to the department, of which a major contributor was the amount collected through the self-financing mechanism created by National Treasury, in terms of which the department is allocated part of the revenue it collects during the financial year to pay for certain items of expenditure incurred during the financial year. However, the funds are only transferred around February of each year once the Appropriation Bill has been signed. This process caused delays in the payment of invoices. The additional amount for the IEC was for additional costs incurred due to the shift of the Local Government Elections (LGE) from May 2016 to August 2016 in respect of salaries and warehousing equipment. Furthermore, as explained above, the department was compelled not to fill positions vacated by staff during the period under review in order for its CoE budget to be within the set ceilings. Therefore the cut of R45 million on the CoE budget was due to the non-filling of vacated positions. These adjustments resulted in a final appropriation of R8.156 billion.

TABLE 4: ANNUAL APPROPRIATION: R8.156 BILLION

BASILINE ALLOCATION BY NATIONAL TREASURY	2016/17 R'000	2015/16 R'000
Baseline amount	7 141 556	6 450 822
Home Affairs functions	5 420 515	4 806 006
Independent Electoral Commission	1 586 561	1 517 104
Represented Political Parties Fund	134 480	127 712
Additional funds	988 665	897 903
Home Affairs functions	917 325	897 903
Independent Electoral Commission	71 340	0
Final appropriation	8 155 805	7 348 725

The budget allocation has therefore increased by 10.9% (R8.156 billion less R7.348 billion = R807 million) as against the previous financial year. The increase can mainly be attributed to the increase in the budget for the modernisation programme (R436 million), improving borderpost infrastructure (R70 million), the roll-out of the smart ID cards (R80 million), and salary adjustments (R91 million).

TABLE 5: DEPARTMENTAL REVENUE: R1.099 BILLION

Departmental receipts	2016/17			2015/16		
	Estimate	Actual Amount collected	Over/ (under)-collection	Estimate	Actual Amount collected	Over/ (under)-collection
	R'000	R'000	R'000	R'000	R'000	R'000
Sale of goods and services other than capital assets	935 912	1 074 164	138 252	897 373	1 025 381	128 008
Fines, penalties and forfeits	16 070	10 271	(5 799)	24 127	15 314	-8 813
Interest, dividends and rent on land	315	616	301		28 438	28 438
Transfer received		1 162	1 162			
Sale of capital assets	2 264	3 058	794		229	229
Financial transactions in assets and liabilities	7 764	10 265	2 501		11 896	11 896
Total	962 325	1 099 536	137 211	921 500	1 081 258	159 758

During the year under review, the revenue collected increased by 1.7% as against the previous year. Departmental revenue is derived from services rendered to citizens and foreign visitors according to approved tariffs. Services to citizens range from the issuing of birth certificates to ID documents and passports. Services provided to foreigners include the issuing of visas, permits and permanent residence certificates. The department imposes section 50(3) and 50(4) fines on conveyors where a transgression in terms of the Immigration Act has occurred. However, the department only recognises the revenue upon receipt of the payment of the fine. The department has also signed agreements with various financial institutions for ID verification at a cost of 15 cents per transaction, which has contributed to an increase in revenue collected.

In terms of the agent/principal relationship between the DHA and DIRCO, during the year

under review, an amount of R298 million was collected and R201 million was deposited directly to the NRF, and a balance of R97 million has been recorded as a receivable on the statement of performance. The drop in the collection of fines, penalties and forfeits is attributable to the amendment of the Immigration Act that had scrapped the imposition of section 50(1) fines.

5.2.2 Virements

During the year under review, the department shifted funds between programmes/ economic classification in line with the Public Finance Management Act (PFMA). The set threshold of 8% was not exceeded. The funds were then utilised in accordance with the table below.

TABLE 6: PROGRAMME FUNDING

	Programmes			
	Administration	Citizen Affairs	Immigration Affairs	Total
	R'000	R'000	R'000	R'000
Economic classification				
Compensation of employees	(95 331)	54 663	40 668	-
Goods and services	(162 655)	(7 345)	63 253	(106 747)
Interest and rent on land	-	-	-	-
Transfers and subsidies	(5 837)	4 707	-557	(1 687)
Payment for capital assets	98 838	9 625	-29	108 434
Payment for financial assets	-	-	-	-
Total	(164 985)	61 650	103 335	-

5.2.3 Programme expenditure

TABLE 7: PROGRAMME EXPENDITURE

Programme name	2016/17			2015/16		
	Final appropriation	Actual expenditure	(Over)/ under- expenditure	Final appropriation	Actual expenditure	(Over)/ under- expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Programme 1: Administration	2 222 834	2 210 834	12 000	1 758 739	1 757 204	1 535
Programme 2: Citizen Affairs	4 787 170	4 786 988	182	4 858 580	4 856 418	2 162
Programme 3: Immigration Affairs	1 145 801	1 145 702	99	731 406	729 756	1 650
Total	8 155 805	8 143 524	12 281	7 348 725	7 343 378	5 347

The department continued to improve the management of its budget during the year under review and underspent its allocation by 0.15%. The underspending (R12.2 million) was due to delays in the procurement of Voice-over Internet Protocol (VoIP) and video conferencing, as funding was allocated during the adjustment budget process. However, the department has requested for the rollover of these funds. The rollover request was approved post financial year end. Should the amount of the roll-over be discounted, the Department would have underspent its budget by R281 000.

5.2.4 Rollover

Following the introduction of ceilings on CoE, the department was instructed by National Treasury not to fill any vacancies during the 2016/17 financial year. The delay in filling vacancies generated savings under CoE and the department realised declared unspent funds in the amount of R45 million. As part of the Adjusted Estimates of National Expenditure (AENE) process, National Treasury agreed on 4 October 2016 that R12 million be shifted away from CoE to goods and services for the implementation of VoIP and video conferencing. The timing of the approval and due procurement processes, which need to be followed, including the freeze period to advertise tenders during the month of December and January, caused delays in the finalisation of the project. National Treasury was accordingly requested to approve a rollover of R12 million for VoIP and video conferencing. The request for the roll-over was approved after financial year-end closure.

5.2.5 Lease payments

The department hires photocopiers and cell phones, as well as a forklift through a finance lease arrangement. The lease agreements for office accommodation are managed by the DPW and future commitments are disclosed in the notes to the Annual Financial Statements.

5.3 UNAUTHORISED EXPENDITURE

The department did not incur any unauthorised expenditure during the year under review. The previous balance of R1.088 billion was approved by Parliament as a direct charge to the NRF. A finance bill was promulgated; hence, the amount has been cleared.

5.4 IRREGULAR EXPENDITURE

As reported in the previous financial year, the department procured security services through a tender process and awarded the tender to service providers allocated per

province. The tender was advertised on 11 July 2014, with the reference Bid No 07/2014. The tender was awarded in November 2014 after completion of the evaluation process by the Bid Evaluation Committee, recommendation for approval by the Bid Adjudication Committee and approval by the relevant authority. Thereafter, a complaint was received from a member of the public alleging that the bid proposal submitted by one of the awarded suppliers may be in violation of the provisions of the Supply Chain Management (SCM) guidelines. Based on this complaint, Internal Audit was requested to conduct an investigation, and recommended that a full-scale forensic audit be conducted into the awarding of this tender. The department appointed a firm of external forensic auditors and a report was issued, which indicated some irregularities during the evaluation of the tender. The department is in the process of finalizing the investigation and appropriate actions will be taken against any transgressors. The report has now been referred to Labour Relations for further processing. As disclosed in Note 23 to the Annual Financial Statements, the amount of R146 million has been reported in this regard, split into previous years (R70.5 million) and the current year (R75 million). The contract expired on 30 April 2017 and the department is in the process of finalising the new tender process.

Furthermore, an amount of R69 000 in respect of the procurement of toiletries was outside the transversal contract, RT14-2016, as the department was only informed of its existence late.

In addition, the department approved the condonement of irregular expenditure (R11.3 million) in respect of previous financial years, which was declared irregular due to non-adherence to the stipulated evaluation criteria in the bid documents and the appointment of a service provider without following the competitive bidding process due to security concerns.

5.5 FRUITLESS AND WASTEFUL EXPENDITURE

A total amount of R201 000 (as against R99 000 for 2015/16) was recorded as fruitless and wasteful expenditure in the current financial year mainly due to “no shows”. This indicates those instances where officials fail to show up at a hotel after a booking has been made. These cases have been referred to the Loss Control Committee for its consideration. Depending on the recommendations of the Committee, any official responsible for fruitless expenditure will be held accountable for the loss. Traffic fines are not recorded on the fruitless and wasteful expenditure register as such expenditure is summarily deducted from the salary of the driver involved.



5.6 FUTURE PLANS OF THE DEPARTMENT

Repositioning will enable the DHA to deliver against its full mandate to empower citizens, contribute to national security and be a powerful enabler of economic development, national security and efficient government. As approved by Cabinet, the repositioning of the department requires locating it within the security system of the state, modernising its systems and implementing new operational, organisational and funding models. A Discussion Paper on Repositioning Home Affairs has been released for public comment, which will inform the drafting of a White Paper and enabling legislation.

A comprehensive, secure NIS will be at the heart of the DHA's new operating model. As a stepping stone in the development of the NIS, the department has advertised a tender for the procurement of an Automated Finger Identification System (AFIS) after the development of joint specifications with certain departments in the security cluster to ensure integration with the interfaces of the current criminal justice systems. Furthermore, certain key elements will be developed over the 2017/18 financial year. These include the live capture of birth, marriage and death registrations, the live capture of citizenship and amendments, the further development of e-permitting, the upgrading of biometric systems and the movement control system.

Cabinet has approved the White Paper on International Migration for implementation at the level of legislation, systems and capacity building. In this regard, a draft Immigration Bill and a draft Refugee Bill will be developed for approval by the Minister for submission to Parliament. The next phase of the major upgrading of six key land ports of entry will proceed with approval from National Treasury on issuing tenders for a PPP. The drive to increase the efficiency of the processing of visas and permits will continue with shorter turnaround times.

The parliamentary processing of the Border Management Authority (BMA) Bill will be concluded and a road map for its implementation will be submitted for approval by the Minister. The phased implementation of a border management strategy will be undertaken by various organs of state, and will be monitored by the BMA project office.

5.7 ACTIVITIES DISCONTINUED/TO BE DISCONTINUED

The department will relocate the Chief-Directorate: Port Control to the BMA once it has been established, as the management and facilitation of the movement of people will be the responsibility of the new BMA. DIRCO collects revenue and deposits it into the NRF

on an agency/principal relationship. However, for any error or omission, the department is still accountable, although with limited control over transactions. In this regard, the department has submitted a proposal to transfer the collection of revenue abroad during the tabling of the Foreign Services Bill in Parliament.

5.8 NEW PROPOSED ACTIVITIES

5.8.1 Border Management Authority

As reported in the past financial years, the DHA was given the responsibility of establishing a BMA, which will be responsible for the entire border environment. Its function will be to ensure coordination, oversight, control and effective management. The BMA will enable integrated operations within a strong legal framework. During the year under review, the department finalised engagements with the stakeholders in NEDLAC and the Bill is being processed by Parliament.

5.8.2 Asylum seeker processing centres

During the year under review, the department appointed a consulting firm to conduct a feasibility study, including a financial model for building asylum seeker processing centres closer to the country's borders. In this regard, government land was obtained close to the Lebombo border post through the DPW. A concept document for the development of these centres and the feasibility study was approved by the Minister during the year under review. The department will be considering the best funding model, including the possibility of entering into a PPP agreement.

5.8.3 Development of six key ports of entry

The department registered a PPP with National Treasury in the 2015/16 financial year to develop six key ports of entry. The purpose of the PPP is to develop a master plan for the development of the infrastructure, including an operational model for the six largest land ports of entry, and to identify a suitable funding model. The designated ports are Beitbridge, Ficksburg, Kopfontein, Lebombo, Maseru and Oshoek. KPMG was appointed as transaction adviser following a competitive bidding process. The transaction adviser completed a feasibility study that included a needs analysis, solution and options analysis, project due diligence, value assessment, economic valuation and a procurement plan. The signed-off feasibility study was submitted to National Treasury in March 2017 for Treasury Approval : I. In respect of options, the following are proposed:

- The demolition of some existing facilities and construction of new facilities to achieve the defined service delivery standards

- The upgrading and improvement of the existing network and connectivity backbone to provide the required capacity to enable the modernisation of border management operations
- The implementation of new risk management software
- The improved integration of and upgrades to key IT systems and IT-related infrastructure

The feasibility study clearly shows that a PPP with a 20-year operating concession is affordable, demonstrates value for money and substantially transfers risk. Once Treasury Approval for the feasibility study has been obtained, the department, through the transaction adviser, will issue the necessary procurement documentation. In this regard, the department envisages going to market in the 2017/18 financial year.

5.8.4 Partnership with the banks and the e-HomeAffairs platform

As reported in the previous financial year, the department is furthering innovative ways to reach its clients and providing efficient services by, among other things, using online services. In this regard, the department entered into partnerships with South Africa's four major banks, Absa, First National Bank (FNB), Nedbank and Standard Bank, on a pilot basis for the application of smart ID cards and passports through the e-HomeAffairs platform. Since the inception of the project, the banks have collectively processed 109 215 transactions for smart IDs and 89 581 transactions for passports. The department is currently engaging the banks through the Banking Association South Africa (BASA) on a PPP agreement with a view to rolling out the e-HomeAffairs platform to more bank branches. The department has already registered the PPP with National Treasury and discussions are in an advanced stage, including discussions with the unions.

5.9 SUPPLY CHAIN MANAGEMENT

During the year under review, the department approved one Treasury Regulation 16A6.4 deviation from normal tender procedures amounting to R1.1 million as opposed to the three approved in the previous year to the value of R11 million. The deviation was for catering, as the department sourced a venue from the State Security Agency (SSA), which could not allow services outside the Agency. The improvement can be attributed to inculcating the principle of developing the demand management plan towards the finalisation of the APP as budget allocations for the year were already agreed with the branches.

5.10 GIFTS AND DONATIONS RECEIVED FROM NON-RELATED PARTIES

Table 8 indicates gifts and donations in kind or cash the department received from non-related parties.

TABLE 8: GIFTS AND DONATIONS RECEIVED FROM NON-RELATED PARTIES

Donor/sponsor	Description	Amount
Absa, FNB, Nedbank and Standard Bank	Launch of e-HomeAffairs platform Office space at 12 branches	R840,000
South African Banking Risk Information Centre (SABRIC)	Development of an interface for non-biometric services	R322,000
Old Mutual	Hosting of staff service excellence awards	R250,000
Airports Company of South Africa (ACSA)	Accommodation for staff deployed at ORTIA during the festive season	R3,187,000
UNHCR	Equipment for detection of fraudulent document	R226,000
Others	Various activities and R50 000 and less	R235,000
Total		R5 060 000

5.11 EXEMPTIONS AND DEVIATIONS RECEIVED FROM NATIONAL TREASURY

No exemptions were received.

5.12 INVESTIGATIONS

5.12.1 Who Am I Online (WAIO)

As reported in the previous financial years, the department commissioned an investigation into the awarding of the WAIO tender, and requested the condonement of expenditure incurred for the implementation of WAIO from the Minister of Public Service and Administration. While the department was proceeding with the investigations, it received a letter from the Public Protector indicating that it would be investigating the matter. It was therefore prudent for the department to suspend its investigations to avoid duplication of

efforts, pending the final outcome from the Office of the Public Protector. The department provided the Public Protector with all the relevant documentation pertaining to the award of the bid on 14 July 2011. The report from the Public Protector is awaited.

In addition, on 24 April 2013, the department was informed of the intended investigations by the Special Investigating Unit (SIU) with regard to the settlement of the WAIO contract and all the necessary documentation was submitted. The report from the SIU is still awaited.

5.12.2 Ikgodiseng

As reported in the previous financial years, the department awarded a tender to Ikgodiseng Consortium for Adult Basic Education and Training (ABET) for R3.9 million per annum for a period of three years with a total value of R11.7 million. On 23 December 2011, it was discovered that a payment of R5.5 million was made while the services had not been rendered. The matter was reported to the Hawks for investigation and the Auditor-General of South Africa (AGSA) for information. An order was obtained to freeze the consortium's bank account. The department issued a summons to claim the above amount and the parties are still exchanging pleadings. The matter has not yet been set down for trial.

5.12.3 The Hallmark Building

As reported in the previous year, the department previously occupied the Civitas Building, situated on the corner of Struben and Andries streets in the central business district (CBD) of Tshwane, as its Head Office. During 2004, the Department of Labour declared the building unsuitable for human occupation in terms of the Occupational Health and Safety Act. The department had to seek alternative accommodation through the DPW, which is mandated to manage the process of acquiring and managing state accommodation. The DPW could not obtain suitable accommodation within the CBD of Tshwane and had to request Cabinet to allow a deviation from its resolution, which states that all departments should be accommodated within the CBD of Tshwane. A building was eventually identified in Waltloo, Silverton, for a three-year lease, which was extended from time to time due to scarce accommodation within the CBD. During 2008, the DPW managed to procure the Hallmark Building in the CBD in line with the Cabinet resolution. However there were significant differences between the two buildings:

- Size of the building - Waltloo: 30 000 m²; Hallmark: 25 000 m²
- Price per square metre – Waltloo: R75,61 per m²; Hallmark: R109,80 per m²

The department was informed that the procurement of the Hallmark Building was being investigated by the Office of the Public Protector and the SIU. A report is still awaited.

The lease of the building will expire on 31 October 2017. In this regard, the department approached the DPW to procure alternative office accommodation by October 2015. No response has been received. The department has now informed both the Public Protector and Head of the SIU of its intention to request the renewal of the current lease as it is not possible for DPW to source alternative accommodation considering the time left before the expiry of the lease.

5.12.4 Security tender

As reported in the previous financial year, the department procured security services through a tender process and awarded the tender to service providers allocated per province. A complaint was received from a member of the public alleging that the bid proposal submitted by one of the awarded suppliers may be in violation of the provisions of the SCM guidelines. Based on this complaint, Internal Audit was requested to conduct an investigation and recommended that a full-scale forensic audit be conducted into the awarding of this tender. The department appointed a firm of external forensic auditors and a report was issued, which indicated some irregularities during the evaluation of the tender. The report has now been referred to Labour Relations for further processing.

5.12.5 Software licenses (IBM)

During the implementation of WAIO, some of the software was bought from IBM; hence, IBM formed part of the settlement agreement and the department was to continue utilising the software for other applications and hardware. In this regard, there were specific agreements on how the licensing regime would be managed. Around September 2016, IBM notified the department that it was utilising more licenses than it was authorised to do in terms of the settlement agreement concluded in June 2012, as a result of the software asset management review conducted by Deloitte's auditors to audit the departmental systems run on IBM software. According to the first report, the department was indebted to the amount of R243 million due to over-usage of licenses. In order to verify the outcome of the audit, the DHA appointed Enterprise Outsourced Holdings (EOH) to carry out an independent license usage review using the Integrated License Management Tool. The report of EOH pointed out numerous material discrepancies. After various interactions, the amount claimed at one stage dropped to R85 million. Furthermore, since this matter forms part of the WAIO settlement, the department engaged the services of a legal firm to ensure the correct interpretation of the agreements so that the amounts claimed were in line with the provisions of the contract. The matter is currently being discussed by the lawyers of both parties.

5.13 CONTINGENT LIABILITIES: R2.074 BILLION

5.13.1 Housing guarantees: R143 000

The department provides housing guarantees of 20% of the purchase price of a house, and the guarantee is realised once the bond is reduced by the same amount. In the event that an employee fails to meet his or her obligation to the financial institution, the department deducts the guaranteed amount in installments from that employee's salary. In addition, should the employee resign from service, the department notifies the bank concerned and terminates the guarantee. However, a challenge arises when a person passes away and the bank has to utilise the guarantee as the department is not allowed to use the deceased's pension to clear the debt.

The department has implemented proper processes to manage its guarantees with the banks. It submits quarterly reports to National Treasury and the balance is only R143 000, as disclosed in Annexure 2.

5.13.2 Motor finance guarantees

During the year under review, the guarantees were cleared.

5.13.3 Pending legal claims: R1.989 billion

(a) Immigration and Civic Affairs: R656 million and R434.7 million

Immigration claims arise mainly out of the unlawful arrest and detention of illegal foreigners, as well as damages arising from the department's failure to timeously make decisions on permits. The increase in immigration claims (from R195.5 million in 2015/16 to R656 million in 2016/17) can be attributed to a claim of R420 million, in which the plaintiff alleges that he was arrested by the police and charged with numerous charges of fraud, forgery and uttering, theft and contravention of company and close corporation laws. He also claims that the permit in terms of section 41(1) of the Aliens Control Act was issued to him by officials of the department, and that this permit allowed the plaintiff to remain in the country pending the conclusion of his trial. He also alleges that the permit precluded him from either taking up employment or conducting business in the country, and, as such, he was not able to make an income to earn a living.

Civic Services' claims arise mainly out of the issuing of a passport to a minor child without the authorisation of the parents, the fraudulent issuing of death certificates, the non-issuing of ID documents and the fraudulent use of ID documents and passports, resulting in the arrest and detention of the

lawful owners. The increase in Civic Services' claims (from R32.9 million in 2015/16 to R434.7 million in 2016/17) is due to a claim of R400 million from a person who was arrested for a day for allegedly committing fraud as he utilised a passport and ID with different names, which he claimed were changed without his knowledge or consent.

(b) Labour disputes: R63 million

This amount relates to labour disputes, of which awards have been granted against the department or where the matters are still in the arbitration process. However, the matters have been referred to the Labour Court/Labour Appeal Court for review.

(c) Software licenses (IBM): R85 million

During the implementation of WAIO, some of the software was bought from IBM; hence, IBM formed part of the settlement agreement and the department was to continue utilising the software for other applications and hardware. In this regard, there were specific agreements on how the licensing regime would be managed. Around September 2016, IBM notified the department that it was utilising more licenses than it was authorised to do in terms of the settlement agreement concluded in June 2012, and it commissioned Deloitte's auditors to audit the departmental systems run on IBM software. According to the first report, the department was indebted to the amount of R243 million due to the over-usage of licenses. In order to verify the outcome of the audit, the DHA appointed EOH to carry out an independent license usage review using the Integrated License Management Tool. The report of EOH pointed out numerous material discrepancies. After various interactions, the amount claimed at one stage dropped to R85 million. Furthermore, since this matter forms part of the WAIO settlement, the department engaged the services of a legal firm to ensure the correct interpretation of the agreements so that amounts claimed were in line with the provisions of the contract. The matter is currently being discussed by the lawyers of both parties.

5.13.4 Tenders: R630.6 million

This claim relates to a tender invitation in respect of the expansion of the electronic document management system (EDMS), which was done through SITA. The tender was not finally awarded. However, the participants in the tender process (Valor IT – R28.2 million and New Dawn Technologies – R602.4 million) are claiming that the tender was

awarded to them. During the year under review, the parties agreed to join the claim under one lawsuit. The matter is now proceeding for court hearing after the discovery of relevant documents by both parties.

5.13.5 Contracts: R204.6 million

The major claims are as follows:

Double Ring (Pty) Ltd/Minister of Home Affairs: R171.5 million

This is a claim for payment emanating from a service level agreement (SLA) with the department for the supply and installation of software, telecommunications technology equipment (satellite dishes), the provision of bandwidth and its maintenance. The supplier claimed that services had been supplied by a company abroad, hence they had invoiced the department in foreign currency. The department was of the view that the services were provided locally; therefore it should be invoiced in South African rand. The matter is still pending in a court of law.

Most Khoza Enterprises: R2.5 million

The plaintiff alleges that the contract for providing security services was unlawfully terminated in 2007 before its expiry date of 2009. However, the matter has been inactive for a long time.

Borekhu Travel Tours: R4 million

This relates to a claim brought by close corporations that run transportation businesses, in which they claim that the department entered into a verbal contract for the transportation of immigration officials at ORTIA and they were further instructed to buy new vehicles for the project. However, they were later informed that they had to enter into a bidding process, and the contract was awarded to another service provider. The department is opposing the matter.

Peak Security (Pty) Ltd: R10.158 million

This relates to a claim due to the termination of a contract as the service provider submitted an invalid tax clearance certificate. The matter is being defended.

Ikgodiseng Business Consultants: R6.5 million

As reported in the previous financial years, the department awarded a tender to Ikgodiseng Consortium for ABET for R3.9 million per annum for a period of three years with a total value of R11.7 million. On 23 December 2011, it was discovered that a payment of R5.5

million was made while the services were not rendered. The matter was reported to the Hawks for investigation and the AGSA for information. An order was obtained to freeze the consortium's bank account. The department further instituted legal proceedings to recover the amount. The civil matter is still pending in court. However, during the litigation, Ikgodiseng made a counter claim of R6.5 million for breach of contract. Other contracts (R3.6 million) and claims (R7.1 million): R10.7 million

This relates to other claims, ranging from alleged breach of contract for non-payment and services rendered based on verbal agreements, to vehicle collisions, personal injuries and contumelia.

5.14 INTERGOVERNMENT PAYABLES

As reported in the previous financial year, DIRCO is no longer paying expenses for officials posted abroad on a claim recovery basis as the department transferred a baseline amount to DIRCO. The balance that relates to DIRCO has been derecognized to account for the set-off of R367 million.

5.15 SERVICES RENDERED BY THE DEPARTMENT

5.15.1 Citizen Affairs

The key role of Citizen Affairs is to secure and register the identity of citizens, determine their status and issue related enabling documents such as IDs (green barcoded ID documents and smart ID cards) and passports, as well as birth, marriage and death certificates.

5.15.2 Immigration Affairs

Immigration Affairs is responsible for the management of the movement of persons according to a risk based approach through ports of entry and via foreign missions, and the issuing of a range of visas and permits. It is also responsible for determining the status of asylum seekers and refugees and issuing the related permits. The Inspectorate function is responsible for enforcing the Immigration Act. The Corporate Accounts Unit assists public and private organisations with applications for the importation of scarce skills and business permits.

5.15.3 Inventory

The inventory on hand at year-end is as follows:

TABLE 9: INVENTORY

CATEGORY	AMOUNT 2015/16	AMOUNT 2014/15	METHOD OF COSTING
	R'000	R'000	R'000
Controlled stationery	12 335	11 353	Actual cost

5.15.4 Tariff policy

The department did not review its tariffs for the 2016/17 financial year, but continued to utilise the approved tariffs of the 2011/12 financial year. It will engage in the process of reviewing the current tariffs, as well as determining new revenue streams.

5.15.5 Free services

The department provides free services in terms of the Identification Act, 1997, and Identification Regulations as contemplated in section 22 of the Act in respect of the first issue of ID, birth, marriage and death certificates. It also issues free official passports. Furthermore, the Minister, in terms of both the Identification Act and the Immigration Act, has a right to waive the charging of the prescribed fees for enabling documents under certain circumstances. During the year under review, no material free services were granted.

5.16 FINANCIAL MANAGEMENT IMPROVEMENTS

As reported previously, a monthly compliance checklist was introduced that covers aspects such as leave and asset management, keeping face value registers, paying invoices within 30 days, and keeping accurate and complete accrual and commitment registers. All office managers and managers from assistant director level upwards are required to submit monthly compliance checklists. Submission of the compliance checklists is monitored and presented to the Executive Committee (EXCO) and the Ministerial Management Meeting (MMM). In this regard, the performance agreements of all managers were amended to include improving audit outcomes as a compulsory key result area. Another amendment of the performance agreements introduced the compulsory five-day coalface deployment. Individual performance is therefore directly linked to the departmental audit outcome as informed by practical experience at the front office. During the year under review, there was a significant improvement in the management of payments within 30 days, as shown by the drop in the payables that exceeded the payment term of 30 days, as required in Treasury Regulation 8.2.3, from R338.44 million (2015/16 financial year) to R30.64 million (2016/17 financial year). There is a significant improvement in the management of assets, as there is a better understanding of utilising the BAUD asset management system,

and there is drop in the number of unverified assets from 2 012 in 2015/16 to 1 302 in the 2016/17 financial year. The department is continuing to investigate the existence of unverified assets before considering write-offs, where nobody can be held accountable. Progress against the audit action plan is monitored through the back-to-basics meetings, and progress made is reported to the EXCO and MMM. All audit matters are channeled via the audit facilitator, who keeps and updates the tracking register on requests for audit findings (RAFs) and the communication of audit findings. Failure to adhere to the agreed-upon turnaround times is followed up and officials who fail to submit information requested or responses on time receive "poor performance" letters. These letters appear to have the desired effect.

As reported in the previous financial year, the department received a qualified audit opinion in two areas. The following is the progress made:

Departmental revenue and NRF receipts to be surrendered: The qualification, in the previous financial years, relates to the change in the accounting policy as an exemption granted by National Treasury was revoked, in which revenue collected abroad was recognised in the books of the DHA only on receipt of supporting documents and not when the cash is received, which was against the framework for the preparation of financial statements, as well as the Modified Cash Standard. For the department to be compliant with the Modified Cash Standard, it had to process an adjustment in the opening balance for the 2014/15 financial year in respect of previously collected revenue, for which the corresponding supporting documents were not received utilising the debit and credit list from DIRCO. In this regard, the department has processed adjustments in respect of errors identified in the previous year and also received a payment of R41.9 million from DIRCO in respect of revenue collected in the previous years. Furthermore, the department stopped the requirement of a repatriation deposit to be paid by travellers and to close the account. It was agreed that a Government Gazette be issued informing clients to claim their deposits before the end of March 2016 and that any unclaimed deposits would be forfeited, and would be regarded as revenue. In order to comply with the Modified Cash Standard, the department accounted for all repatriation deposits collected at source utilising the debit and credit lists and accounted for it as revenue. In addition, the difference between repatriation deposits paid by DIRCO to the traveler, but not yet paid as against the revenue was recognised as a receivable, and an amount paid by DIRCO, but not yet claimed from the DHA was recognised as a payable. These transactions were managed through the Immigration Control Account (ICA) outside the Vote through a bank account held with Standard Bank. To achieve the closure of this account, the department had first brought the ICA balance into the books of the DHA, and then closed it. During the year under review, a balance was transferred to the NRF, except a balance of approximately R2.1 million due to uncashed cheques by clients as at 31 March 2017. In the next financial

year, the department will engage in processes of finalizing the reconciliation between the NRF payable, cash on hand and the DIRCO receivable.

Accruals and payables not recognised: This account relates to amounts that had previously been paid by DIRCO on a cost recoverable basis for staff posted abroad in respect of foreign allowances, including residential accommodation. However, since the 2014/15 financial year, the department transferred a baseline amount from its budget to cater for these expenses, which cut the unnecessary burden between the two departments to administer this account, including the auditing of the same account twice. During the year under review, the department sourced the services of an audit firm to conduct the reconciliation of this account to ensure that the balances are accurate and correctly classified in terms of confirmed and unconfirmed balances and that every transaction had a supporting document. To close this legacy issue, the Department agreed with DIRCO to set-off the DHA payable balance of R367 million against the corresponding DIRCO receivable.

5.17 PERFORMANCE INFORMATION

The department developed its Strategic Plan (2015-2020) and APP for the 2016/17-2018/19 MTEF period, which articulate its strategic priorities. Branches present their performance information at quarterly performance review sessions. The information presented is audited by Internal Audit.

New policy proposals and objectives are submitted to the Minister for approval. The MMM reviews the objectives and provides guidance for planning for the new financial year.

5.17.1 Performance management system

The performance management and development system is a management tool for the effective monitoring and enhancement of the effectiveness of employees. The department is committed to delivering relevant, responsive and high-quality products and services in accordance with its Strategic Plan and APP. The Strategic Plan and APP are cascaded to the business units through branch annual plans, business and operational plans, and finally to the officials' performance agreements.

The system requires all employees to be contracted annually and evaluated regularly. During the year under review, the department ensured that branch annual performance plans were in place, that officials had signed performance agreements and that their activities are ultimately aligned to the broader organisational outcomes and objectives. Furthermore, during the assessment process, due diligence was exercised to ensure that performance rewards were only granted for exceptional performance.

5.17.2 Management reporting

On a quarterly basis, the EXCO reviews progress made with regard to the implementation of the strategic objectives and takes the necessary corrective steps to enable the department to fully achieve its mandate.

Senior management members are required to submit progress reports on their respective areas of responsibility. To ensure the monitoring and evaluation of the department's performance, it conducts quarterly review meetings that include senior management, the heads of offices and representatives from various key delivery service points. Furthermore, senior management service (SMS) members set aside five days for the coalface visit to front offices, whereby they actually performed duties in various offices and provided reports that were consolidated and action plans developed where necessary. Among other benefits, this has improved the understanding of operations at office level.

The following reports are used as mechanisms to inform progress in respective key performance areas:

- Quarterly branch reports (including performance information verification)
- Half-yearly individual performance assessment evaluation reports
- Annual report

To streamline this function, the department established the Branch: Institutional Planning and Support. A key objective of this branch is to integrate the planning, gathering and analysis of performance information to enhance accountability and empower management. This branch will also be responsible for developing and designing various delivery methods for the services of the DHA in order to improve customer services.

The Chief Directorate: Policy and Strategic Management is responsible for monitoring performance through the evaluation of quarterly reports. Emphasis has been placed on the verification of the evidence of performance information by the Internal Audit and Monitoring and Evaluation units on a quarterly and annual basis. Quarterly reports are sent to the DPME and National Treasury.

Furthermore, the department participates in the Management Performance Assessment Tool (MPAT) assessments conducted by the DPME, which assesses performance in key areas of management. In this regard, the department improved in respect of 12 measurement areas, regressed in six areas, and the score remained unchanged in 17 areas. The department will continue to strengthen its management processing to ensure accountability and improved governance.



5.17.3 Performance report submissions in compliance with prescripts

During the year under review, the department submitted progress reports to various stakeholders to facilitate oversight. In this regard, the Strategic Plan and APP were submitted to National Treasury and the DPME, as well as to Parliament. Furthermore, quarterly progress reports were submitted to the abovementioned structures, as well as to the Audit Committee.

5.18 EVENTS AFTER THE REPORTING DATE

The payable balance that relates to the amount owed to DIRCO has been derecognized in accordance with the set-off agreement concluded between the department and DIRCO.

5.19 APPROVAL AND SIGN OFF

The Annual Financial Statements set out on pages 161 to 246 have been approved by the Accounting Officer.

Mkuseli Apleni
Director-General
Department of Home Affairs
Date: 31 May 2017



6. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

To the best of my knowledge and belief, I confirm the following:

- All information and amounts disclosed throughout the annual report are consistent.
- The annual report is complete, accurate and free from any omissions.
- The annual report has been prepared in accordance with the guidelines on the annual report as issued by National Treasury.

The Annual Financial Statements (Part E) have been prepared in accordance with the Modified Cash Standard and the relevant frameworks and guidelines issued by National Treasury.

The Accounting Officer is responsible for the preparation of the Annual Financial Statements and for the judgments made in this information.

The Accounting Officer is responsible for establishing and implementing a system of internal control that has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the HR information and the Annual Financial Statements.

The external auditors are engaged to express an independent opinion on the Annual Financial Statements.

In my opinion, the Annual Report fairly reflects the operations, performance information, HR information and financial affairs of the department for the financial year ended 31 March 2017.

Yours faithfully



Accounting Officer
Name: Mkuseli Apleni
Date: 31 May 2017

7. STRATEGIC OVERVIEW

7.1 VISION

A safe, secure South Africa where all of its people are proud of, and value their identity and citizenship.

7.2 MISSION

The efficient determination and safeguarding of the identity and status of citizens and the management of immigration to ensure security, promote development and fulfil our international obligations.

7.3 VALUES

The Department of Home Affairs is committed to being:

- People-centred and caring
- Patriotic
- Professional and having integrity
- Corruption-free and ethical
- Efficient and innovative
- Disciplined and security conscious

8. LEGISLATIVE AND OTHER MANDATES

The mandates of the DHA are embedded in legislation, as well as other policy documents. In order to fulfil its mission, the department executes or participates in the execution of the following mandates:

8.1 CIVIC SERVICES

Births, marriages and deaths

Births and Deaths Registration Act, 1992 (Act No. 51 of 1992)
Regulations made under the Births and Deaths Registration Act, 1992
Marriage Act, 1961 (Act No. 25 of 1961)
Regulations made under the Marriage Act, 1961
Recognition of Customary Marriages Act, 1998 (Act No. 120 of 1998)
Regulations made under the Recognition of Customary Marriages Act, 1998
Civil Union Act, 2006 (Act No. 17 of 2006)
Regulations made under the Civil Union Act, 2006

Identity documents and identification

Identification Act, 1997 (Act No. 68 of 1997)
Regulations made under the Identification Act, 1997
Alteration of Sex Description and Sex Status Act, 2003 (Act No. 49 of 2003)

Citizenship

South African Citizenship Act, 1995 (Act No. 88 of 1995)
Regulations made under the South African Citizenship Act, 1995

Travel documents and passports

South African Passports and Travel Documents Act, 1994 (Act No. 4 of 1994)
Regulations made under the South African Passports and Travel Documents Act, 1994

8.2 IMMIGRATION SERVICES

Immigration Act, 2002 (Act No. 13 of 2002)

Regulations made under the Immigration Act, 2002

Refugees Act, 1998 (Act No. 130 of 1998)

Regulations made under the Refugees Act, 1998

The Universal Declaration of Human Rights as adopted by the General Assembly of the United Nations on 15 December 1948

The Basic Agreement between the Government of the Republic of South Africa and the UNHCR, 6 September 1993

The 1951 United Nations Convention Relating to the Status of Refugees and its 1967 Protocol

The Organisation for African Unity (OAU) Convention Governing Specific Aspects of Refugee Problems in Africa, 1969

The UNHCR Handbook on Criteria and Procedures for the Determination of Refugee Status, 1997

8.3 OTHER MANDATES

Criminal Procedure Act, 1977 (Act No. 51 of 1977)

Regulations made under the Criminal Procedure Act, 1977

Promotion of Access to Information Act, 2000 (Act No. 2 of 2000)

Regulations made under the Promotion of Access to Information Act, 2000

Public Holidays Act, 1994 (Act No. 36 of 1994)

Proclamations made under the Public Holidays Act, 1994

Imprint Act, 1993 (Act No. 43 of 1993)
Independent Electoral Commission Act, 1996 (Act No. 51 of 1996)
Regulations made under the Independent Electoral Commission Act, 1996
Electoral Act, 1998 (Act No. 73 of 1998)
Regulations made under the Electoral Act, 1998
Local Government: Municipal Electoral Act, 2000 (Act No. 27 of 2000)
Regulations made under the Local Government: Municipal Electoral Act, 2000
Public Funding of Represented Political Parties Act, 1997 (Act No. 103 of 1997)
Regulations made under the Public Funding of Represented Political Parties Act, 1997
Constitution of the Republic of South Africa, 1996
Public Service Act, 1994 (Proclamation No. 103 of 1994)
Regulations made under the Public Service Act, 1994
Labour Relations Act, 1995 (Act No. 6 of 1995)
Regulations made under the Labour Relations Act, 1995
Public Finance Management Act, 1999 (Act No. 1 of 1999)
Treasury Regulations made under the PFMA
Intergovernmental Relations Framework Act, 2005 (Act No. 15 of 2005)
Regulations made under the Intergovernmental Relations Framework Act, 2005
Promotion of Equality and Prevention of Unfair Discrimination Act, 2000 (Act No. 4 of 2000)
Regulations made under the Promotion of Equality and Prevention of Unfair Discrimination Act, 2000
Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000)
Regulations made under the Preferential Procurement Policy Framework Act, 2000

8.4 ENTITIES REPORTING TO THE MINISTER

Independent Electoral Commission
Government Printing Works

8.4.1 Independent Electoral Commission

The Commission was established in terms of section 3 of the Independent Electoral Commission Act, 1996 (Act No. 51 of 1996).

The functions of the Commission include the following:

- To manage any election.
- To ensure that an election is free and fair.
- To perform the functions assigned to it by the Act.

The Chief Electoral Officer of the Commission is the Accounting Officer of the Commission in terms of section 12 of the Independent Electoral Commission Act.

8.4.2 Government Printing Works

Founded in 1888, the Government Printing Works (GPW) was established to render security printing and related services to the Government of South Africa. During 1976, the GPW was established as a trade account by the Department of Finance. The GPW operates as a government component after proclamation in Government Gazette No. 32616, dated 9 October 2010.

The functions of the GPW include the following:

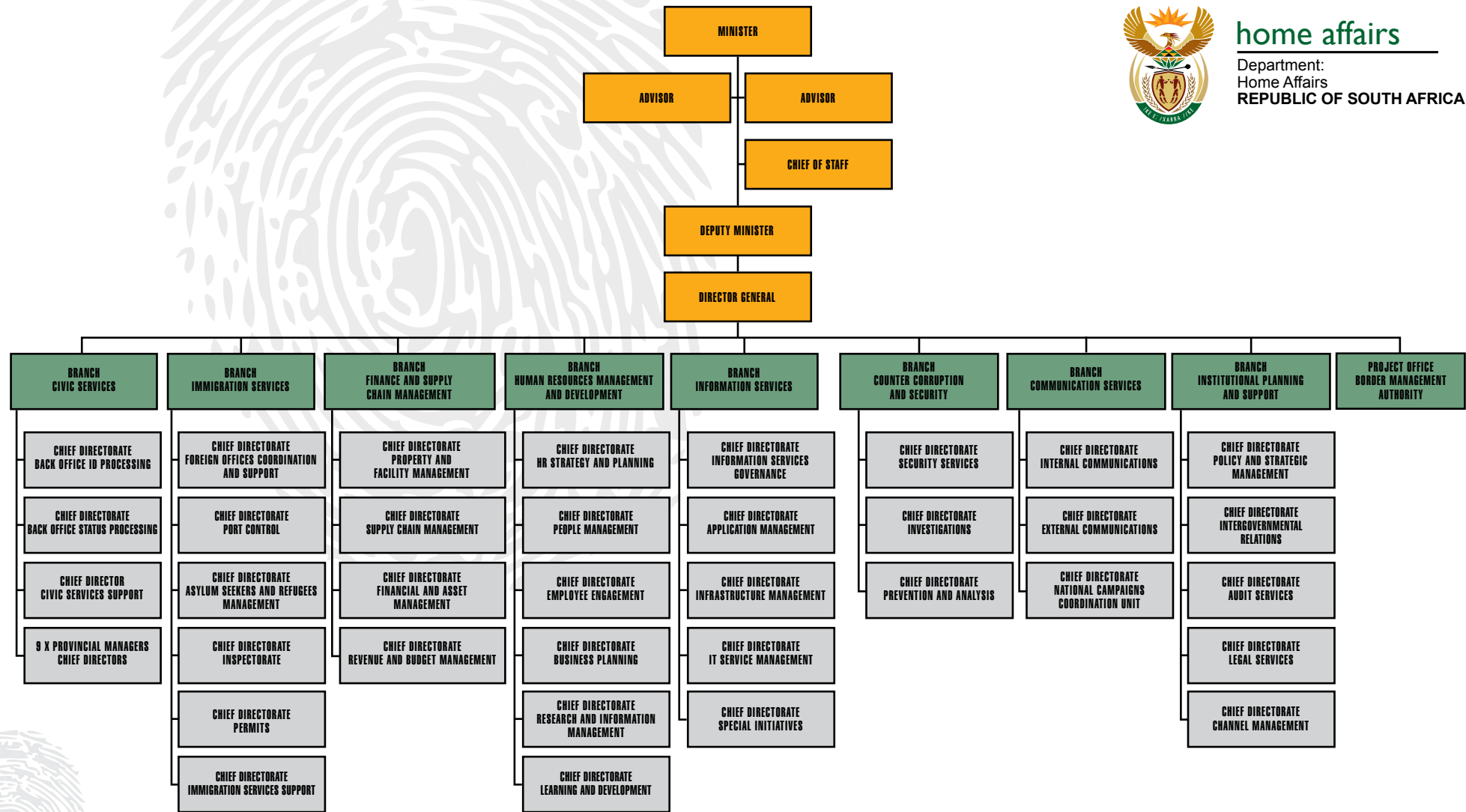
- Compiling, editing, printing and distribution of the Government Gazette and Provincial Gazette.
- Procuring and stocking departmental forms and face value forms.
- Provisioning a printing service pertaining to high-security documents and also printed matter of a general nature.
- Administering the Publications Section to provide for the stocking of government publications and the selling thereof to government institutions and the general public, as well as institutions abroad.

The Chief Executive Officer of GPW is the Accounting Officer in terms of section 36(3) of the PFMA.

9. ORGANISATIONAL STRUCTURE



home affairs
 Department:
 Home Affairs
 REPUBLIC OF SOUTH AFRICA



10. ENTITIES REPORTING TO THE MINISTER

The table below indicates the entities that report to the Minister.

TABLE 10: ENTITIES REPORTING TO THE MINISTER

Name of entity	Legislative mandate	Financial relationship	Nature of operations
Independent Electoral Commission	The Commission was established in terms of section 3 of the Independent Electoral Commission Act, 1996 (Act No. 51 of 1996)	Transfer payments	The functions of the Commission include the following: <ul style="list-style-type: none"> • To manage any election • To ensure that an election is free and fair • To perform the functions assigned to it by the Act
Government Printing Works	The GPW operates as a government component after proclamation in Government Gazette No. 32616, dated 9 October 2010	Not applicable	The functions of the GPW include the following: <ul style="list-style-type: none"> • Compiling, editing, printing and distribution of the Government Gazette and Provincial Gazette • Procuring and stocking departmental forms and face value forms • Provisioning a printing service pertaining to high-security documents and also printed matter of a general nature • Administering the Publications Section to provide for the stocking of government publications and the selling thereof to government institutions and the general public, as well as institutions abroad



PART B:

PERFORMANCE INFORMATION

1. AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The AGSA currently performs certain audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management, with material findings being reported under the heading "Report on the audit of the annual performance report" in the Auditor's Report to Parliament on Vote No. 5: Department of Home Affairs.

Refer to page 157 to 158 of the Report of the Auditor-General, published as "Part E: Financial Information".



2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1 SERVICE DELIVERY ENVIRONMENT

Most clients applying for civic services are citizens, although permanent residents that are foreign nationals also require ID documents and need to register births, marriages and deaths. South African consulates abroad provide these services to citizens, but the majority of their clients are foreign nationals applying for visas or seeking information. Local frontline offices for civic services may be small, medium and large; and a partnership with the four major banks has enabled them to be established in 14 branches to date. In addition, there are service points in health facilities where births and deaths may be registered by officials online. Mobile offices still operate by stopping periodically where there are no fixed offices nearby.

The majority of clients visiting Home Affairs offices probably experience an acceptable level of service and, by receiving messages via their mobile phones, know when their documents are ready for collection. An in-house client service centre receives calls, provides information and can intervene to resolve or escalate problems. Turnaround times for most standard services have been greatly reduced in recent years. However, the largest service delivery challenge is that, for a number of reasons, the quality of service varies and can be unpredictable. There are three major factors. Firstly, the networks that connect offices to the systems of the DHA are unreliable. Secondly, the DHA is in the process of modernising and has a mixture of advanced digital systems and outdated legacy systems. The third reason is that standards vary from office to office, mainly because of differences in systems, infrastructure and capacity.

With regard to immigration services, by far the largest number of transactions conducted by the DHA is to allow persons to enter or leave South Africa through the 72 designated ports of entry. Immigration officers record about 40 million such transactions annually on the MCS. Apart from this service, the majority of clients seeking immigration services are foreign nationals, although organisations that wish to employ foreigners or hold international events receive assistance from the DHA. Depending on the category, some visas can be issued at South African consulates abroad, while others can be applied for or extended in South Africa. Most visas and all permits are adjudicated in South Africa at a central hub.

The DHA has a partnership with a visa facilitation company that operates in several countries and within South Africa. Applications are received and sent to the DHA for adjudication after ensuring they are complete. The cost of the service is recovered from the client in addition to the fees normally charged by the DHA. This service is used by many countries to improve efficiencies and security. Working with provincial and national government, the DHA has established centres that offer business clients premium services to encourage trade and investment. This is in addition to the Corporate Services Unit that operates within the DHA to fast-track visa applications from clients that have projects or operations of strategic importance. These include corporations, state enterprises, and education and research institutions.

As in the case of civic services, the DHA is modernising its immigration systems. This has resulted in a steady improvement in turnaround times over the past two years. The management of immigration is inherently risk-based and the environment is in general less predictable. The principle that is applied in both environments is to develop faster processes for low-risk cases and focus attention where risks are high. The adjudication of permanent residence applications is especially complex and the service norm is eight months, but specific circumstances may require additional time.

Due to the legacy of colonialism and apartheid, many South African citizens and families still have complex problems of identity and related documentation to resolve. The births of Africans were never recorded systematically before 1994. This puts both the country and the individuals involved at risk and creates opportunities for organised fraud and corruption. Since 2010, the DHA expends considerable resources on an ongoing NPR campaign to resolve such cases and to encourage early birth registration. Service delivery will improve for everyone when there is close to 100% compliance with the registration of births within 30 days.

In both the civic and immigration environments, a combination of methods is used to monitor and improve services and manage risks. The improvement of processes through better operations management is now well established and is supported by training. The overall strategy is to replace outdated systems and professionalise the staff, while continuing to build a client-centred culture. More detail is provided in the service delivery improvement plan reported on below.

2.2 SERVICE DELIVERY IMPROVEMENT PLAN

The department has completed a service delivery improvement plan (SDIP). The tables below highlight the service delivery plan and the achievements to date.

TABLE 11: MAIN SERVICES AND STANDARDS

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
Quantity				
Identity documents	South African citizens and permanent residents	To issue 90% of IDs (first issues) within 54 working days To issue 95% of ID re-issues within 47 working days	90% 95%	97.20% of IDs (first issues) were issued within 54 working days (RSA applications only) (April 2016 to September 2016) 95.75% of IDs (first issues) were issued within 54 working days (RSA applications only) (October 2016 to March 2017) 98.85% of IDs (re-issues) were issued within 47 working days (RSA applications only) (April 2016 to September 2016) 97.84% of IDs (re-issues) were issued within 47 working days (RSA applications only) (October 2016 to March 2017)
Identity documents	South African citizens	To issue smart ID cards to citizens 16 years of age and over	3 million smart ID cards issued to citizens 16 years of age and over	1 350 193 smart ID cards were issued to citizens 16 years and over (April 2016 to September 2016) 1 347 988 smart ID cards were issued to citizens 16 years and over (October 2016 to March 2017)
Birth registration within 30 days of birth event	South African citizens and permanent residents	Register births within 30 calendar days	74% (810 000) of births registered within 30 calendar days Note: The desired standard cannot be changed at the time of reporting as the SDIP is a plan which covers a 3-year period and was approved and published	378 679 births were registered within 30 calendar days (April 2016 to September 2016) 366 525 births were registered within 30 calendar days (October 2016 to March 2017)

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement																				
Quantity																								
Enabling documents issued to foreigners efficiently and securely	Foreign nationals who require to either work, study, conduct business, reside or travel within South Africa	80% of business and general work visas adjudicated within eight weeks for applications processed within the RSA	85% of temporary residence permits adjudicated within eight weeks for applications processed within the RSA and abroad	<p>April 2016 to September 2016</p> <table border="1"> <tr> <td>98%</td> <td>97%</td> </tr> <tr> <td>536</td> <td>550</td> </tr> <tr> <td>496</td> <td>512</td> </tr> <tr> <td>1 032</td> <td>1 062</td> </tr> <tr> <td colspan="2">97.2%</td> </tr> </table> <p>October 2016 to March 2017</p> <table border="1"> <tr> <td>96%</td> <td>98%</td> </tr> <tr> <td>461</td> <td>480</td> </tr> <tr> <td>514</td> <td>520</td> </tr> <tr> <td>975</td> <td>1 000</td> </tr> <tr> <td colspan="2">97.5%</td> </tr> </table>	98%	97%	536	550	496	512	1 032	1 062	97.2%		96%	98%	461	480	514	520	975	1 000	97.5%	
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461	480																							
514	520																							
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97.5%																								
AFIS/Home Affairs National Identification System (HANIS) refresh	South African citizens and foreigners	AFIS	New AFIS implemented NIS modules developed by Immigration Services branch	Tender for new AFIS was advertised and evaluation of request for accreditation (RFA) completed Completed request for proposal evaluations																				
Records management and unabridged certificates	South African citizens and permanent residents	Birth records and application process not yet modernised	Digitisation of birth records	1 014 794 birth records were digitised, comprising of 6 390 366 images																				
Movement of persons in and out of the country managed according to a risk-based approach	Foreign nationals making application through missions abroad for permits or visas to travel to South Africa	No biometric solution in foreign mission	EXCO approval of findings of feasibility study conducted in three missions	Quarter 2 identified key deliverables with key stakeholders on systems, including IT platforms configuration in the targeted missions between the DHA and DIRCO IT. A submission was sent to the Minister on the proposals for approval and continuation of the next phase The feasibility study on the implementation of biometrics in three missions (Harare, Munich and Colombo) was conducted and a report with recommendations was submitted to the Deputy Director-General: Immigration Services (DDG: IMS) and to EXCO for noting and approval																				

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
Quantity				
Management of traveller movements through designated ports of entry and development of a biometric risk management solution	Complete the implementation of the enhanced movement control system (EMCS) roll-out to all ports of entry and commence with the pilot of an interim biometric solution to four key (identified) pilot ports of entry	EMCS rolled out to 60 ports of entry and testing of a pilot phase for the implementation of a biometric capability at selected ports of entry	Fully enhanced MCS operational at all ports of entry and commencement of a biometric solution at identified, designated ports of entry	Roll-out of EMCS capability at all ports of entry was completed with the exception of certain isolated ports of entry where infrastructure limitations imposed restrictions on data and telecommunication capability Testing of biometric capabilities at four selected international airports that would be used as a pilot study (KSIA, CTIA, ORTIA and Lanseria), and then in the second half of the reporting cycle to roll-out a pilot of the interim solution to six land ports and one maritime port
Capturing the biometric data of all travellers who enter and exit South Africa legally	South African Security Cluster	EMCS rolled out to 60 ports of entry	Biometric solution for EMCS developed	User requirements specifications approved

TABLE 12: BATHO PELE ARRANGEMENTS WITH BENEFICIARIES (CONSULTATION, ACCESS, ETC.)

Current/actual arrangements	Desired arrangements	Actual achievements
Consultation		
A departmental communication strategy was developed and aligned to the Government Communication and Information System (GCIS)-driven national communication strategy for the current term of government. A total of 20 ministerial/departmental izimbizo (public participation programmes) and 22 media briefings were convened in which public services for citizens and other clients were explained	Communication strategy and action plan implemented with a focus on corporate communication services, media relations and public awareness engagements	Communication strategy reviewed and implemented
	Communication strategy to inform the public and staff of the DHA about services and products through training and campaigns developed and implemented with a focus on corporate communication, media relations and public awareness engagements	Communication strategy reviewed and implemented
Toolkit report for reporting offices: 96.55% reports that suggestion and complaint boxes are marked and visible to the public; 1.06% reports that suggestion and complaint boxes are not marked and visible to the public; 2.39% reports that no suggestion or complaint boxes are available to the public	Complaint/suggestion boxes placed in all front offices with standard collection questionnaires to capture clients' suggestions and/or complaints about the services we provide	Toolkit report for reporting offices: 97.44% reports that suggestion and complaint boxes are marked and visible to the public; 2.02% reports that suggestion and complaint boxes are not marked and visible to the public; 0.54% reports that no suggestion and complaint boxes are available to the public
	Complaint/suggestion boxes placed in all front offices with standard feedback forms to capture clients' suggestions and feedback	Suggestion boxes are in place (as above). However, no standard forms to capture suggestions were developed

Current/actual arrangements	Desired arrangements	Actual achievements
Consultation		
<p>Final draft of Green Paper on International Migration approved by Minister on 29 March 2016</p>	<p>White Paper on International Migration submitted to Cabinet for approval</p>	<p>On 19 May 2016, Cabinet gave its approval for the Green Paper on International Migration to be gazetted for public comment. The Green Paper was gazetted on 24 June 2016 and the Minister of Home Affairs officially launched the Green Paper on 30 June 2016 at Freedom Park</p> <p>The department hosted and participated in various stakeholder consultation engagements. Key engagements included round table discussions with organised labour and business on 2 September 2016, dialogue with academics and students on 9 September 2016, dialogue with civil society organisations on 16 September 2016, meeting with DIRCO on 5 August 2016 and meeting with NEDLAC convener on 23 September 2016</p>
Service standards		
<p>Modernisation programme is ongoing and the number of DHA offices with Live Capture functionality increased to 179 in the first quarter of 2016-2017. The roll-out included the partnership with banks, where Live Capture was piloted with four major banks (Absa, FNB, Nedbank and Standard Bank) to increase the DHA's footprint</p> <p>EMCS has been enhanced with biometrics functionality and rolled out to four International Airports (ORTIA, CTIA, KSIA and Lanseria) and six land ports to address the new Immigration Regulations and Inter-ministerial Committee recommendations</p>	<p>Moetapele initiative to improve the customer experience</p> <p>Management Toolkit to improve the performance of frontline offices and a Home Affairs contact centre</p>	<p>Deployment and launch of e-Home Affairs portal for smart ID cards and passports</p> <p>Roll-out of Live Capture functionality at 14 bank branches</p> <p>Roll-out of point of sale service/functionality at the 179 Live Capture offices</p> <p>Roll-out of biometrics on EMCS at the six land ports and one maritime port</p> <p>Development and installation of automated booking system at the now Desmond Tutu Refugee Centre</p> <p>Front Office Toolkit to improve performance, improving the daily management of operations in all offices for the effective and efficient management of front office operations implemented in all Civic Services offices. This initiative still needs to be implemented for Immigration Services</p>

Current/actual arrangements	Desired arrangements	Actual achievements
Service standards		
Service charter outlining service standards was developed The service charters are currently being displayed in all Civic Services offices	Service charter displayed in all front offices	Service charter outlining service standards was developed The service charters are currently being installed in all Civic Services offices. Toolkit report for reporting offices: 85.45% reports that the service charter is clear, printed and visible to the public; 2.90% reports that service charter is not clear, printed and visible to the public; 11.65% reports that the service charter is not yet available
Front Office Toolkit was developed and implemented In Civic Services offices	Front Office Toolkit to improve performance, improving the daily management of operations in all offices for the effective and efficient management of front office operations implemented in all Civic Services offices	Front Office Toolkit to improve performance, improving the daily management of operations in all offices for the effective and efficient management of front office operations implemented in all Civic Services offices. This initiative still needs to be implemented for Immigration Services
For the 2014/15 financial year, 70 out of 89 targeted facilities where optimised in one way or the other in terms of staff, equipment, connectivity and signage For the 2015/16 financial year, Immigration Services was consulted and provided with a list of the 359 health facilities without online verification scanners. Immigration Services indicated that 60 available online verification scanners will be distributed accordingly. This is currently being monitored	Improving service delivery standards by optimising the use of existing health facilities for the registration of births	During the 2016/17 financial year, officials within the Directorate: Footprint Development and Hospitals initiated the process of conducting physical assessments at all connected health facilities in order to verify resource requirements. This process will continue in 2017/18



Current/actual arrangements	Desired arrangements	Actual achievements
Service standards		
<p>Cabinet approved the introduction of the BMA Bill into Parliament in September 2015; thereafter, the Bill was submitted to Parliament in October 2015</p> <p>Considering the socio-economic implications of the BMA, engagements on the Bill were initiated with NEDLAC in November 2015. As a consequence, parliamentary deliberations on the Bill could not commence</p>	<p>BMA launched</p>	<p>The BMA could not be launched as enabling legislation for the authority was not in place</p> <p>The NEDLAC consultative process on the BMA Bill took longer than expected. Government spent six months in the NEDLAC consultative process between November 2015 and May 2016. Since then, the Bill has been submitted to Parliament</p> <p>The Portfolio Committee on Home Affairs adopted the BMA Bill, 2016, in March 2017. The National Assembly debate on the Bill is planned for 11 May 2017. Should the National Assembly adopt the Bill, it will be referred to the National Council of Provinces (NCOP) for consideration and will then be returned to the National Assembly for final adoption and enactment</p> <p>The BMA can only be launched after the BMA Bill, 2016, is enacted</p>
<p>Front Office Toolkit for Immigration Services offices still to be developed</p>	<p>Front Office Toolkit to improve performance, improving the daily management of operations in all offices for the effective and efficient management of Front Office Operations implemented in all Immigration Services offices</p>	<p>The toolkit for Immigration Services still needs to be developed and implemented</p> <p>Asylum Seeker Management: An Immigration Services Office Toolkit has not been developed, but the refugee reception offices of Asylum Seeker Management (ASM) make use of a toolkit provided by Civic Services, which adheres to the applicable delivery priorities for ASM's clients. This includes:</p> <ul style="list-style-type: none"> • Ensuring visibility of name tags • Suggestion box available at offices and visible to the public • Signage available to guide the public <p>ASM, in conjunction with Channel Management, still needs to design a Frontline Toolkit that would be unique to the requirements of services provided to applicants of asylum and refugee status</p>

Current/actual arrangements	Desired arrangements	Actual achievements
Access		
Live Capture was rolled out to seven DHA offices and nine bank branches during the period under review, and 31 additional offices were completed by April 2016	Increase the number of offices with capabilities to support the replacement of the green ID book with smart ID cards, including roll-out to banks	Live Capture, inclusive of branch queue management system (BQMS) and point of sale functionality, has been rolled out to 179 offices countrywide and 14 bank branches
	Live Capture to be rolled out to 75% of front offices with capabilities to support the replacement of the green ID book with smart ID cards	Live Capture is being enhanced to cater for the automation of births, marriages, deaths, refugee ID cards and travelling documents, as well as e-permit processes Prototypes of these modules were developed in this financial year
A majority of the department's frontline offices have adequate outside signage, which is clearly visible to the public. Internally, there are sufficient signs for information to other services offered, including pricing for each product. The signage required in terms of the Occupational Health and Safety Act is also installed in offices	Signage (internal and external) in all front offices Property Management has, in the year under review, installed signage in 92 offices, 47 hospitals and 12 banks	Property Management has, in the year under review, installed signage in 92 offices, 47 hospitals and 12 banks
Toolkit report for reporting offices: Inside, outside signage clear and directional street signage printed and visible to the public: 86.63% reports "yes"; 6.46% reports "no"; 6.91% reports "no signage installed"		Property Management has, in the year under review, installed signage in 92 offices, 47 hospitals and 12 banks
The majority of offices have adequate facilities to cater for access to people with disabilities. The DPW, who is responsible for the procurement of offices, has been provided with specifications to adhere to whenever new offices are procured or built. In offices where there is non-compliance, the DPW is moving the department to more compliant offices as and when they became available and there is adequate funding	Accessible rails in all front offices	An SLA has been signed between the DHA and the DPW As a result, all new offices acquired by the DPW cater for access to people with disabilities e.g. Phuthaditjhaba (Free State) and Bronkhorstspuit (Gauteng)



Current/actual arrangements	Desired arrangements	Actual achievements
Access		
<p>The department is continuously working with stakeholders to assess where there is a need, and approaches the authorities for permits where necessary. In addition, the department has ensured that all offices' directions and addresses are available on the internet. This is also continuously updated as the department moves to new premises. The directional signage in public roads requires approval from the respective municipalities. The department has applied for permits for its various offices where these are required and where it has been granted approval, the directional signs have been installed</p> <p>Toolkit report for reporting offices: Inside, outside signage clear and directional street signage printed and visible to the public: 86.63% reports "yes"; 6.46% reports "no"; 6.91% reports "no signage installed"</p>	Directional signage installed for all front offices	Property Management has, in the year under review, installed directional signage in 21 offices
Applications are done at the South African diplomatic representative in his or her country of origin, or at a South African diplomatic representative in a neighbouring country if there is no South African diplomatic representation in the applicant's country of origin	Applications are done at the South African diplomatic representative in his or her country of origin, or at a South African diplomatic representative in a neighbouring country if there is no South African diplomatic representation in the applicant's country of origin	Implemented according to SLA between the DHA and DIRCO
Applications for temporary residence permits are processed and finalised at the South African missions abroad	Applications for temporary residence permits are processed and finalised at the foreign offices of the DHA	
Courtesy		
212 officials in identified front offices and ports of entry trained on the Client Relations Improvement and Professionalising Programme	1 000 officials in identified front offices and ports of entry trained on the Client Relations Improvement and Professionalism Programme	<p>Officials trained on DHA Civic Services uniform at frontline offices in all provinces: Total: 1 916</p> <p>Bank officials trained on client relations: Total: 42</p> <p>Officials trained on client relations from various offices in Gauteng and Head Office: Total: 32</p>

Current/actual arrangements	Desired arrangements	Actual achievements
Access		
Service charter outlining service standards was developed Order provided to a service provider to print and install in all Civic Services offices. The service charters are currently being installed in all Civic Services offices. Civic Services in the provinces are also to report	Service charter displayed in all front offices	Service charter outlining service standards was developed The service charters are currently being installed in all Civic Services offices. Toolkit report for reporting offices: 85.45% reports that the service charter is clear, printed and visible to the public; 2.90% reports that the services charter is not clear, printed and visible to the public; 11.65% reports that the service charter is not yet available
Updated details of top management, including contact details, were displayed on the department's website	Updated details of top management displayed on the department's website	Updated details of top management displayed on the department's website
Home Affairs contact centre was established according to the project plan and operational since 1 April 2016	DHA multiple access channel contact centre solution implemented as per project plan	DHA multiple access contact centre was established according to the project plan and operational since 1 April 2016
A total of 779 managers, 460 junior managers, 268 middle managers and 51 senior managers were trained in leadership and management development programmes	Managers (junior, middle and senior managers) trained on customer-related services through the implementation of the service charter	Managers trained on client relations in the 21st century from the Western Cape, Gauteng, Mpumalanga and Northern Cape: Total: 64 Managers trained on leadership and management development programmes: Total: 259 Managers trained on leadership and management development programmes: Total: 231
Openness and transparency		
Toolkit report for reporting offices: 88.93% reports that staff members are wearing nametags; 1.53% reports that staff members are not wearing nametags; 9.53% reports that not all staff members are wearing nametags	The wearing of name tags by all officials and the displaying of name plates at counter level	Toolkit report for reporting offices: 91.36% reports that staff members are wearing nametags; 0.83% reports that staff members are not wearing nametags; 7.8% reports that not all staff members are wearing nametags
Information		
Service-specific charters were developed and are currently being installed in all Civic Services offices. Charters for health facilities and immigration offices still to be installed pending adequate funding	Citizens are given complete and accurate information about the services they are entitled to receive by the display of the departmental service charter at all offices and the department's website	Installation at health facilities and immigration offices was not commenced due to funding shortages during the period under review

Current/actual arrangements	Desired arrangements	Actual achievements
Redress		
Leadership charts in all front offices and escalation resolved	Leadership charts in all front offices and escalation resolved	Toolkit report for reporting offices: 93.90% reports that leadership charts are available; 6.10% reports that leadership charts are not available
DHA contact centre was established according to the project plan and operational since 1 April 2016	DHA contact centre redress mechanism Optimisation of DHA contact centre solution	DHA contact centre was established according to the project plan and operational since 1 April 2016
Access		
Toolkit report for reporting offices: 96.55% reports that suggestion and complaint boxes are marked and visible to the public; 1.06% reports that suggestion and complaint boxes are not marked and visible to the public; 2.39% reports that no suggestion and complaint boxes are available to the public	Redress mechanism developed in line with the service charter	Toolkit report for reporting offices: 97.44% reports that suggestion and complaint boxes are marked and visible to the public; 2.02% reports that suggestion and complaint boxes are not marked and visible to the public; 0.54% reports that no suggestion and complaint boxes are available to the public Frontline service model for ASM makes provision for a suggestion box that is available at offices and visible to the public. Signage is available to guide the public
The average turnaround time for query management still falls short of the desired timeline. It is envisaged that this will improve with the enhancement of the DHA contact centre in terms of human capacity, equipment and training (report from DHA contact centre). An in-house contact centre to facilitate efficient query handling was established by the end of the period under review	Approved timeline of 25 working days for the resolution of a query or complaint	The average turnaround time for query management improved, with 70% of cases lagged with the department resolved within the specified turnaround time. An in-house contact centre to facilitate efficient query handling was established by the end of this period under review with all business units given access to the customer relations management (CRM) query management system
		Management has introduced systems for the monitoring of turnaround on queries directed through the Office of the Minister, Director-General or DHA contact centre. Record management systems in the form of an Excel spreadsheet are shared between the Office of the Minister and the Immigration Services branch (specifically Permitting and the Inspectorate). Although there has been an improvement in the turnaround times, it was recognised that better coordination could be achieved with the commencement of the DHA contact centre and a dedicated reporting line was agreed on

Current/actual arrangements	Desired arrangements	Actual achievements
Access		
		<p>Business focused on the improvement of operations management within the permitting adjudication cycle. In the period under review, substantial progress was made with the improved management of adjudication targets. It has also been recognised that there is a significant percentage of enquiries from the appeals process and, to this end, Immigration Services' management obtained approval from the Minister to appoint a Director of Appeals and establish business processes to contribute to the timeous management of these queries.</p>
	<p>Customers can follow a process of application through the department's website</p>	<p>The verification facility to check the status of IDs, passports, marital status, life and duplicated ID numbers was suspended during the period under review (April 2016 to September 2016).</p> <p>The Home Affairs Contact Centre (HACC), however, implemented a web link where clients can submit enquiries in relation to IDs, BMD certificates, smart cards and amendments. The self-service integrated voice response system was implemented as part of the contact centre solution.</p> <p>With the commencement of the HACC, the contact centre was provided with read-only access to the visa adjudication system (VAS) to assist in advising clients on the adjudication progress and the expected time frame remaining for completion.</p>
Value for money		
<p>93.9% of IDs (first issues) were issued within 54 working days (RSA applications only)</p>	<p>Increase the issuance of ID first issue to citizens</p>	<p>97.20% of IDs (first issues) were issued within 54 working days (RSA applications only) (April 2016 to September 2016)</p> <p>95.75% of IDs (first issues) were issued within 54 working days (RSA applications only) (October 2016 to March 2017)</p>

Current/actual arrangements	Desired arrangements	Actual achievements
Value for money		
97.9% of IDs (re-issues) were issued within 47 working days (RSA applications only)	To reduce the issuance of ID re-issues to citizens	96.85% of IDs (re-issues) were issued within 47 working days (RSA applications only) (April 2016 to September 2016) 97.84% of IDs (re-issues) were issued within 47 working days (RSA applications only) (October 2016 to March 2017)
Quality assurance reports in respect of IDs and late registration of births (LRBs) were compiled and sent to the provinces weekly.	To reduce the number of errors on ID documents, quality assurance checklists rolled out to all DHA service points	Weekly quality assurance reports in respect of IDs and LRBs are compiled and sent to provinces
ID applications are issued in triplicate. The original application form with fingerprints is distributed to the central ID production facility for processing and archiving. One copy is handed to the client and the other is retained at the local office for record purposes	All ID applications are issued in triplicate in offices where there is no Live Capture system	ID applications are issued in triplicate. The original application form with fingerprints is distributed to the central ID production facility for processing and archiving. One copy is handed to the client and the other is retained at the local office for record purposes
Data representing volumes is available. However, the extraction programme should be enhanced to provide the application date and modification date in order to calculate turnaround times. Extracts will be obtained from the 2016/17 financial year onwards	¹ Birth certificate delivered according to set standards	Data representing volumes is available. However, the extraction programme should be enhanced to provide the application date and modification date in order to calculate turnaround times. A change request for the development of the extraction function was developed and approved
Unabridged certificates have been issued on the spot since March 2013. This was made possible by amending the NPR functions for the insertion of parental information on application forms	Birth certificates for new births issued in a day	Birth certificates have been issued on the spot since March 2013. This was made possible by amending the NPR functions for the insertion of parental information on application forms
Refresher courses have been conducted for both VFS and DHA staff. The checklist on the VFS website outlining requirements for visa applications was updated subsequent to the training. In addition, both the client and the VFS quality assurer sign the checklist upon submission of a visa application to ensure that documents, as listed on the checklist, have been submitted	Continuous improvement on quality of adjudicated files	Refresher courses were conducted for VFS on 6 February 2016 and 29 October 2016. Permitting staff also underwent refresher training on 2 and 3 June 2016. Checklists are continuously updated to ensure consistency. A decision has been taken to channel instructions to VFS through Steerco to ensure alliance to operational and legal requirements

¹ During the 2016/17 period under review, the department discontinued with the issuance of abridged certificates. Therefore, the term abridged certificates was discontinued and replaced with birth certificates. Unabridged birth certificates are now also classified under the term birth certificates.

Current/actual arrangements	Desired arrangements	Actual achievements
Time		
93.9% of IDs (first issues) were issued within 54 working days (RSA applications only)	First issues to be issued within 54 days	96.21% of IDs (first issues) were issued within 54 working days (RSA applications only) (April 2016 to September 2016) 95.59% of IDs (first issues) were issued within 54 working days (RSA applications only) (October 2016 to March 2017)
97.9% of IDs (re-issues) were issued within 47 working days (RSA applications only)	Re-issues to be issued within 47 days	98.42% of IDs (re-issues) were issued within 47 working days (RSA applications only) (April 2016 to September 2016) 98.31% of IDs (re-issues) were issued within 47 working days (RSA applications only) (October 2016 to March 2017)
83.2% of smart ID cards were issued in 13 working days	Smart ID card: 13 days	80.51% of smart ID cards were issued in 13 working days (April 2016 to September 2016) 70.03% of smart ID cards were issued in 13 working days (October 2016 to March 2017)
Data representing volumes is available. However, the extraction programme should be enhanced to provide the application date and modification date in order to calculate turnaround times. Extracts will be obtained from the 2016/17 financial year onwards	Unabridged birth certificates issued within eight weeks	Data representing volumes is available. However, the extraction programme should be enhanced to provide the application date and modification date in order to calculate turnaround times. Extracts will be obtained from the 2017/18 financial year onwards Pre-modification functions have also been implemented on the NPR for the capturing of parental information of applicants born before March 2013
Abridged birth certificates are issued on demand at offices with access to the NPR	Abridged birth certificate issued within a day	On average, abridged birth certificates were issued within one day (or on demand). A total of 684 707 abridged certificates were printed during the period under review



Current/actual arrangements	Desired arrangements	Actual achievements																				
Value for money																						
84.7% of business and general work applications received were adjudicated within the eight weeks turnaround time	Temporary residence permit issued with eight weeks	<p>April 2016 to September 2016</p> <table border="1"> <tr> <td>98%</td> <td>97%</td> </tr> <tr> <td>536</td> <td>550</td> </tr> <tr> <td>496</td> <td>512</td> </tr> <tr> <td>1 032</td> <td>1 062</td> </tr> <tr> <td colspan="2">97.2%</td> </tr> </table> <p>October 2016 to March 2017</p> <table border="1"> <tr> <td>96%</td> <td>98%</td> </tr> <tr> <td>461</td> <td>480</td> </tr> <tr> <td>514</td> <td>520</td> </tr> <tr> <td>975</td> <td>1 000</td> </tr> <tr> <td colspan="2">97.5%</td> </tr> </table>	98%	97%	536	550	496	512	1 032	1 062	97.2%		96%	98%	461	480	514	520	975	1 000	97.5%	
98%	97%																					
536	550																					
496	512																					
1 032	1 062																					
97.2%																						
96%	98%																					
461	480																					
514	520																					
975	1 000																					
97.5%																						
Cost																						
First ID issues are free of charge Re-issues cost R140. However, citizens 60 years and over do not pay for their first smart ID card	First ID issue free of charge. R140 charged for re-issues and senior citizens are subsidised	First ID issue free of charge. R140 charged for re-issues and senior citizens are subsidised																				
First issues of unabridged certificates are free of charge	First issue of unabridged certificate is free of charge	First issue of unabridged certificate is issued free of charge																				
Unabridged certificates cost R75	R75 charged for unabridged birth certificate	R75 charged for unabridged birth certificate																				
Re-issuance of unabridged birth certificates is R75	R70 charged for re-issue of unabridged birth certificate	Re-issuance of unabridged birth certificates is R75																				
No fee is required from spouses or dependents of a South African citizen	No fee is required from spouses or dependents of a South African citizen	No fee is required from spouses or dependents of a South African, except the VFS service fee of R1 350																				
R1 520 fee charged by DHA for permanent residence permits, excluding applications submitted in terms sections 26(b), 26(c) and 27(d) of the Immigration Act	R1 320 handling fee charged for application through VFS for all temporary residence permits	Immigration Regulations provide that no DHA fees should be charged for applications submitted in terms sections 26(b), 26(c) and 27(d) of the Immigration Act. Only the VFS service fee of R1 350 is charged																				

TABLE 13: SERVICE DELIVERY INFORMATION TOOL

Current/actual information tools	Desired information tools	Actual achievements
Front Office Toolkit	Front Office Toolkit	Front Office Toolkit to improve performance, improving the daily management of operations in all offices for the effective and efficient management of front office operations implemented in all Civic Services offices.
The following contact centre systems were rolled out to assist with call logging, recording, management and reporting: <ul style="list-style-type: none"> •CRM case management system for recording and managing all customer interactions. •Presence telephony system with integrated voice recording, automatic call distribution, information management, predictive dialling and agent and campaigns performance management. 	HACC system	CRM case management system for recording and managing all customer interactions. Presence telephony system with integrated voice recording, automatic call distribution, information management, predictive dialling and agent and campaigns performance management. HACC was established according to the project plan and has been operational since 1 April 2016.
Provincial business plans in place for nine provinces.	Provincial business plans	Nine provincial business plans for the 2016/17 review period were signed off by management. Planning for the 2017/18 first drafts of the provincial business plans took place during the review period.
The NPR is in place for recording births, marriages and deaths of citizens, as well as issuing enabling documents.	NPR data analysis	Information Services releases reports on a monthly basis for monitoring APP targets.
The Live Capture system is in place for smart ID card and passport applications, processing and collection.	Service Manager data analysis	Information Services releases daily and monthly reports for monitoring purposes.

TABLE 14: COMPLAINTS MECHANISM

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
Office-specific query registers in place.	Individual office query registers	Suggestion boxes in all Civic Services offices. No standardised office query registers are in place.
CRM case management system Ask Us web services HACC email services	HACC system	CRM case management system Ask Us web case management system HACC email services HACC was established according to the project plan and has been operational since 1 April 2016.

2.3 ORGANISATIONAL ENVIRONMENT

The department is largely dependent on its own human resources for both operations and development projects, with limited reliance on consultants. Over the past ten years, a limited but important skills base has been built and has been expanded by dedicated programmes rolled out by the Learning Academy that was established. This was sufficient to deliver most of the services required by citizens and other clients and make improvements in some areas.

Despite these advances, the overall structure of the department remains grossly inadequate in terms of the number and types of supervisors, specialists and professionals required to secure and manage modern systems and operational models. As the DHA modernises, this is becoming increasingly evident and the situation is made worse by fiscal constraints that severely limit the number and levels of posts that can be filled. The pressure on the few available specialists has led to some individuals leaving the department, leaving gaps that cannot be filled.

An important mitigating strategy adopted by the department has been to develop partnerships within government and with service providers. There has been a significant improvement in the processing of visas and permits since the DHA entered into a partnership with a visa facilitation service, at no cost to the department. The movement control system has been developed in partnership with the South African Revenue Service (SARS), which used similar technology. Offices have been established in branches of the four major banks and in health facilities to increase access.

Another strategy has been to improve the management of people and processes through the use of metrics to improve operations and manage projects effectively. Improved governance and reporting has also improved performance. In the short term, a major effort was made to manage the CoE budget optimally, which has freed up funds to fill a limited number of critical posts.

In March 2017, Cabinet announced that it had approved a business case for repositioning the DHA, which includes locating it within the security system of the state and establishing new operational, organisational and funding models. Fundamental to the success of this process is the full engagement of existing staff in change management and capacity building.

2.4 KEY POLICY DEVELOPMENTS AND LEGISLATIVE CHANGES

In the 2016/17 period under review, there were two major policy initiatives. The first was the approval by Cabinet of a White Paper on International Migration on 29 March 2017 after more than a year of extensive consultation and inputs. This updates the existing policy platform, which was approved in 1999, and provides South Africa with the policies its needs to manage international migrations securely and strategically for development as envisaged in the National Development Plan (NDP).

A second policy initiative was the development of a business case for the repositioning of the department. Currently, the DHA has the capacity, funding, security and organisation required to deliver routine services of little value. On 1 March 2017, Cabinet approved the business case, which indicated how the vision of a modern, professional, secure DHA could be realised. Cabinet also stated that the DHA must be situated within the security system of the state in order to be secured and play an effective role in enabling service delivery, national security, economic development and sound administration. A draft White Paper will be developed by March 2018 after inputs have been received from the public in response to a Discussion Paper that was gazetted on 19 May 2017.

The Immigration Amendment Bill, B5-2016, was assented to and signed by the President on 26 September 2016. The purpose of this Immigration Amendment Act, 2016, is to provide for an adequate sanction for foreigners who have stayed in the Republic beyond the expiry date of their visas. Hence, the Amendment Act amended section 32 of the Immigration Act, 2002, in order to more clearly make provision for foreigners who have stayed in the Republic beyond the expiry date of their visas, and who do not qualify for a port-of-entry visa, a visa, admission into the Republic or a permanent residence permit during the relevant prescribed period.

The Border Management Authority Bill, 2016, is currently before Parliament and seeks to provide for the establishment, organisation, regulation, functions and control of the BMA, the appointment, terms of office, conditions of service and functions of the Commissioner and deputy commissioners, the appointment and terms and conditions of employment of officials, the duties, functions and powers of officers, the establishment of an Interministerial Consultative Committee, Border Technical Committee and advisory committees, delegations, the review and appeal of decisions of officers, certain offences and penalties, and annual reporting, and allows the Minister to make regulations with regard to certain matters.

The Refugees Amendment Bill, 2016, is also still before Parliament and seeks to insert, delete and amend certain definitions, to make further provisions relating to disqualification from refugee status and losing such status, to provide for integrity measures to combat fraud and corruption among staff members at refugee reception offices, in the Standing Committee for Refugee Affairs and in the Refugee Appeals Authority, to omit provisions referring to the Status Determination Committee, to substitute certain provisions relating to the Refugee Appeals Authority, to provide for the re-establishment of the Standing Committee for Refugee Affairs and to confer additional powers on this Committee, to confer additional powers on the Director-General, to clarify the procedure relating to conditions attached to asylum seeker visas and the abandonment of applications, to revise provisions relating to the review of asylum applications, to provide for the withdrawal of refugee status in respect of categories of refugees, to provide for additional offences and penalties, and to provide for transitional provisions.

As stated above, the Immigration Amendment Act, 2016, has already been assented to and signed by the President, whereas the BMA Bill, 2016, and the Refugees Amendment Bill, 2016, are currently still before Parliament.



3. STRATEGIC OUTCOME-ORIENTED GOALS

The department's APP for 2016/17 was developed based on government's strategic outcomes. The DHA has been assigned responsibility to contribute to the implementation and achievement of three of the fourteen Medium-term Strategic Framework (MTSF) outcomes for the 2014-2019 electoral cycle. These three outcomes are as follows:

- All people in South Africa are and feel safe
- Decent employment through inclusive economic growth
- An efficient, effective and development-oriented public service

The above outcomes and other departmental priorities are further translated by the department into specific outcomes for the 2014-2019 MTSF. These specific outcomes are:

- Outcome 1: Secured South African citizenship
- Outcome 2: Secured and responsive immigration system
- Outcome 3: Services to citizens and other clients that are accessible and efficient

The above MTSF strategic outcome-orientated goals will be realised by achieving a number of outputs. The outputs that support government and some of the DHA's outcomes are listed below:

- Establish an integrated BMA
- Develop an integrated border management strategy to defend, protect, secure and ensure well-managed borders
- Ensure that birth registration is the only entry point for South Africans to the new NIS
- Develop and obtain the approval of Cabinet and Parliament of an Immigration Policy
- Design NIS and make it operational
- Ensure that systems are in place to ensure the capture of biometric data of all travellers who enter or exit South Africa legally

- Reduce the time required to import critical skills needed for economic growth
- Improve feedback opportunities for citizens and other users through the establishment of a HACC

The above list of outputs is an illustration that the department has put short- to medium-term measures in place that will be used to measure progress in achieving the set outcomes. The department's assumption is that the achievement of the above outputs will contribute significantly to the realisation of the outcomes. It is important to note that the 14 outcomes in the MTSF are derived from the NDP, which is the second-most important policy document after the country's Constitution. This makes the achievement of outcomes more important in order for the country to realise Vision 2030.

The organisational performance of the DHA has improved significantly over the last four years. This is a clear indication that the mission and vision of the department are translated into planning instruments that are clear and supported by the employees of the organisation. There are plans in place to ensure that the department is rightly positioned as a highly secure and professional department. Currently, the department has embarked on the Moetapele initiative in its efforts to professionalise and impart the Batho Pele principles.

The strong leadership in the department is the cornerstone for continued improved performance. Good relationships with stakeholders are key in the overall strategic management of the DHA's mandate. The future looks bright for the department, innovation is key, technology is an enabler and support by ordinary masses is a motivator. The DHA continued to be a pace setter in meeting all of the above elements. Through DHA's various endeavours, the attainment of the outputs and outcomes is a real possibility.

4. PERFORMANCE INFORMATION BY PROGRAMME

4.1 PROGRAMME 1: ADMINISTRATION

Purpose: Provide leadership, management and support services to the department.

List of subprogrammes:

Ministry
Management Support Services
Corporate Services
Transversal Information Technology Management
Office Accommodation

The strategic objectives relevant to this programme are as follows:

- Ensure secure, effective and accessible service delivery to citizens and immigrants
- Good governance and administration
- Ensure ethical conduct and a zero tolerance approach to crime, fraud and corruption
- Collaboration with stakeholders in support of enhanced service delivery and core business objectives

Management Support Services

4.1.1 Institutional Planning and Support

Purpose: To provide strategic and corporate governance support to the political and executive leadership of the DHA in order to ensure the efficient and secure determination and safeguarding of the identity and status of citizens and regulation of migration.

Policy and Strategic Management

It has been over 17 years since the White Paper on International Migration was approved by Cabinet in March 1999. This became the basis of immigration legislation and regulations. Although there have been significant economic, social, legislative and regulatory changes



since then, there has not been a comprehensive review of this policy. These changes necessitated the review of this policy, and the Chief Directorate: Strategic Planning was tasked with reviewing this policy in line with the current development and in line with the macro policy frameworks as adopted in the NDP.

- The Draft White Paper was presented to the Home Affairs Portfolio Committee on 14 February 2017.
- The Draft White Paper was presented to the Justice, Crime Prevention and Security (JCPS), International Cooperation, Trade and Security (ICTS) and Economic Sectors, Employment and Infrastructure Development (ES&E) Cluster meetings in March 2017.
- The Draft White Paper was presented to the JCPS Cabinet Committee on 23 March 2017.
- The White Paper was approved by Cabinet on 29 March 2017.
- The National Conference on International Migration was hosted on 17 and 18 March 2017.
- The Policy Advisory Committee was established: submission on the establishment of the Policy Advisory Committee was submitted to the Director-General for approval on 30 March 2017 for the future assessment and review of policies as directed by the departmental needs and external macro developmental needs.

The Chief Directorate: Strategic Planning ensured compliance with all the relevant planning prescripts in respect of the submission of its draft APP and tabling of it in Parliament. The APP is fully aligned with the MTSF 2014-2019 and the performance against the MPAT criteria was improved upon (the strategic planning category maintained its mark allocation of 4 and the APP category received a 3).

The significant improvement in organisational performance can also be attributed to improved planning practices and the quality of planning. Positive feedback was received from both Internal Audit and the AGSA on the DHA's APP. A lot of attention was also paid to the development and quality assurance of technical indicator description sheets to facilitate the process of indicator and target development. The process of "bottom up" planning ensured that the majority of staff in all branches and provinces was involved in developing plans at their respective levels. This contributed to an inclusive approach to planning and cascading the strategy down to the lowest level of the organisation. The annual performance plan was also widely distributed within the organisation, making use of various communication channels. In conjunction with the Finance and Supply Chain Management branch, the chief directorate commenced with a process to improve the levels of integrated planning within the DHA. The initiative links strategic planning to other critical elements, such as procurement, budgeting, risk management, human resource

planning and reporting. The roll-out of the initiative will continue in the 2017/18 financial year.

The chief directorate also ensured that quarterly reporting was effective and in compliance with the regulations. There are some significant improvements in terms of governance relating to quarterly reporting, specifically regarding the focused involvement and interrogation of decisions taken at all quarterly review meetings, and that all the supporting evidence is subjected to the assessment and sign-off by the Internal Audit team. The chief directorate is also responsible for the coordination and implementation of MPAT, which assisted the department in identifying some of the root problems relating to governance and accountability.

In the year under review, the department has started evaluating the Programme of Birth Registration with the assistance of the DPME. The purpose of this evaluation study was to investigate the reasons for and barriers to why parents are unable to register their babies within 30 days of birth. The same study examined the success stories of parents who managed to register their babies within 30 days of birth. There is significant progress in this regard, with the establishment of the Evaluation Steerco in place, inception reports and implementation plans submitted to the relevant governance structures. The evaluation will be completed in December 2017.

Business Case Project

Cabinet instructed the department to develop a business case in March 2016, with clear guidelines on the full integration into the JPCS Cluster. This had to be accompanied by a model with costed options to be submitted by 31 March 2017.

- A project office was established to manage the project, which involved working with the relevant branches, other departments and JPCS structures.
- A service provider was contracted to support the research and drafting of the document. The work incorporated research done on the digital strategy for the DHA.
- The final draft was signed off by Minister and submitted to Cabinet, which approved it on 1 March 2017 without changes and announced that the DHA would be part of the security system of the state.

Legal Services

The Chief Directorate: Legal Services drafts legislation (both primary legislation (Acts of Parliament) and secondary legislation (Regulations to be made in terms of the relevant Act), as well as amendments to existing Acts and Regulations) administered by the department

based on information received from the relevant line functions, Immigration Services and Civic Services and in line with the Constitution and policy decisions of government and the department. Legal opinions are also provided on the interpretation of legislation administered by the department, and legal support provided to line and other support functions in dealing with international agreements and memoranda of understanding (MoUs). It also offers legal support to line and other support functions in the drafting and/or vetting of commercial contracts or SLAs entered into by the department, including legal opinions on the same (when requested). As far as litigation instituted against or by the department is concerned, legal support is provided to the Minister and the Director-General on all civil litigation (actions and motions).

The Directorate: Drafting assisted in ensuring that the BMA Bill and the Refugees Amendment Bill are introduced and processed through National Assembly. It also rendered legal support in finalising and signing MoUs between the department and Max Speed Digital (Pty) Ltd, Firstrand Bank Ltd, Absa Bank Ltd, Investec Bank Ltd, Nedbank Ltd, SA Bank of Athens Ltd, Capitec Bank Ltd, Ubank Ltd, Bidvest Bank Ltd, Standard Bank of South Africa Ltd, Vericred Credit Bureau, Living Hands Umbrella Trust and Xpert Decisions Systems regarding access to status verification (including online verification). Furthermore, an MoU was entered into with Statistics South Africa (Stats SA) regarding the digitisation of records and with South African Airways SOC Ltd (SAA) on combatting the irregular movement of persons through SAA-operated flights.

With regard to commercial contracts and/or SLAs, the Directorate: Contracts provided legal support (drafting, scrutiny, vetting, legal opinions) on 124 matters received. A significant percentage of the work orders drafted and vetted under the various contracts pertaining to the department's Information Systems Modernisation Project were necessary for the continued successful implementation of the WAIO project. All 124 matters received during 2016/17 were finalised within one month of receipt (100% achievement), which is above the annual target of 91%. At the end of 2016/17, all contracts were finalised.

The Directorate: Litigation will continue with its responsibility of defending the department in court. To this extent, the Directorate: Litigation set itself a target of a 76% success rate in matters to be heard and finalised in court. However, achieving this percentage largely depends on how the department conducts itself in its quest to achieve its overall strategic objectives. The rate for 16/17 was 74% (62 out of 94 cases finalised).

The department continues to experience an upsurge in legal costs, mainly due to ineffective and poor taxation of legal bills. In an effort to reduce legal fees to manageable levels, and also taking into account the amount of litigation the department receives each year, a process is due to be started to appoint qualified legal cost consultants who will represent the department during the taxation of legal bills to ensure that legal bills against

the department are fairly and properly taxed. This process will further ensure that the department only pays what it is liable to pay and avoid over-reaching by attorneys.

Intergovernmental Relations

In executing its mandate, the department has to work with a wide range of institutions, which include Parliament, other government departments, international bodies and foreign governments. The Chief Directorate: Intergovernmental Relations manages and facilitates relationships with all these stakeholders.

The Intergovernmental Relations Unit successfully facilitated all engagements with parliamentary committees over the period under review. The department received 73 parliamentary questions, 58 of which were posed from National Assembly and 15 from the NCOP. Replies were provided within the stipulated turnaround times.

The Chief Directorate facilitated bilateral interactions with the following countries: Angola, Botswana, Canada, China, Comoros, Cuba, Democratic Republic of Congo, Ethiopia, France, Germany, Ghana, India, Indonesia, Ireland, Kenya, Lesotho, Mexico, Mozambique, Nepal, Namibia, New Zealand, Nigeria, Russia, Serbia, Somalia, Swaziland, Tanzania, The Netherlands, Turkey, Uganda, the United Arab Emirates, the United States of America, the United Kingdom and Zimbabwe.

The engagements with these countries focused on legal and illegal migration, border management, asylum seeker and refugee management, human smuggling and trafficking, consular issues, visa agreements and cooperation MoUs.

The Chief Directorate assisted in interactions with the following multilateral institutions on matters relevant to the department's mandate: the European Union, ICAO, International Organisation for Migration, Migration Dialogue for Southern Africa, Square Kilometre Array, SADC and the United Nations.

Channel Management

The Chief Directorate: Channel Management is responsible for the department's service levels and quality of service in Home Affairs' points of service. It does this using walk-in channels, digital platforms and mobile offices in order for citizens to access these services. As a reorientation programme, it was relocated to the Institutional Planning and Support branch to give support to both the core services in the DHA, Immigration Services and Civic Services. As part of the reason for the existence of the chief directorate, it ensures and provides support to the department for compliance with the requirements of the DPSA and the DPME on the MPAT process and SDIP.

4.1.2 Communication Services

Purpose: To develop and implement a departmental communication strategy within the framework of the broad national communication strategy of government in support of ministerial, departmental and overall governmental programmes, campaigns and events.

Building on the work done in the previous financial year, communication activities for 2016/17 were focused on promoting public awareness of the five key priorities of the department: rolling-out the modernisation programme, establishing a BMA, revamping the infrastructure of six key land ports of entry, reviewing international migration policy, and improving the public services experience through the Moetapele initiative.

Using multimedia and targeted stakeholder engagement, Communication Services supported the drive to increase the issuing of smart ID cards and passports to citizens. This effort gained momentum from the partnership with commercial banks, which was launched in September 2015, a partnership that saw the intake of applications for smart ID cards and secure passports through an online portal – e-Home Affairs. Communication objectives around the modernisation programme benefitted from campaigns to market the e-Home Affairs portal and the PPP with the banks.

Various communication platforms, including outreach programmes and heightened stakeholder engagement, were employed to support the rolling out of the public consultation process, anchored in Immigration Services, from the launch of the Green Paper on International Migration up to Cabinet's approval of the White Paper on International Migration in March 2017. In this regard, the major highlights were the launch of the Green Paper and round table discussions with stakeholders, including the youth, labour, business, academia and opinion makers. The highest point was communication support for the National Conference on International Migration held in Sandton in March 2017, ahead of the approval of the White Paper by Cabinet. Also on the immigration front, media engagement was stepped up in the fourth quarter of 2016/17 in response to narratives of xenophobia and Afrophobia stemming from the third wave of attacks on foreign nationals in Rosettenville, Johannesburg and Pretoria.

In the period under review, Communication Services supported the drive to develop patriotic, professional and loyal DHA cadres by consistently publicising the work of the department's Counter Corruption and Security branch, including the arrest of officials and members of the public who had brought the department's name into disrepute through acts of corruption, bribery and fraud. Relative publicity for the anti-corruption programme, Bvisa Masina, "rooting out the rot", was garnered through media briefings and media coverage for arrests, including at DHA offices and ports of entry. Among the motifs was



the rationale for establishing an integrated BMA that will assist in improving security and curbing corrupt activities.

The branch also sustained information dissemination on the application process for the Lesotho Special Permit dispensation, right up to the closing of applications on 31 December 2017, a dispensation in itself intended to enhance security by assisting in knowing who is in the country and aiding the documentation of persons in the Republic.

Communication Services, in pursuance of its APP targets for 2016/17, continued to heighten awareness around the 2016 departmental budget vote, and using such an important annual activity of the department to highlight the five key priorities, progress and other programmes.

Furthermore, communication activities in 2016/17 were reinforced by targeted stakeholder engagement and other marketing and publicity campaigns, including the placement of advertisements in newspapers, radio and television, as well as getting mileage out of free publicity through the publication of opinion editorials in mainstream newspapers.



Also assisting in communication efforts was the in-house production of marketing material like leaflets, posters and newsletters, and audio-visual products, including photography covering departmental programmes and projects. In addition to stakeholder engagement, public education was focused on applications for smart ID cards, popularising e-HomeAffairs and encouraging early birth registrations.

The department's intranet, social media platforms and website came in handy in communicating developments and innovations taking place at the DHA. The Ministry's newsletter, Home Affairs Today, and Notes from the DG's Desk, as well as the internal newsletter, Ikhaya, continued to serve as credible platforms for communicating internally with staff. Internal capacity to produce publicity material in the form of pamphlets, posters and other information material continued to enrich the department's concerted effort to inform citizens and clients in support of major activities and campaigns of the DHA. These services included the layout, design and use of photographic images in the production of official documents, like the Annual Report, DHA Strategic Plan, HR documents and front office posters.

The Branch: Communication Services supported the Ministry and the department in organising izimbizo in various provinces as part of the South African government's effort to entrench a culture of unmediated communication with the citizenry and other communities. Ministerial izimbizo undertaken included reaching out to communities in Vryheid in KwaZulu-Natal (Quarter 1), Rustenburg with Lesotho nationals, Nirvana Haven in Lenasia and Mitchell's Plain in Cape Town (Quarter 2), Nongoma Community in eNyokeni in KwaZulu-Natal and Chris Hani Hospital in Gauteng (Quarter 3).

Highlights of communication support for departmental activities and programmes included the following:

- The launch of e-HomeAffairs with the banks, with good, positive media coverage
- Joburg World Refugee Day
- Departmental naturalisation ceremony in Kempton Park
- Media engagement around the controversial US pastor's abortive visit
- Launch of the Green Paper on International Migration
- Advocacy for lesbian, gay, bisexual, and transgender and intersex (LGBTI) rights
- The relaunch and renaming of Marabastad as the Desmond Tutu Refugee Centre
- Media support for intervention in Rosettenville's outbreak of attacks on foreign nationals
- National Conference on International Migration in Sandton
- Placement of radio adverts on Power FM and Y-FM, in promotion of e-HomeAffairs

To add more impetus to outreach initiatives undertaken, communication for public participation programmes was enhanced through broadcasts of proceedings on local community radio stations. Public awareness drives, using screens at venues, loudhailers, pamphlets and posters, boosted the mass mobilisation of targeted communities and therefore improved the attendance and impact of izimbizo. Communication Services took part in exhibitions, providing branding services inside and outside the department, to further create awareness of Brand DHA and deepen an understanding of its services and products for citizens and other clients. The highlight was the 2016 Budget Debate exhibition where various services and products were showcased to the invited public and Members of Parliament. As in the previous year, Communication Services' targets in the APP 2016/17 were all fully met.

4.1.3 Transversal Information Technology

Purpose: To manage information resources and provide technology solutions to enable the department to achieve its mandate.

Live Capture functionality for processing passports and smart ID cards

Live Capture, inclusive of BQMS and point of sale functionality, has been rolled out to 179 offices countrywide and 14 bank branches.

The e-HomeAffairs (e-channel), inclusive of a booking system, was launched by the President on 7 April 2016 for processing online applications that can be finalised at 14 bank branches or any traditional DHA front office. The e-HomeAffairs and Live Capture system at the banks is operating on the DHA/SITA secured network.

Live Capture is being enhanced to cater for the automation of births, marriages, deaths, refugee ID cards and travel documents, and e-permit processes. Prototypes of these modules were developed in this financial year.

IT and physical infrastructure upgrades are aligned with the roll-out of the Live Capture system.

The Integrated Receipting Engine (IRE) has been further enhanced to integrate with the Basic Accounting System (BAS) and Live Capture for the roll-out of the smart ID card project. The payment system (IRE) is enhanced to also include electronic funds transfer (EFT) payments through the e-HomeAffairs system and to include point of sale for card payments in modernised offices. This has improved accountability, reduced the handling of cash and facilitated the department's ability to collect revenue in the front offices.

EMCS biometrics at the ports of entry

The department's biometric programme remains a priority and a biometric solution was implemented at four primary international airports: ORTIA, Lanseria, CTIA and KSIA, as well as in six land ports of entry (Beitbridge, Ficksburg, Kopfontein, Lebombo, Maseru and Oshoek) and one maritime port (Cape Town harbour).

Additional modules of undesirables, biometrics and the linkage of minors to their parents on the EMCS were added to make the system more effective and meet the country's security requirements. The new modules strengthened and enhanced the EMCS in its objective of curbing child trafficking.

Advance passenger processing interface and query database

The department is now integrating and accessing Live Data from SITA Technologies BV. The Information Services branch facilitated the integration and creation of firewalls, and developed the MQ database for Immigration Services. Information Services continuously monitored the integration, connectivity and stability of the networks. The benefit is that Immigration Services can now access historical data from airlines and report accordingly. The distribution of lost and stolen passport files is now automated.

Automated Booking Terminal

The ABT for asylum seeker processes has been installed at the now Desmond Tutu Refugee Centre. It was launched by the President on 17 February 2017. The systems allow the public to place an appointment or extend the date of the appointment, and only visit the refugee centre on the date given. The system will be further rolled out to other refugee centres in due course. The use of the system has assisted Immigration Services to improve planning of the use of available HR by allocating a specific number of applicants to an official. The new system assists in ensuring that all members of the public that visit the centre a day are given attention and receive the required service.

Challenges

Funding remains a challenge for the Information Services branch. Departmental projects are delayed due to a lack of funding. Inadequate structure and resources also poses a major challenge in the delivery of modernisation projects and the maintenance of all departmental systems. Most of the hardware in the department is due for a technology refresh. However, the branch's operational budget has been shrinking on a year-to-year basis, which increases the backlog for Tech Refresh.

4.1.4 Finance and Supply Chain Management

Purpose: To ensure effective, integrated financial services and supply chain management systems.

The branch performs a support function. It operates in a strictly regulated environment where the PFMA and the Regulations issued in terms of this Act predominate.

In order to improve the audit outcome, an audit action plan was developed. This plan is monitored at the internal back-to-basics meetings, the Audit Committee, EXCO meetings and MMM. In addition, all managers, from Assistant Director (ASD) level, are required to submit monthly compliance checklists. The checklist is devised to cover all audit areas (assets are verified, face value registers are kept and performance information is

submitted). This control measure was introduced to hold management accountable for audit outcomes within the areas of its operations.

The branch achieved 100% of its annual performance targets. These targets relate to the monthly submission of in-year monitoring reports, the submission of the Annual Financial Statements, the submission of the feasibility study for Treasury Approval : I on improvements to the six key land ports of entry, and the approval of a concept document on refugee reception centres. With effect from 1 April 2017, the BMA will take ownership of the PPP process in respect of the six key land ports of entry, while Immigration Services will assume responsibility for the process in respect of refugee reception centres.

Financial and asset management

As highlighted in the Accounting Officer's report, the audit was extended to allow the department an opportunity to address, inter alia, the accounting treatment of the foreign revenue items and allow for the closure of the Immigration Control Account. The extension of the audit period impacted on the normal audit cycle.

Assets are managed on the barcoded auditing system (BAUD) and additions are reconciled to BAS on a monthly basis. Obsolete and redundant assets were disposed of during the financial year by means of public auctions. Two asset verifications were conducted during the year and investigations were performed where assets were not verified.

During the financial year under review, 87.15% of invoices were paid within 30 days from the date of receipt of the invoice. Renewed efforts are made to further improve on this performance.

Revenue and budget management

The department spent 99.8% of its final appropriation of R8.155 billion. R1.099 billion was received as departmental receipts, while DIRCO deposited R201 million into the NRF as foreign revenue collected on behalf of the department on the agent/principal basis.

Local revenue is collected from all DHA offices. Foreign revenue is collected by DIRCO at South African missions abroad. The revenue collected is paid into the NRF. The department uses the IRE system to record local revenue received. This system allows for a full integration into BAS and enables the department to match a transaction with a deposit and an accounting entry. A further enhancement made during the financial year was the introduction of point-of-sale (POS) devices at all modernised offices. These devices allow clients to pay for transactions by card in a convenient and safe manner.

Supply chain management

The department uses the Logistical Information System (LOGIS) for procurement. In accordance with the drive by National Treasury to reduce costs and ensure value for money, the department migrated its database of suppliers to the Central Supplier Database.

Seven bids were awarded by the department during the year under review. These bids range from the appointment of service providers to provide telephonic interpretation services, employee wellness services, routers and switches, the design, configuration and implementation of an in-house contact centre solution, and video conferencing.

Property and facilities management

During the year under review, one new office was opened as part of footprint expansion in Emondlo KwaZulu-Natal. Four offices were relocated to better and improved office accommodation in Phuthaditjaba, Thaba Nchu (Free State), Hazyview (Mpumalanga) and Ganyesa (North West). An additional waiting area and counters were created at the Umgeni office (KwaZulu-Natal) to improve service delivery. Minor improvements were effected in about 50 offices throughout the financial year.

Signage was installed at the various banks that were involved in the roll-out of the smart ID card.

A new call centre was established in the Hallmark Building to provide a better service to clients. This involved redesigning the layout, construction and delivery of reconfigured office accommodation.

The Desmond Tutu Refugee Centre was renovated and opened by the President of the Republic of South Africa. Infrastructure improvements were also effected at the ports of entry with major works at Lebombo and Beitbridge.

4.1.5 Counter-corruption and Security Services (narrative under Part C, which focuses on governance)

Purpose: To prevent and combat corruption in order to protect and promote the integrity of the department, as well as ensuring that DHA's operations are conducted in a safe and corruption-free environment.



4.1.6 Human Resources Management and Development (narrative under Part D)

In support of government's outcomes-based approach to strategic planning, the DHA contributes directly to the following three of the 14 outcomes of government:

- All people in South Africa are and feel safe
- Decent employment through inclusive economic growth
- An efficient, effective and development-oriented public service

The main function of the Branch is to provide and enhance service excellence, through value-added HR solutions, by attracting, developing and retaining key talent that is disciplined and security conscious.

The Branch has begun a transformational journey by adopting the Human Resources Business Partnering (HRBP) approach that will ensure alignment and repositioning of HR functions to proactively respond to and support the department to achieve its objectives. This will ensure that HR services are developed and executed to ensure that employees are optimally engaged and productive in line with the departmental operating model. Central to this approach is Customer Relations Management (CRM), which encourages ownership, accountability, partnership and empowerment, with the aim to:

- improve business relationships;
- promote effective and efficient partnering with business and stakeholders;
- establish a symbiotic relationship and communication that will ensure service delivery, cooperation, commitment and sharing of information;
- determine customers' actual need in relation to the services rendered; and
- provide greater HR value and improved support in line with the values of the departmental strategic plan.

The legislation governing HR in the public service includes, among others, the following:

- Constitution of the Republic of South Africa (1996)
- White Paper on the Transformation of the Public Service, 1995
- White Paper on Human Resource Management in the Public Service, 1997
- Public Service Act, 1994, as amended
- Public Service Regulations, 2001, as amended



- Public Service Bargaining Council Resolutions
- Code of Remuneration, 1999 (CORE), as amended
- The SMS Handbook, 2003, as amended
- Labour Relations Act, 1995
- Basic Conditions of Employment Act, 1997
- Employment Equity Act, 1998
- Skills Development Act, 1998
- Skills Development Levies Act, 1999
- Occupational Health and Safety Act, 1993
- Compensation for Occupational Injuries and Diseases Act, 1993

TABLE 15: OUTCOMES AND STRATEGIC OBJECTIVES FOR PROGRAMME 1: ADMINISTRATION

Programme name		Programme 1: Administration					
Outcome		Outcome 1: Secured South African citizenship and identity					
Strategic objective		Strategic Objective 1.2: An integrated and digitised NIS that is secure and contains the biometric details of every person recorded on the system					
Performance indicator	Annual target	Actual achievement 2015/16	Planned target 2016/17	Actual achievement 2016/17	Deviation from planned target to actual achievement for 2016/17	Comment on deviations	Sub-programme
Automated processes for BMD (2016/17)	1.2.1	New performance indicator	BMD processes developed onto Live Capture	Target achieved The modules have been developed and are currently under testing in the pre-production environment	None	None	Transversal Information Technology Management
Live Capture functionality for refugees, smart ID cards and travel documents tested (2016/17)	1.2.2	New performance indicator	Live Capture for refugees, smart ID cards and travel documents developed and tested	Target achieved The modules have been developed and are currently under testing in the pre-production environment	None	None	Transversal Information Technology Management
E-permit prototype developed (2016/17)	1.2.3	New performance indicator	End-to-end e-permit system developed (prototype)	Target achieved The modules have been developed and are currently under testing in the pre-production environment	None	None	Transversal Information Technology Management
Strategic Objective 1.3: Ensure that systems are in place to enable the capturing of the biometric data of all travellers who enter or exit South Africa legally							
Pilot of full biometric scope conducted at one port of entry as per signed business requirements (2016/17)	1.3.1	Target achieved Undesirable hits management solution implemented in line with new immigration regulations Learning Academy trainers trained on new changes to the EMCS	EMCS (full biometrics scope) developed and piloted at one port of entry	Target not achieved The new EMCS with full biometrics was not developed	The target was not achieved because of a lack of resources to develop the system in the previous financial year	Target is rolled over to the 2017/18 financial year for development and pilot	Transversal Information Technology Management

Programme name							
Programme 1: Administration							
Outcome							
Outcome 1: Secured South African citizenship and identity							
Strategic objective							
Strategic Objective 3.1: Secure, effective, efficient and accessible service delivery to citizens and immigrants							
Performance indicator	Annual target	Actual achievement 2015/16	Planned target 2016/17	Actual achievement 2016/17	Deviation from planned target to actual achievement for 2016/17	Comment on deviations	Sub-programme
Number of managers (junior, middle and senior managers) trained in leadership and management development programmes to improve performance and professionalisation	3.1.1	Target achieved	300	Target achieved The modules have been developed and are currently under testing in the pre-production environment	None	None	Transversal Information Technology Management
Phased implementation of business case for repositioning the DHA as a modern, secure department: Submission to Cabinet for approval (2016/17)	3.1.2	Target achieved Cabinet agreed to principles and project charter approved by EXCO and the Minister	Second phase of repositioning completed (business case for modern, secure DHA submitted to Cabinet for approval)	Target achieved Business case approved by Cabinet in March 2017	Not applicable	Not applicable	Corporate Services

Programme name							
Programme 1: Administration							
Outcome							
Outcome 1: Secured South African citizenship and identity							
Strategic objective							
Strategic Objective 3.2: Good governance and administration							
Performance indicator	Annual target	Actual achievement 2015/16	Planned target 2016/17	Actual achievement 2016/17	Deviation from planned target to actual achievement for 2016/17	Comment on deviations	Sub-programme
Compliance with set deadline for the submission of Annual Financial Statements to the AGSA by 31 May annually	3.2.1	Target achieved	Annual Financial Statements submitted to the AGSA by 31 May annually	Target achieved	None	None	Corporate Services
Compliance with set deadline for submission of in-year monitoring reports to National Treasury in respect of required format and accurate information	3.2.2	Target achieved The reports for all quarters were submitted by the due date	In-year monitoring reports submitted to National Treasury by the 15th of each month	Target achieved The reports for all quarters were submitted to National Treasury by the 15th of each month	None	None	Corporate Services
Compliance with set deadline for tabling of Annual Report in Parliament as per PFMA	3.2.3	Target achieved Annual Report tabled in Parliament by 30 September 2016	Annual Report tabled in Parliament by 30 September annually	Target not achieved Annual Report 2015/16 not submitted to Parliament by 30 September 2016	Review by the AGSA, which led to late submission, specifically on the following issues: <ul style="list-style-type: none"> Accounting treatment for foreign revenue Records management of revenue from DIRCO 	Way forward/ remedial action: Regular and consistent consultation with the AGSA on the matters of emphasis as captured in AGSA's reports Develop standard operating procedures (SOPs) and processes to improve the areas of concern raised in the AGSA's reports	Corporate Services

Programme name							
Programme 1: Administration							
Outcome							
Outcome 1: Secured South African citizenship and identity							
Strategic objective							
Strategic Objective 3.2: Good governance and administration							
Performance indicator	Annual target	Actual achievement 2015/16	Planned target 2016/17	Actual achievement 2016/17	Deviation from planned target to actual achievement for 2016/17	Comment on deviations	Sub-programme
Number of quarterly performance reports verified and approved by EXCO and signed by the Director-General within 60 days after each quarter	3.2.4	Target achieved Three DHA 2015/16 and one DHA 2014/15 quarterly performance reports verified and approved by EXCO and signed by the Director-General within 60 days after each quarter	Three DHA 2016/17 and one DHA 2015/16 quarterly performance reports verified and approved by EXCO and signed by the Director-General within 60 days after each quarter	Target achieved Three DHA 2016/17 and one DHA 2015/16 quarterly performance reports verified and approved by EXCO and signed by the Director-General within 60 days after each quarter	Not applicable	Not applicable	Corporate Services
Vacancy rate maintained at a set percentage or lower	3.2.5	Target achieved Throughout the 2015/16 financial year, a vacancy rate of below 10% was maintained at all times Vacancy rate was 2.1% as at 31 March 2016	Vacancy rate maintained at 10% or below by 31 March 2017	Target achieved Vacancy rate maintained at 10% or below as at 31 March 2017 (0.6%)	Not applicable	Not applicable	Corporate Services
Treasury Regulation 16.4 complied with (2016/17)	3.2.6	New performance indicator	Feasibility study undertaken and Treasury Approval : I request submitted to National Treasury	Target achieved The feasibility report was submitted to National Treasury on 14 March 2017 for consideration of Treasury Approval : I	None	None	Corporate Services

Programme name							
Programme 1: Administration							
Outcome							
Outcome 1: Secured South African citizenship and identity							
Strategic objective							
Strategic Objective 3.3: Ethical conduct and a zero-tolerance approach to crime, fraud and corruption							
Performance indicator	Annual target	Actual achievement 2015/16	Planned target 2016/17	Actual achievement 2016/17	Deviation from planned target to actual achievement for 2016/17	Comment on deviations	Sub-programme
Number of awareness initiatives on ethics, fraud prevention and counter- corruption conducted	3.3.1	Target achieved 44 awareness interventions conducted	20	Target achieved 41 awareness interventions conducted	21	Request or demand by public and internal members for counter-corruption awareness and training	Corporate Services
Percentage of reported cases for fraud and corruption finalised within 90 working days	3.3.2	Target achieved 69% of reported cases investigated and finalised within 90 days	64%	Target achieved 65%	1%	Daily monitoring using dashboard training was conducted for investigators on the application of the calculation methods	Corporate Services
Number of detection reviews or security evaluations on processes conducted to identify possible vulnerabilities to fraud, corruption and security breaches in business processes (approved by Deputy Director-General: Counter Corruption and Security Services (DDG:CC&SS) and reports submitted to affected business units for implementation of recommendations)	3.3.3	Target achieved Two reviews on processes conducted to identify possible vulnerabilities in business processes	2	2	Not applicable	Not applicable	Corporate Services

Programme name							
Programme 1: Administration							
Outcome							
Outcome 1: Secured South African citizenship and identity							
Strategic objective							
Strategic Objective 3.3: Ethical conduct and a zero-tolerance approach to crime, fraud and corruption							
Performance indicator	Annual target	Actual achievement 2015/16	Planned target 2016/17	Actual achievement 2016/17	Deviation from planned target to actual achievement for 2016/17	Comment on deviations	Sub-programme
Number of threats and risk assessments (TRAs) conducted in accordance with the requirements of Minimum Information Security Standards (MISS) and/or Minimum Physical Security Standards (MPSS)	3.3.4	Target achieved 88 (67/21) TRAs conducted in accordance with the MISS and/or MPSS requirements	80	96	16	Colleagues from Head Office assisted with the over-achievement of the target. These are colleagues who recently completed their studies in security management and others are studying towards their diplomas, so they were given exposure to conducting TRAs	Corporate Services
Number of vetting files finalised and referred to the SSA for evaluation	3.3.5	Target achieved 1 143 vetting fieldwork investigations finalised and submitted to the SSA	620	732	112	The target was over-achieved. This was due to the commitment of officials by working overtime and during the weekends to make up for the under-achievements that were registered in the previous three quarters	Corporate Services

Programme name							
Programme 1: Administration							
Outcome							
Outcome 1: Secured South African citizenship and identity							
Strategic objective							
Strategic Objective 3.4: Collaboration with stakeholders in support of enhanced service delivery and core business objectives							
Performance indicator	Annual target	Actual achievement 2015/16	Planned target 2016/17	Actual achievement 2016/17	Deviation from planned target to actual achievement for 2016/17	Comment on deviations	Sub-programme
Compliance with set number of interventions implemented in support of communication strategy and action plan	3.4.1	Target achieved Four publications Produced	Communication strategy and action plan implemented with a focus on: <ul style="list-style-type: none"> • Corporate communication services • Media relations • Public awareness engagements Four publications of internal newsletter, <i>Ikhaya</i>	Target achieved Four publications produced	None	None	Corporate Services
		Target achieved 22 media briefings conducted	12 media briefings	Target achieved 42 media briefings conducted	Emerging issues in the media landscape necessitated further media engagement beyond the set target, including: <ul style="list-style-type: none"> • Outbreak of attacks on foreigners • Concerns in hospitality industry • Spotlight on deportations • Rounding-off applications for Lesotho Special Permit 	Accept risk and improve on planning	Corporate Services

Programme name		Programme 1: Administration					
Outcome		Outcome 1: Secured South African citizenship and identity					
Strategic objective		Strategic Objective 3.4: Collaboration with stakeholders in support of enhanced service delivery and core business objectives					
Performance indicator	Annual target	Actual achievement 2015/16	Planned target 2016/17	Actual achievement 2016/17	Deviation from planned target to actual achievement for 2016/17	Comment on deviations	Sub-programme
		Target achieved 20 ministerial or departmental izimbizo conducted	Six ministerial izimbizo and Budget Vote communication events	Target achieved Nine ministerial izimbizo organised	Taking a cue from the Ministry on the need to improve communication with stakeholders and communities in light of the rollout of the Lesotho Special Permit, the smart ID card campaign and early birth registration, engagement was increased, more than was initially planned, with the following groups: community members, the elderly, school children and religious leaders	Accept risk and improve planning and scheduling with the Ministry	Corporate Services
		Target achieved 13 publications Produced	11 publications of ministerial Home Affairs Today Two campaigns conducted	Target achieved 19 <i>Home Affairs Today</i> publications produced Two campaigns conducted	Reasons for over-achievement: Need to communicate to staff following change of date for departmental event, namely the launch of the Desmond Tutu Refugee Centre in Quarter 4, initially scheduled for Quarter 3	None	Corporate Services

Programme name		Programme 1: Administration					
Outcome		Outcome 2: Secured and responsive immigration system					
Strategic Objective		Strategic Objective 2.1: Refugees and asylum seekers are managed and documented efficiently					
Performance indicator	Annual target	Actual achievement 2015/16	Planned target 2016/17	Actual achievement 2016/17	Deviation from planned target to actual achievement for 2016/17	Comment on deviations	Sub-programme
Submission to Minister for approval of feasibility study, including financial model, for building asylum processing centres closer to the country's borders	2.1.1	New performance indicator	Feasibility study, including financial model, for building asylum processing centres completed and submitted to Minister for approval	Target achieved The feasibility report was submitted to the Minister and approval was granted on 29 March 2017	None	None	Corporate Services

Linking performance with budgets

Programme 1: Administration	2016/17			2015/16		
	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Sub programme						
1 Ministry	36 905	36 905	-	35 012	33 916	1 096
2 Management Support Services	190 478	190 478	-	133 383	133 191	192
3 Corporate Services	667 434	667 434	-	668 274	668 036	238
4 Transversal Information Technology Management	819 858	807 858	12 000	498 362	498 353	9
5 Office Accommodation	508 159	508 159	-	423 708	423 708	-
Total	2 222 834	2 210 834	12 000	1 758 739	1 757 204	1 535

With the exception of the subprogramme: Transversal Information Technology Management, all subprogrammes in programme 1 utilised their full budget allocations. The underspending in respect of the subprogramme: Transversal Information Technology Systems was as a result of the delay in finalizing the installation of video conferencing and VoIP equipment. In this regard, a rollover of R12 million was approved by National Treasury post financial year-end.

4.2 PROGRAMME 2: CITIZEN AFFAIRS

Purpose: Provide secure, efficient and accessible services and documents for citizens and lawful residents.

List of subprogrammes:

Citizens Affairs Management
Status Services
Identification Services

4.2.1 Citizens Affairs Management

Citizens Affairs Management is responsible for the overall management of the branch and includes all chief directorates and support services reporting to the Deputy Director-General: Civic Services (DDG: CS). The branch is responsible for both Head Office and frontline operations. Head Office provides policy direction and set standards, as well as the management of the back office processes. Provincial management includes provincial operations management for both Civic Services and Immigration Services operations at the front offices.

4.2.2 Status Services

Status Services regulates all matters relating to the NPR. These include maintaining an accurate population register of all citizens and immigrants who have acquired the right to permanent residence, registration of births, deaths and marriages, the provision of travel documents and related matters, such as passports, the provision of financial assistance to citizens abroad by paying for their visas and travel costs if they wish to return to South Africa and have no means to do so, and determining and granting citizenship.

Birth registrations

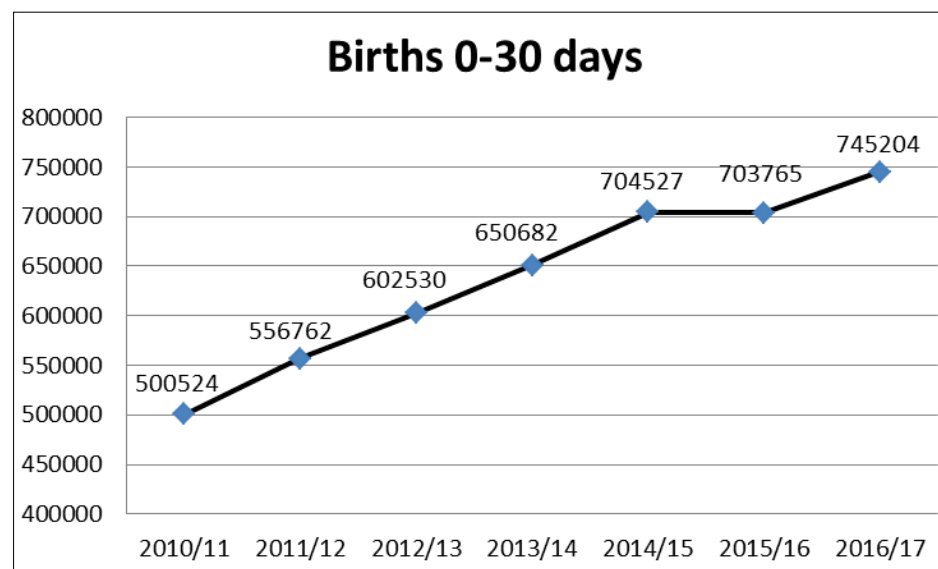
A key strategy, which is coordinated by Civic Services, is to ensure a credible, accurate and secure NPR with a single point of entry within 30 days of birth. To drive this strategy, a NPR campaign was launched during 2010 and broadly entailed the roll-out of initiatives, such as the following:

- Conducting outreach programmes in rural areas, schools, farms and informal settlements
- Establishing stakeholder forums at local, district, metro and provincial levels
- Intensifying birth registration at health facilities.

The birth registration target for the period under review was to register 750 000 births within 30 days of a birth event. The department managed to register 745 204 births within 30 days of birth. This was essentially achieved through a continuation of the outreach programmes, continued birth registration at health facilities and close interaction with stakeholder forums. Provinces extended working hours by maintaining the flexi-hour system and the increased deployment of staff to health facilities. Through these initiatives, the DHA managed to register 74.2% of birth registrations within 30 days during the period under review compared to 67.5% during the previous period.²

Despite the continuation of these registration initiatives, the department did not manage to achieve the 750 000 annual target. Birth registration data was analysed to determine the reasons for non-achievement. Registration data suggests that 15 440 children were born after hours or on public holidays outside the department's operational hours. Assuming the department provided this service at health facilities on all weekends and public holidays, the department may well have met or even exceeded the target.

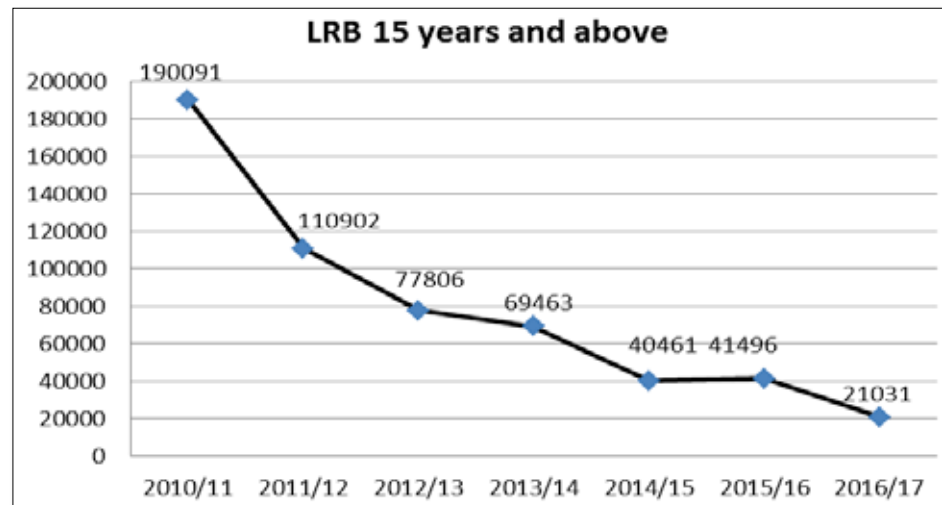
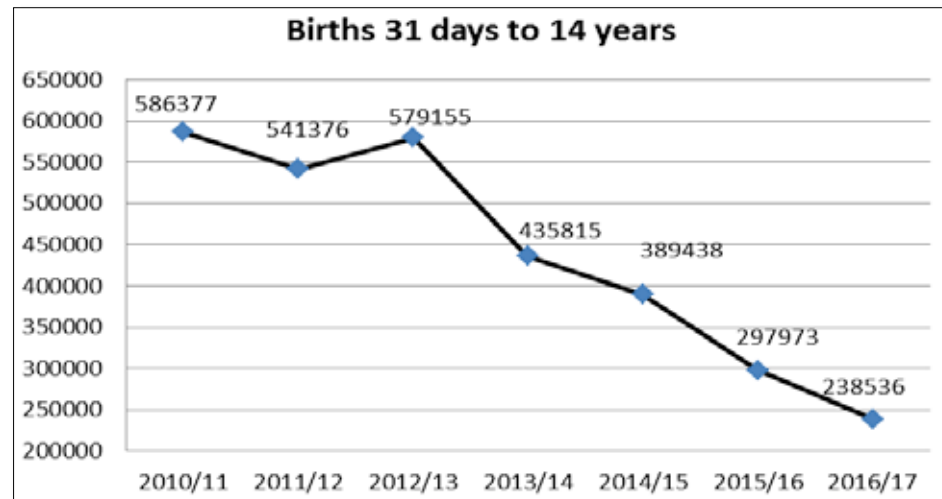
The graph below depicts registration gains witnessed between 2010/11 and 2016/17.



² To ascertain the percentage of births registered within 30 days, divide the total "births 0-30 days" by the corresponding total under "all birth registrations".

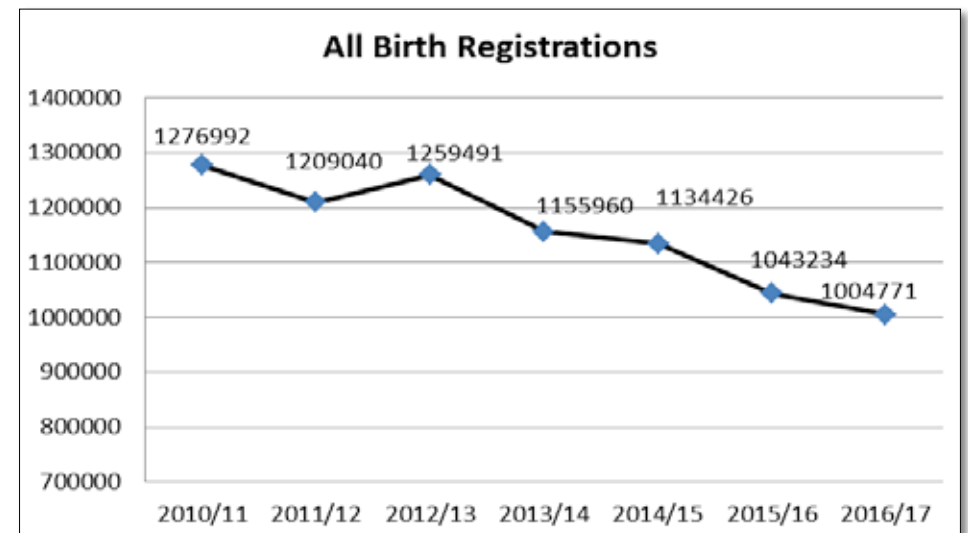
With increased compliance of birth registration within 30 days of the event, the department is experiencing declines in the late birth registration categories. The department measures these categories as follows: births registered between 31 days and 14 years of the birth event, and birth registrations 15 years and over. This distinction is made as the registration process for children between the ages of 31 days and 14 years is decentralised, while the registration process for persons 15 years and over is centralised.

The following graphs depict the late registration of birth declines per age category:



Consultations with the DPME in the Office of the Presidency continued during the period under review. A service provider, Genesis Analytics, was appointed to conduct a study to assess the effectiveness of the birth registration strategies and to establish the main reasons why some parents still do not register the births of their children within the legislated 30-day period.

The overall situation as far as birth registration (all ages) is concerned, as presented in the graph below, reflects a marginal year-on-year decline in the number of registrations. It is important to note, however, that the decline does not suppose a decrease in the number of birth occurrences in South Africa. The department registers births of children who are wilfully presented for registration. There may still be pockets of unregistered children in the country. Hence, the department will maintain key initiatives under the NPR campaign in future.



Records digitisation

During the review period, the department, in partnership with Stats SA, commenced with the much-anticipated project of digitising paper-based departmental records. This process commenced with the digitisation of birth records, of which the department planned to digitise 5.8 million during 2016/17. A total of 1 014 794 records were digitised with a total of 6 390 366 images in the 2016/17 financial year. The digitization project will continue in the 2017/18 financial year. 5.8 million images shall be digitised in the 2017/18 financial year. There shall be no further digitization of records beyond 2017/18 financial year due to budgetary constraints. This project will bring about critical service delivery improvements in the amendment and unabridged certificate processes that have been a cause of concern to many South African citizens. Some of the key outcomes of this project will be immediate access to digitised documents, irrespective of office location, and multiple access to records simultaneously. The DHA will continue to engage with Stats SA regarding the digitisation project in future.

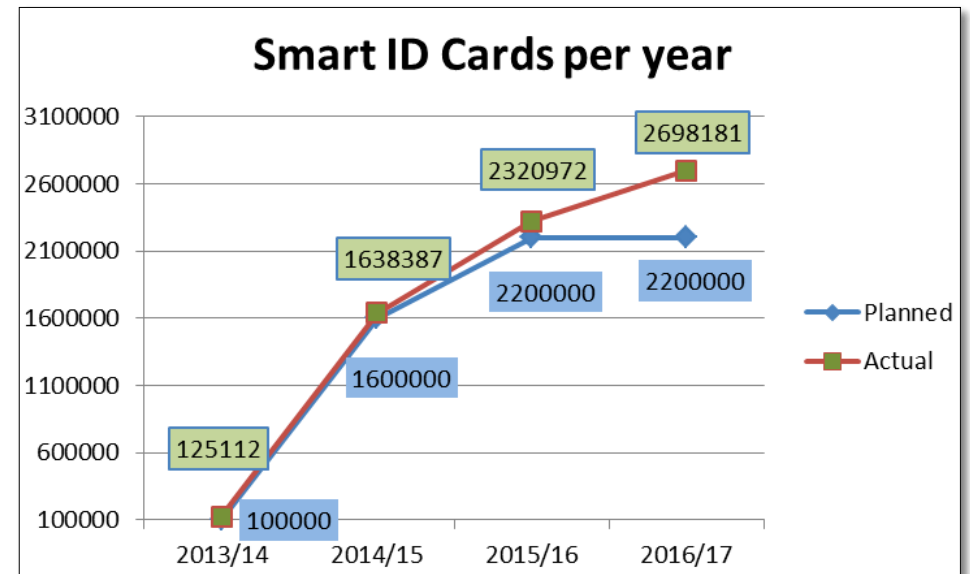


4.2.3 Identification Services

Identification Services oversees issues relating to identity management, such as biometric management (fingerprints and photographs) and ID documents. Once personal details are recorded in the NPR, IDs are issued to persons who have attained the age of 16 years. This subprogramme is also responsible for the registration, verification and storing of fingerprints in the central database of AFIS, a subsystem of HANIS and its overall administration.

Issuing smart ID cards to citizens

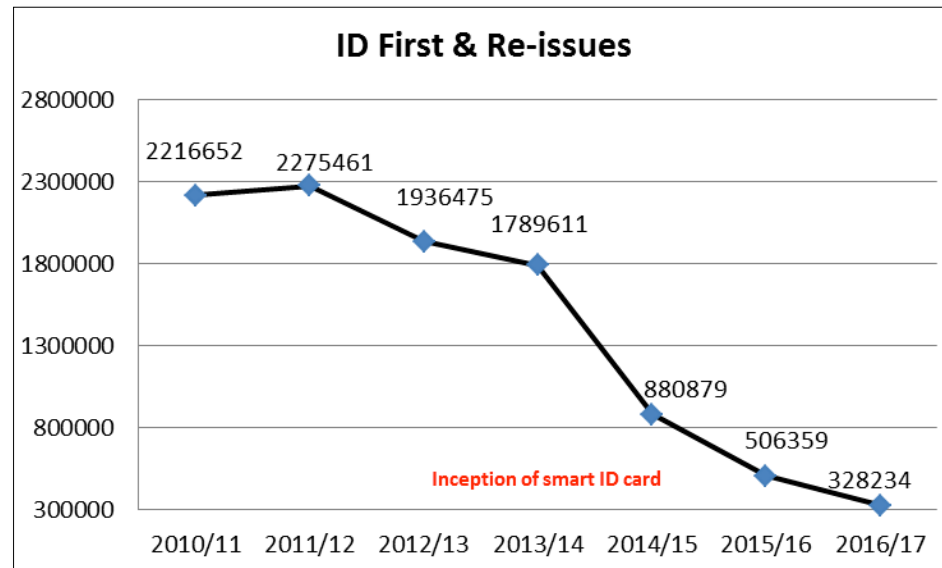
Since the launch of the smart ID card on 18 July 2013, the number of permanent Home Affairs offices with Live Capture technology has increased to 179 offices. Fourteen banks also operated during the period under review. This brought the cumulative total number of offices or banks with the Live Capture system to 192 facilities by the end of the period under review. Correspondingly, the number of smart ID cards issued to citizens also increased, as illustrated in the figure below:



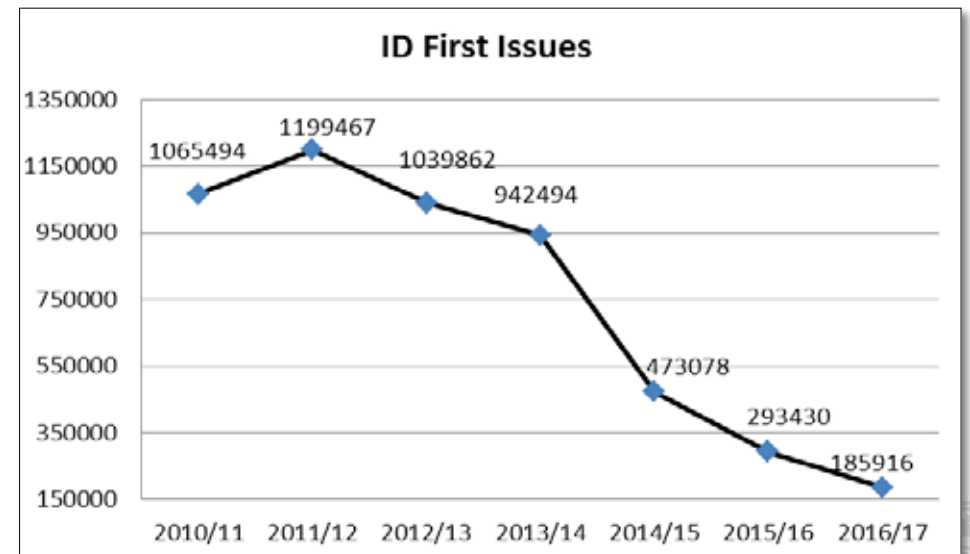
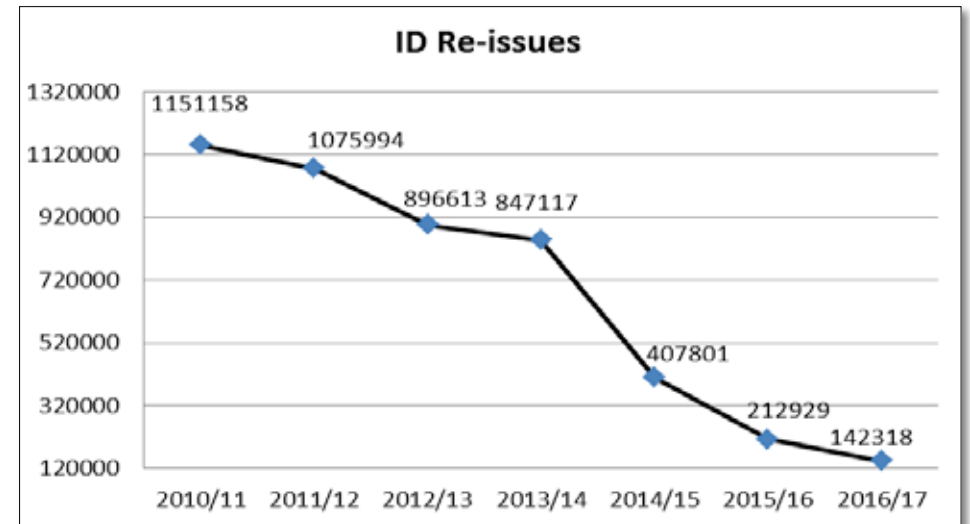
First and re-issues of ID documents

Since inception of the smart ID card, the demand for the green barcoded ID document has declined, as anticipated. The demand for ID documents declined by 35% between 2015/16 and 2016/17. The department therefore decided to develop a strategy to discontinue the green barcoded ID document during the 2017/18 financial year, and it anticipates requesting Cabinet approval for this strategy. This strategy will be supported by initiatives such as mobile solutions for the Live Capture technology roll-out in rural areas and the expansion of the number of Live Capture offices and banks over the period under review. This will ensure that Home Affairs services continue to be available to citizens.

The figure below depicts a decline in the number of ID documents issued to citizens over the past five financial years.



The figures below depict volumes issued per application type (first and re-issues of ID documents).



Programme name							
Programme 2: Citizen Affairs							
Outcome							
Outcome 1: Secured South African citizenship and identity							
Strategic objective							
Strategic Objective 1.1: Eligible citizens are issued with enabling documents relating to identity and status							
Performance indicator	Annual target	Actual achievement 2015/16	Planned target 2016/17	Actual achievement 2016/17	Deviation from planned target to actual achievement for 2016/17	Comment on deviations	Sub-programme
Number of births registered within 30 calendar days	1.1.1	Target not achieved 703 765 births were registered within 30 days of birth	750 000	Target not achieved 745 204 births were registered within 30 calendar days during the period under review	-4 796	A total of 15 440 birth occurrences took place on weekends and public holidays and were therefore not registered within 30 days of birth	Status Services Service delivery to provinces
Number of smart ID cards issued to citizens 16 years of age and over	1.1.2	Target achieved 2 320 972 smart ID cards were issued to citizens	2.2 million	Target achieved 2 698 181 smart ID cards were issued to citizens 16 years of age and over	498 181	A total of 48 231 smart IDs were issued through 14 banks. This was not part of the planned performance Systemic enhancements to the Live Capture system during the financial year also contributed to efficiency gains	Identification Services
Percentage of IDs (first issues) issued within 54 working days for applications collected and processed within the RSA (from date of receipt of application until ID is scanned at the office of application)	1.1.3	Target achieved 93.9% of IDs (first issues) were issued within 54 working days (RSA applications only) 275 699 IDs (first issues) were issued within 54 working days and 17 731 above 293 430 IDs (first issues) were issued during the period under review	90%	Target achieved 96.65% of IDs (first issues) were issued within 54 working days (RSA applications only) 164 606 IDs (first issues) were issued within 54 working days and 5 712 above 170 318 IDs (first issues) were issued during the period under review	6.65%	Improvements in the processing of ID applications in respect of permanent residence holders were implemented during the period under review	Identification Services Service delivery to provinces

Programme name		Programme 2: Citizen Affairs					
Outcome		Outcome 1: Secured South African citizenship and identity					
Strategic objective		Strategic Objective 1.1: Eligible citizens are issued with enabling documents relating to identity and status					
Performance indicator	Annual target	Actual achievement 2015/16	Planned target 2016/17	Actual achievement 2016/17	Deviation from planned target to actual achievement for 2016/17	Comment on deviations	Sub-programme
Percentage of IDs (re-issues) issued within 47 working days for applications collected and processed within the RSA (from date of receipt of application until ID is scanned at office of application)	1.1.4	Target achieved 97.9% of IDs (re-issues) were issued within 47 working days (RSA applications only) 208 422 IDs (re-issues) were issued in 47 working days and 4 507 above 212 929 IDs (re-issues) were issued during the period under review	95%	Target achieved 97.26% of IDs (re-issues) were issued within 47 working days 153 586 IDs (re-issues) were issued within 47 working days and 4 324 above 157 910 IDs (re-issues) were issued during the period under review	3.37%	Improvements in the processing of ID applications in respect of permanent residence holders were implemented during the period under review	Identification Services Service delivery to provinces
Percentage of machine-readable passports (new Live Capture system) issued within 13 working days for applications collected and processed within the RSA (from date of receipt of application until passport is scanned at office of application)	1.1.5	Target achieved 92.4% of machine-readable passports (MRPs) (Live Capture process) were issued within 13 working days (RSA applications only) 563 475 MRPs (Live Capture process) were issued within 13 working days and 46 273 above 609 748 MRPs (Live Capture process) issued during the period under review	90%	Target achieved 95.42% of MRPs (Live Capture process) were issued within 13 working days 740 259 MRPs (Live Capture process) were issued within 13 working days and 35 547 above 775 806 MRPs were issued during the period under review	5.42%	Systemic enhancements to the Live Capture system during the financial year also contributed to efficiency gains	Status Services Service delivery to provinces

Linking performance with budgets

Programme 2: Citizen Affairs	2016/17			2015/16		
	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Sub programme						
1 Citizen Affairs Management	30 779	30 779	-	39 752	39 475	277
2 Status Services	1 029 594	1 029 412	182	809 750	809 191	559
3 Identification Services	140 120	140 120	-	214 432	213 867	565
4 Access to Services	-	-	-	71 430	70 753	677
5 Service Delivery to Provinces	1 794 296	1 794 296	-	2 078 400	2 078 316	84
6 Film and Publication Board	-	-	-	-	-	-
7 Independent Electoral Commission	1 657 901	1 657 901	-	1 517 104	1 517 104	-
8 Represented Political Parties Fund	134 480	134 480	-	127 712	127 712	-
Total	4 787 170	4 786 988	182	4 858 580	4 856 418	2 162

With the exception of Status Services, all subprogrammes spent 100% of their budget allocations.

4.3 PROGRAMME 3: IMMIGRATION AFFAIRS

Purpose: To facilitate and regulate the secure movement of people through the ports of entry into and out of the Republic of South Africa, determine the status of asylum seekers and regulate refugee affairs, confirm and provide enabling documents to foreign visitors legally residing within the Republic, enforce immigration legislation and effect deportations.

List of subprogrammes:

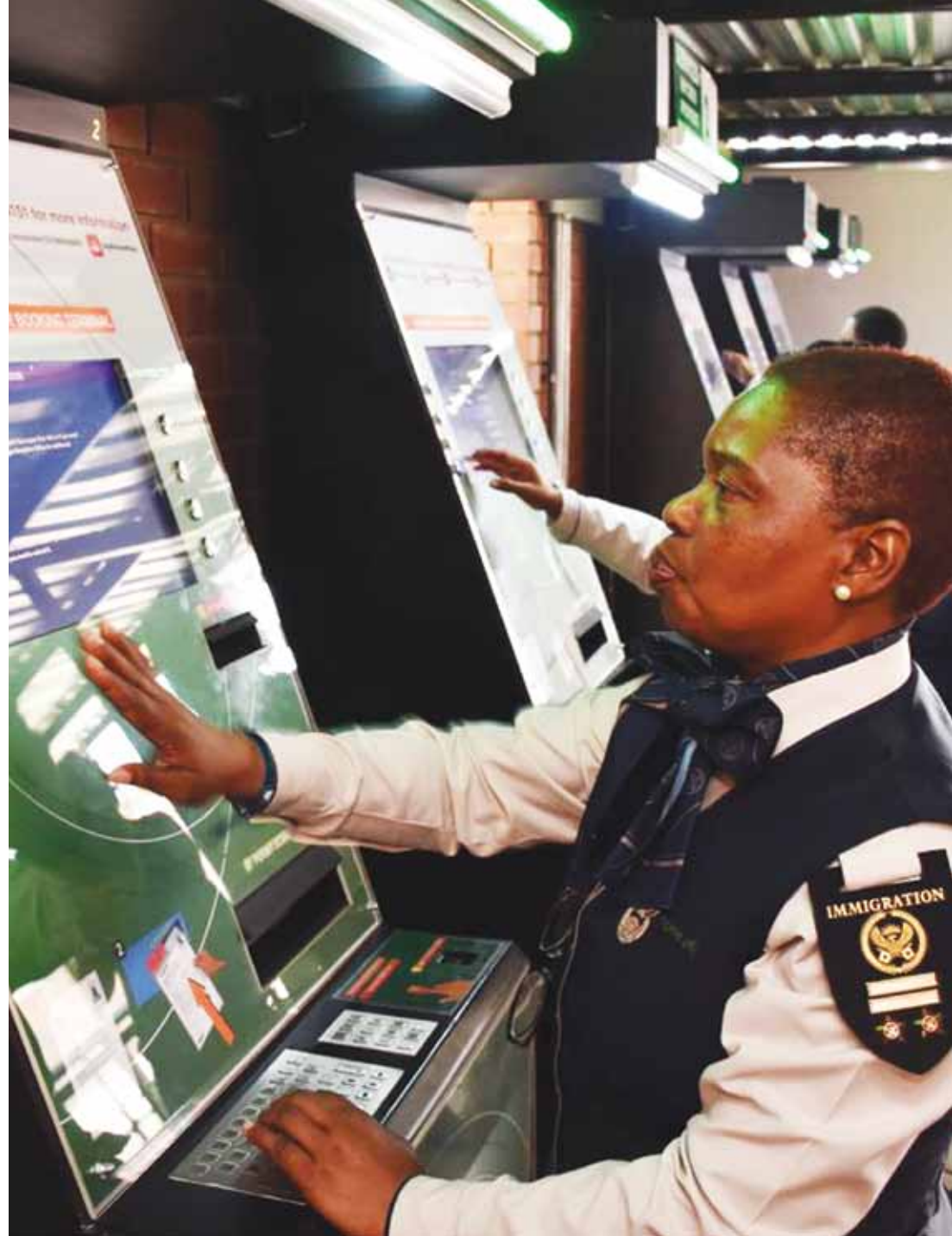
Immigration Management
Admission Services
Immigration Services
Asylum Seeker Management

4.3.1 Immigration Services

Globally, 2016 was a year where debate around matters of immigration and migration took international precedence and informed the nature of substantial change within the political and social economics of Africa, Asia, Europe and the Americas. The South African economy attracts substantial foreign interest and, through such investment, serves as a strategic travel hub into Sub-Saharan Africa, SADC and even further north into the continent. Therefore, the role of the DHA in terms of positioning a policy on international migration that is relevant and responsive to such global change plays strategically into its contribution towards the NDP. It also gives effect to South Africa's support of the African Union (AU) Agenda 2063.

South Africa remains central to this dialogue, and is highly engaged with various global role players.

To ensure that South Africa remains relevant to the changing trends and demands of global migration, the DHA must be visible and remain central to this dialogue. Immigration Services should be seen as an entity that is responsive and understanding of how important it is to align our general migration framework to policies, legislation and regulations that give effect to the efficient management of a risk-based approach to immigration. It must be seen that the DHA is invested and supportive of new and evolving technologies that underpin the use of biometric and chip-enabled devices that assist in proactively knowing and confirming the identity of the traveller, which in turn allows for efficient processing at the time that such a person passes through immigration control when arriving in or departing from the Republic.



Whatever the reason for travel or migratory movement, Immigration Services needs to be aware of who intends to enter the country, for what purpose, and for what duration. This is the essence of managing migration by risk. During this period under review, the DHA made significant strides to ensure that sustainable mechanisms are being implemented, derived and informed through consultation within and across government stakeholders and their entities, including negotiation with partners through regional and international engagements.

Migration policy

Key milestones underpinning this strategy were concluded in 2016 and, to this end, a comprehensive process of reviewing the last gazetted Immigration Policy in 1999 can now be considered as complete. The legislative process for the required Bills will also commence in 2017/18. This has been an exhaustive process commencing in 2014 and one that has comprised multiple engagements through round table consultations involving a broad spectrum of stakeholders and interest groups locally, regionally and internationally. It has also led to the drafting of a Green Paper on International Migration in South Africa in 2015 and then a White Paper on International Migration in 2016. This culminated, in March 2017, in the hosting by the Minister of a National Consultation Forum, which concluded the consultation phase on the White Paper, which was then approved by Cabinet on 29 March 2017. In 2017, the department will continue to engage across government during the legislative phase to emphasise that the success of the new policy position on migration will be underscored by a whole-of-government approach, particularly when it involves the integration and understanding of the contribution and leverage that foreign-born nationals make to the growth and development of the economy.

Legislative amendments

Equally, there is recognition of the ongoing commitment that Immigration Services must uphold in the environment of asylum seekers and the management of refugee status in South Africa. The undermining of immigration laws prevents orderly migration, and the abuse of the Refugees Act is well documented with over 90% of applicants only seeking economic opportunities and, in effect, misrepresenting their circumstances to gain status in the Republic. Often, those who extend their stay illegally or are bogus asylum seekers seek to acquire legal status through marriages of convenience or acquiring ID documents fraudulently, while criminal syndicates work with corrupt officials and other South Africans to facilitate these illegal transactions. The consequences for South Africa and for foreign migrants are serious and this leads to extortion, abuse and exploitation of migrants who have fraudulent documents or no documents.

To this end, a vast amount of work on the review of legislation of amendments to the Immigration Regulations, 2016, and the Refugee Amendment Bill, 2016, has been

undertaken in the past year. Consequently, the department has proposed amendments to the Immigration Regulations, 2014, and finalised its process to introduce legislative amendments to the Refugees Amendment Bill, 2016 (B12-2016), amending the Refugees Amendment Act, 1998 and 2011, into Parliament by drafting the Refugees Amendment Bill, 2016, in order to, among other matters, include further provisions relating to disqualification from refugee status, to provide for integrity measures to combat fraud and corruption among staff members at refugee reception offices, the Standing Committee and the Refugee Appeals Authority, to omit provisions referring to the Status Determination Committee, to substitute certain provisions relating to the Refugee Appeals Authority, to clarify the procedure relating to conditions attached to asylum seeker visas and the abandonment of applications, to revise provisions relating to the review of asylum applications, and to provide for the withdrawal of refugee status in respect of categories of refugees. These proposed amendments would help do away with the Refugee Status Determination Committee established in the 2011 Refugees Amendment Act and retaining recognition of the work performed by the refugee status determination officers (RSDOs). Opportunity was also taken to address practical challenges faced in the management of asylum seekers and refugees and enable the courts to be correctly guided by the Constitution when interpreting the Refugees Act. In 2017/18, the department will prioritise the next step to ensure the proposed Immigration Bill and Refugees Bill are approved by the Minister for submission to Cabinet and then in 2018/19 to Parliament for approval.

Immigration Advisory Board

The Immigration Advisory Board (IAB) (established on 3 June 2016 under section 4 of the Immigration Act, 2002 (Act No. 13 of 2002), has the function to advise the Minister on the following:

- The contents of the Regulations that may be made in terms of the Immigration Act
- The formulation of policy pertaining to immigration matters
- Any other matter relating to the Immigration Act on which the Minister may request advice

In effect, the IAB serves as the interdepartmental cooperation forum for all immigration matters, and has representation at Deputy Director-General level from seven government departments, as well as senior representation from business, organised labour and independent members. The appointment of the IAB makes provision for its members to serve a four-year term, with the option for one or more re-appointments where eligible. This committee will make an important contribution to the work of the department, and its institution is a milestone development following an extended period where such a board could not be established.

Interministerial committees

The Immigration Regulations of 26 May 2014 led the department on a course of intense consultation across government.

- **Interministerial Committee (IMC) on the Immigration Regulations:** This is sometimes referred to as “unintended consequences” and was established by the President in October 2015 and chaired by the Deputy President. The Department has worked diligently to ensure the implementation of the immediate, short-term and even commenced with the long-term recommendations that extend beyond 31 March 2017. Of the 19 recommendations advanced by the IMC, only four remain, all of which are now work in progress. **IMC on Migration:** This is an intergovernmental committee (IGC) chaired by the Minister in The Presidency with the Minister of Home Affairs as the Deputy Chairperson. The IMC on Migration is, by decision of The Presidency, going to change to that of an IGC, of which the Director-General of Home Affairs is to become the Chairperson of the Technical Task Team. This will place the onus on the department to render secretarial support and coordination functions driving purpose and function.
- **IMC on Investment:** This committee is coordinated within The Presidency. The NDP points to the urgent for advancement within the sectors of mining, agriculture, manufacturing, construction, health care, entrepreneurship, professional services and tourism. The DHA holds representation on this IMC through its Permitting Business Unit. Business visas are to be issued for businesses that enhance the national interest. In this regard, the departments of Trade and Industry (the dti) and Labour (DoL) first assess the feasibility of the prospective business venture, including compliance with labour laws and the benefit it would have for the South African economy before a business visa is issued. The DHA is then committed to expedite and efficiently facilitate the entry and regulated movement of such business persons.

Bilateral and multilateral engagements

The mandate of Immigration Services requires engagement in a number of international, multilateral and bilateral fora, including SADC and other key stakeholders across the continent and globally.

- **Bilateral level:** At a bilateral level, this includes regular engagements with all SADC countries and several of the other African countries. It also involves bilateral engagements with other countries outside of Africa in line with South Africa’s foreign policy, as directed by DIRCO. Migration-related discussions were held with the following countries: Angola, Botswana, Canada, China, Comoros, Democratic Republic of Congo, Ethiopia, Germany, Ghana, India, Indonesia, Ireland, Kenya, Lesotho, Mexico, Mozambique, Namibia, New Zealand, Nigeria, Russia, Serbia,

Somalia, Swaziland, Tanzania, The Netherlands Turkey, Uganda, the United States of America, the United Kingdom and Zimbabwe.

- **Multilateral level:** Engagements take place at a number of forums, such as the United Nations (UN) (particularly, the UN High-level Dialogue on Migration, the UNHCR and the United Nations Office on Drugs and Crime (UNODC), SADC and the AU, the International Organisation for Migration (IOM), the ICAO, the European Union (EU), and the African, Caribbean and Pacific (ACP) countries and the Commonwealth.

Modernisation

The modernisation programme has prioritised a number of key initiatives in support of improving the DHA’s frontline capability at ports of entry. The completion of the EMCS roll-out to almost all land ports of entry (with the exception of two land ports and four harbours) is significant and this system now represents the backbone of the department’s capability to report and monitor all movements. The transition to biometrics underpins the essence of a risk-based approach to the management of migration, and while the initial phase has been tested successfully at the international airports and selected high-volume land ports, the DHA is yet to implement full biometric roll-out to all ports of entry. This will take some time as the next stage to implement a further roll-out of the “full” biometric solution at the same pilot air and land ports must be completed in 2018/19. A robust solution is required to ensure 24/7 uptime of servers and systems that must cope with the volume of processing required across all the designated ports of entry. In 2016/17, 41 269 039 travellers were processed through the country’s borders. According to the incremental 1% increase off the 2015/16 baseline, the Department is set to maintain such movements through the country’s immigration controls in 2017/18.

Non-integration of immigration systems has also contributed to the Inspectorate experiencing a high volume of work related to managing the Visa and Entry Stop for travellers declared undesirable. The development of an automated process between the EMCS and the v-list will assist in the downward managing of the implications of travellers who are declared undesirable, and who contribute to the high number of appeals the Inspectorate is experiencing.

The development of the e-visa system through a fully enabled end-to-end VAS is also on the schedule of priorities, and the cooperation with Immigration Services and stakeholders in its development will be integral over the remaining periods of this annual reporting cycle.

Generically, the lack of information systems, aging infrastructure and the limited capability to integrate data platforms are deficient and represent a risk to the integrity of some of the department’s business processes and performance.

4.3.2 Permitting

The Permitting Business Unit has migrated from a manual adjudication system to a more advanced electronic adjudication system insofar as the key targets are concerned (temporary residence visas and permanent residence permits). Lessons learnt during the first year of implementation of the online system contributed to the successful completion of the migration to the VAS in the year under review in terms of the ability of the online system to assist business to meet its objectives. As such, the four APP targets of 2016/17 were successfully concluded. The targets were permanent residence permits finalised within eight months, critical skills, general work and business, business and general work visas finalised within eight weeks, critical skills work visas finalised within four weeks, and two DHA premium visa and permit service centres opened in KwaZulu-Natal and Eastern Cape.

The APP achievement, and the development of the business unit's competency as a whole, can be attributed to embedding the new business processes, the consistent monitoring of operations and the development of a more agile scaling of resources according to the availability and management of risks.

The assessment of online adjudication and interventions where there are system challenges played a critical role to achieve the targets. Online adjudication challenges were addressed through management's constant engagement with the service provider and DHA's Immigration Services teams to ensure that such challenges are resolved timeously and do not affect the achievement of the targets, including the monitoring process that takes place through the Project Steering Committee.

Testing of the new e-permitting prototype has commenced. The prototype is ready for further development during the 2017/18 financial year. During this phase, it must realise its business intelligence requirements to meet key operational and management outcomes. This is a key milestone towards complete online application and adjudication, which will bring efficiency to the finalisation of strategic priority applications. The transition of this technology roadmap to e-permits is central to the business development model in line with limited human resource capacity. The e-permitting process is part of an integrated approach by Immigration Services against its modernisation targets that would ensure long-term capability to submit online visa applications from anywhere in the world (where connectivity allows). The application will then be centrally adjudicated. This integrated approach will ultimately ensure a single view of the traveller: from the point of visa application, arrival at the port of entry, law enforcement operations, and finally departure.

In line with the commitments made to the recommendations by Immigration Services

on Immigration Regulations, as well as targets specified within the 2016/17 APP, two additional premium visa and permit service centres were opened in Durban and Cape Town. Initially, such a service centre was to be established Port Elizabeth, but this was later excluded on the basis of actual demand, estimated volume of clients and overall financial viability for a full-time service offering.

In line with the NDP's objective to adopt a more open approach to immigration in order to expand the supply of high skills in a manner that contributes to economic growth, the DHA is also collaborating with the dti to form newly established "one-stop shop" concept in compliance with the decision of the IMC on Investment. Such a service centre will afford prospective investors and exporters reduced turnaround times for business visas for corporate clients and their family members. The beneficiaries of this service are large businesses, organisations and employers who make an important contribution to the economy in infrastructure, manufacturing, energy, retail, professional and financial services, research and development, and knowledge production.

As part of the continuous service improvement and efficiency, the business unit introduced a mobile biometric service, which is an end-to-end solution that allows applicants to conveniently apply for visa renewals at any location within South Africa. This initiative has been rolled out to schools, universities and corporate clients, particularly high-pressure corporate clients like those involved in Eskom's power projects, where many expatriates are involved in projects of national interest, and taking them out of these projects to apply for visa renewal may pose a risk to the project timelines.

The department has commenced with a testing phase to implement online criminal record checks for applicants who are older than 18 years in line with the Immigration Regulations. The solution is modelled on the well-defined Zimbabwe and Lesotho special projects process and will ensure that clients are not required to obtain South African police clearances, but their fingerprints are captured online and the criminal record checks done online. This is part of managing migration through risk methodology, while improving efficiency.

As part of ensuring the legal movement of travellers within SADC, the department implemented the LSP, which follows from the 2015 Zimbabwe Special Dispensation (ZSP). The objectives of the LSP are to regularise Basothos residing in South Africa illegally, relieving pressure from the asylum seeker and refugee regime and providing amnesty to Basothos who obtained South African documents fraudulently by suspending their deportation and allowing them to apply for LSPs. The project has been successful and is currently progressing well, based on best practice and lessons learnt from the ZSP. The project is in the final phase and will be concluded on 30 June 2017.

4.3.3 Port Control

The key focus of the Chief Directorate: Port Control is the facilitation of the legal entry and departure of all persons into and out of the Republic through 72 designated ports of entry. The facilitation of bona fide visitors and tourists managed according to a risk-based approach ensures the highest possible degree of certainty, security and efficiency in support of national security, priorities and interests, while preventing illegal migration through the ports of entry.

A change in reporting lines for all the ports of entry from the provincial structures in Civic Services to the Chief Directorate: Port Control took effect from 1 April 2015. In 2016, the relocation of operational management and related support functions was concluded. Adequate staffing levels, especially at senior and middle management levels, remain a challenge to manage the change in reporting lines with the complexities in the border management environment.

For the period under review, the department recorded 41 269 039 movements through the country's ports of entry. As such, the rendering of quality immigration services at South African ports of entry remains a key performance area.

All modalities (air, maritime and land) experienced additional pressure during the peak periods, especially with an increase through the land ports of entry. The upsurge in traveller and vehicular movements put a strain on limited resources at the ports of entry during the 2016/17 festive period, as well as the 2017 Easter operations. This was managed through the implementation of additional contingency plans in cooperation with other stakeholders to ensure the efficient facilitation of increased traveller movements while balancing this with security considerations. Contingency measures included the extension of operational hours at identified ports of entry, as approved by the Minister, the deployment of additional human resources, setting up additional workstations at priority ports of entry and enhanced coordinating arrangements institutionalised by the Inter-Agency Clearing Forum (IACF).

The 24-hour operational centre played a vital role in the success of port operations during the peak periods. It resolved most challenges experienced on a tactical level and a sound escalating protocol was followed to ensure that senior and executive management of the department were well informed of challenges, thus allowing for early responses to resolve challenges.

Festive deployments for the 2016/17 period commenced at ORTIA on 9 December 2016 and continued until 14 January 2017, and on 14 December 2016 until 9 January 2017 at the other identified ports of entry. In this time, 5 504 022 movements were recorded, which amounted to a comparative year-on-year increase of 3.78%.

Deploying additional staff, with good results, demonstrated that the challenge at ORTIA is mainly around human resources. ORTIA, as a strategic international hub, urgently requires additional resources to ensure that all immigration counters at arrivals and departures can be capacitated in accordance with peak volumes and known travel times, as determined in consultation with other airline and airport authorities. It is for this reason that the department, with limited resources, plans to increase the staffing and overall capacity at this international airport as early as possible in the new 2017 reporting cycle.

In terms of technology, system enhancements were introduced as part of the department's modernisation programme. The interim biometric solution was upscaled at the four pilot sites (KSIA, ORTIA, CTIA and Lanseria) and rolled out to selected counters at six land ports (Beitbridge, Ficksburg, Kopfontein, Lebombo Maseru and Oshoek) and one harbour (Cape Town).

The biometric solution is also linked to a pilot, linking minors to the adults travelling with them to enhance the protection of children travelling through South African ports of entry.

This unit also administers the advance passenger processing system in line with the department's risk-based approach to ensure the pre-clearance of travellers. The advance passenger processing system was extended to maritime conveyors, using a phased approach, starting with cruise liners in time for the 2016/17 cruiseliner season.

The movement of persons and goods is managed with the participation of other border management stakeholders. Extensive stakeholder liaison on various forums is taking place, including participation as stipulated in the multiparty agreement in the transition phase leading up to the establishment of the BMA. This requires integrated and joint operations to create a platform for feedback between national and local border control structures.

Designated port managers from the DHA were appointed to implement and enforce the institutional arrangements and coordinate the integrated operational plans.

Improvement of infrastructure was successfully completed at 12 ports of entry with either accommodation or office space. Improvements were achieved at land ports of entry, but remain a challenge in the maritime environment due to dependencies on other stakeholders to conclude lease agreements. It is for this reason that the APP target for 2016/17 could not be achieved.

A separate, but related priority is the comprehensive infrastructure upgrade of six of the largest ports of entry. The feasibility and options for PPPs were investigated with an appointed transaction advisor.

As a result of borderline surveys conducted in the North West/Botswana village of Tshidilamolomo in 2014/15, a community crossing point was established to enable the movement of villagers residing in this village, which is separated by the borderline between the two countries. The Tshidilamolomo community crossing points was opened by the Minister of Home Affairs and his Botswana counterpart, Edwin Batshu, on 8 December 2015. The community crossing point functions as a one-stop border with both South African and Botswana immigration officials processing travellers in the same structure. This venture was regarded as groundbreaking as it is the first structure of its kind in South Africa.

The community crossing point continued to function and service the movement of residents within the village of Tshidilamolomo and will become a strategy for managing the movement of persons that reside in villages that exist across borderlines. Movement capturing is done by fingerprint and standard passport checks as per legislation.

4.3.4 Inspectorate

The mandate of the Chief Directorate: Inspectorate is the detection, detention and deportation of all transgressors of departmental legislations. This includes the investigation of any matter falling within the scope of the Immigration Act and other departmental Acts, while also providing for the prosecution of persons in contravention of the above Acts.

The Inspectorate exists primarily for three reasons:

- To investigate transgressors of immigration and departmental legislation
- To assist in investigations and other serious crimes where charges for immigration offences are required to be added and to also ensure that those who are not entitled to legal documents (such as terror suspects, syndicates) do not receive such documents
- To continuously assist other law enforcement agencies in domestic security and legislation in order to promote our national security interest.

The Inspectorate remains critically under-capacitated when considering the scope of operations and the national mandate it is required to fulfil. The R118 million MTEF allocation granted to the Inspectorate in 2014/15 only provided for the recruitment of an additional 171 Inspectorate officials at levels 6, 8 and 10 (ASD). This was and remains substantially below the capacitation needs of this enforcement arm for immigration, and the department continues to make representation to National Treasury for additional consideration. In 2016, funding options have also been targeted in respect of the department's recent inclusion in the JCPS Cluster to assist with special projects and operations, but were not successful in securing additional funding under the Prevention of Organised Crime Act (Act No. 121 of 1998).

Operation Fiela II

In February 2017, the country saw the outbreak of attacks against foreign nationals in Rosettenville and Pretoria West as a result of community uprising against alleged drug misuse and sexual offence allegations against certain foreign national. The Minister of Home Affairs (at the time) conducted a walkabout in the area to engage with the communities in Rosettenville. A community march was also planned against foreign nationals in March 2017, with a memorandum issued to the department to which it responded and assured the community that their concerns were being addressed within the remit of the law.

As a result of the above, the IMC on Migration mandated security cluster departments to implement Operation Fiela II. The IMC on Migration is now renamed the IGC on Migration, and is chaired by the Minister in The Presidency, with Home Affairs in the Deputy Chair. This Committee is supported by a technical task team of directors-general, chaired by the DHA.

Central Law Enforcement Unit

The Inspectorate's Central Law Enforcement Unit conducted surveys of selected foreign nationals to determine if they had been smuggled into South Africa. This is part of the SADC strategy to combat illegal migration, smuggling and trafficking. The data will form part of the SADC Regional Information Management System.

Lindela Holding Facility

The Lindela Holding Facility has increased the human rights oversight by independent organisations such as the South African Human Rights Commission (SAHRC) and the International Committee of the Red Cross (ICRC), who regularly monitor the facility. The department has now implemented a medical screening centre in addition to the clinic at the facility. The medical screening facility does a full medical check-up on deportees entering the facility to ensure that their medical history is known and to ensure that they are not suffering from any medical ailments that would put them and other deportees at risk.

Deportation processes

A total of 23 004 persons were deported during the 2016/17 financial year. Due to budgetary constraints, it was a challenge to reach the targets set for deportations. However, new processes that were put in place in 2015/16 to ensure that deportees contributed towards the cost of their deportation, as is allowed in legislation, continued in 2016/17. At present, this process has been successfully initiated with most of our neighbouring countries and allows for the department to focus on deporting convicts who are released at the end of their sentencing or those on parole.

Special Investigations Joint Operations

The Inspectorate, at national level, continued to investigate special cases involving the fraudulent acquisition of documents, human trafficking and smuggling. A total of 179 of such cases were investigated. This unit also received 442 cases for other investigations of illegal migration, and completed 332 cases that were finalised within 28 days. A total of 72 inspections were conducted in loco, while 56 business inspections were conducted.

Additional capacity

The Inspectorate still suffers from a lack of capacity and resources to conduct investigations and undertake deportations. New initiatives are being undertaken to get assistance from other departments involved in law enforcement. However, this will also compromise on the services of those departments

4.3.5 Asylum Seeker Management

In respect of its mandate and commitment to the management of asylum seekers and refugees, South Africa is a signatory to a number of relevant conventions, including the UN Convention Relating to the Status of Refugees (1951), the UN Protocol Relating to the Status of Refugees (1967), the OAU Convention Governing the Specific Aspects of Refugee Problems in Africa (1969) and the Universal Declaration of the Human Rights as adopted by the general Assembly of the UN on 15 December 1948.

Asylum Seeker Management is a business unit responsible for providing strategic, policy direction and operational support to all refugee reception offices located in Musina (Limpopo), Durban (KwaZulu-Natal) and Tshwane (the Desmond Tutu Refugee Centre) (Gauteng). The Chief Directorate at Head Office has four directorates: Business Operational Support, Information and Cooperation, Stakeholder Management and Repatriation, and Integration Management. The refugee reception offices are the frontline of service delivery to asylum and refugee applicants, and process asylum cases in line with the Refugees Act (1998), issue temporary asylum permits (section 22) to applicants awaiting finalisation of their asylum claims, as well as the granting of refugee status and issuing of section 24 refugee permits to applicants that meet the conditions set out in the Refugees Act.

South Africa was in the top ten asylum seeker destinations between 2008 and 2015. During this period, remained the preferred destination for four consecutive years. After registering 35 377 new asylum seekers in 2016, the 2016 UNHCR Global Statistical Report saw South Africa moving out of the top ten for the first time in eight years.

Failed asylum seekers and withdrawn refugee status holders are handed over to the Inspectorate for return or deportation to their countries

ASM was involved in the transformation of Marabastad under the Moetapele programme, which saw the significant enhancement of business processes and systems in supporting the renaming of the Centre to the Desmond Tutu Refugee Centre on 17 February 2017. Furthermore, the business unit has been integrally involved with the conceptualisation of relocating asylum processing centres to the borderline, as well as coordinating with the feasibility study on the potential establishment of the Lebombo processing centre, situated a few kilometres from the Lebombo port of entry.

The Chief Directorate: Asylum Seeker Management also took part in several initiatives to secure and streamline the management, processing and adjudication of asylum seekers. These included the extensive upgrading of software, hardware, processes, filing systems, security, queue management and infrastructure at the Desmond Tutu Refugee Centre (previously known as the Marabastad Refugee Reception Office). This allowed the department to close the TIRRO at the Tshwane Showgrounds and merge it with the newly revamped Desmond Tutu Refugee Centre.

In order to mitigate risks of impropriety by having interpreters on site, the department launched an off-site interpretation service that allows for a central interpretation centre, this minimises interaction between interpreters, clients and staff, and allows for a digital recording of all interpretations.

In an effort to streamline and support the client experience, an ABT, which is integrated with the NIIS, was introduced. This ABT allows for clients to book a date and time of their choice. It was further enhanced to enable qualifying asylum seekers to self-extend their 22 permits using biometric verification. The ABT is, however, currently only available at the Desmond Tutu Refugee Centre. The department intends to implement this initiative at specific locations across the country.

The department is in the final stages of development of the issuing of a smart ID card for refugees from the Live Capture platform used for citizens with online fingerprint verification. This will greatly enhance the client experience for refugees, as they will be able to apply at any of the department's Live Capture offices for both identity documents and refugee travel documents. The refugee smart ID cards will be similar to citizens' smart ID cards. However, it will have an expiry date that is in line with the expiry date of the refugee permit.

The department finalised the development of the new improved refugee travel document with enhanced security features that complies with the UNHCR requirements, as well as the ICAO standards. This will be issued to refugees during the 2017/18 financial year.

4.3.6 Foreign Offices Coordination

The DHA is represented in 30 out of the 124 missions globally. It has 42 officials deployed at key service hubs supporting operations and services delivered through DIRCO. The core function of transferred officials in the missions is to carry out civic and immigration services functions as per departmental mandates and prescripts. This also applies to the missions without DHA officials, where DIRCO is mandated to carry out the DHA's functions as per the memorandum of agreement signed between the two departments. Missions have to contribute to the drive to attract scarce skills and foreign direct investment through the issuing of enabling documents. The facilitation of legal movement by visitors to South Africa from countries abroad entails the issuing of enabling documents, such as visas and permits to deserving individuals after application for port of entry visas. The subsequent scrutiny and adjudication of those applications rests with the dedicated consular officials dealing with immigration and civic services in South African missions abroad. Asian countries, such as China and India, still top the number on tourist inflows and capital into the country.

During this period under review, further roll-out of visa application centres to ten more countries was approved. This included countries such as Botswana, Egypt, Iran, Mongolia, Pakistan, the Philippines, Russia, Senegal, the United Arab Emirates (UAE) and Zimbabwe. This has assisted more clients to have access to the department's services in the application of visas to South Africa as these countries represent a large proportion of overseas visitors to the country. Over the 2016/17 period, the process of engagement for new deployments to the missions was also approved to be able to replace the current officials whose term of office in missions end in early 2018, and needed to be replaced by June 2018. The DHA's policy on foreign deployment was approved by the Minister. This gave credence to a department-specific policy on the deployment of officials to missions.

The project on the destruction of old documents in the missions is ongoing as it was set up in conjunction with the Directorate: Records Management and all the affected missions have been assisted in the process of recording those documents due for destruction.

Foreign Office Coordination has assisted in alleviating capacity shortages by identifying officials for short-term relief, especially where there were new operational processes, such as in the case of New Zealand and other high-volume missions where necessary.

4.3.7 Border Management Authority

In the post-apartheid era, South Africa's democratic political, economic and social conditions have led to an influx in the flow of goods and people from across the world, especially from regions where adverse conditions prevail. In responding to both the opportunities and challenges presented by these flows, in 2013, Cabinet mandated the DHA to lead the establishment of a BMA in South Africa, premised on a new policy paradigm of integrated border management, which promotes the objectives of the NDP and subscribes to the ideals of the continent's Agenda 2063.

In the 2016/17 financial year, the BMA Project Management Office (PMO) reported against two targets in the department's APP, namely the launch of the BMA and the approval of the Integrated Border Management Strategy (IBMS) by the Minister of Home Affairs.

The target for the launch of the BMA could not be achieved as the prerequisite enabling legislation for the BMA was not in place. The BMA Bill was formally introduced into Parliament in May 2016 following an extensive consultation process with NEDLAC. The Bill is currently under deliberation in Parliament and it is anticipated that it will be enacted during the course of the 2017/18 financial year, after which the BMA will be launched.

The department and the BMA PMO will continue to play an active supporting role in the processing of the BMA Bill in Parliament through to its enactment.

The BMA PMO was successful in achieving the target on the IBMS, which was approved by the Minister of Home Affairs in March 2017. The strategy is founded on three pillars: national security, development and human rights, and prescribes 18 strategic interventions for integrated border management and 116 main actions to be incrementally executed by various role players in the border environment.

The IBMS aims to do the following:

- Address the prevalent silo-based approach to border management in a systemic manner
- Provide an opportunity to better align and group, and sequence and integrate actions
- Ensure better results and outcomes of border management
- Mainstream the role of a new apex border management implementation entity (the BMA)
- Lay a basis for the preparation of detailed thematic, sectoral and risk-based border management strategies to supplement its over-arching nature.

The focus in the 2017/18 financial year will be the implementation of the strategy by all relevant stakeholders in the border management environment under the coordinating and monitoring leadership of the BMA PMO.

In addition to these two targets and in preparation for the establishment of the BMA, the BMA PMO has prepared a draft BMA Blue Print (2032), which outlines the ideal end state of the BMA, as well as a draft BMA Road Map that articulates the milestones and time frames for the various phases of the BMA's establishment until the realisation of the BMA's ideal end state.



TABLE 17: OUTCOMES AND STRATEGIC OBJECTIVES FOR PROGRAMME 3: IMMIGRATION AFFAIRS

Programme name							
Programme 3: Immigration Affairs							
Outcome							
Outcome 2: Secured and responsive immigration system							
Strategic objective							
Strategic Objective 2.2: Movement of persons in and out of the country managed according to a risk based approach							
Performance indicator	Annual target	Actual achievement 2015/16	Planned target 2016/17	Actual achievement 2016/17	Deviation from planned target to actual achievement for 2016/17	Comment on deviations	Sub-programme
Ministry- approved project plan for BMA launch implemented (2016/17)	2.2.1	<p>The first draft BMA Bill was finalised in June 2015 and gazetted in August 2015 for public comment</p> <p>Cabinet approved the introduction of the Bill into Parliament in September 2015, thereafter the Bill was submitted to Parliament in October 2015</p> <p>Considering the socio-economic implications of the BMA, engagements on the Bill were initiated with NEDLAC in November 2015</p> <p>As a consequence, Parliamentary deliberations on the Bill could not commence</p> <p>Engagements with NEDLAC progressed well and, in May 2016, the BMA Bill was formally introduced into Parliament</p>	BMA launched	<p>Target not achieved</p> <p>The BMA could not be launched as enabling legislation as the BMA is not in place</p> <p>The NEDLAC consultative process on the BMA Bill took longer than expected</p> <p>Government spent six months in NEDLAC negotiations between November 2015 and May 2016</p> <p>Since then, the Bill has been in Parliament</p> <p>The Portfolio Committee on Home Affairs adopted the BMA Bill, 2016, in March 2017</p> <p>The National Assembly debate on the Bill is planned for 11 May 2017. Should National Assembly adopt the Bill, it will be referred to the NCOP for consideration and then it will be returned to National Assembly for final adoption and enactment</p> <p>The BMA can only be launched after the BMA Bill, 2016, is enacted</p>	The BMA was not launched	<p>In order for the BMA to be launched, enabling legislation for the BMA is required</p> <p>In September 2015, Cabinet endorsed the submission of the BMA Bill into Parliament</p> <p>In light of the socio-economic impact of the BMA, the Bill was submitted to NEDLAC for deliberation</p> <p>The department had limited influence regarding the pace and nature of consultations in NEDLAC and Parliament on the BMA Bill</p> <p>The department, with the support of the BMA PMO, will continue to support the processing of the Bill until it is enacted</p> <p>It is anticipated that the BMA Bill will be enacted within the 2017/18 financial year, following which, the BMA will be launched</p>	Immigration Affairs Management

Programme name							
Programme 3: Immigration Affairs							
Outcome							
Outcome 2: Secured and responsive immigration system							
Strategic objective							
Strategic Objective 2.2: Movement of persons in and out of the country managed according to a risk based approach							
Performance indicator	Annual target	Actual achievement 2015/16	Planned target 2016/17	Actual achievement 2016/17	Deviation from planned target to actual achievement for 2016/17	Comment on deviations	Sub-programme
IBMS approved by Minister for implementation in outer years (2016/17)	2.2.2	Target not achieved The BMA PMO prepared terms of reference for the appointment of a service provider to undertake the drafting of the IBMS However, a service provider could not be appointed due to problems encountered with their SCM documentation at a late stage As a result, the BMA PMO decided to draft the strategy with support from various affected stakeholders A draft IBMS outline was prepared in this regard	IBMS (over-arching strategy) approved by Minister	Target achieved The IBMS was approved by the Minister in March 2017 The IBMS will be incrementally implemented in the 2017/18 financial year	Not applicable	Not applicable	Immigration Affairs Management
Submission of White Paper to Cabinet for approval (2016/17)	2.2.3	Target achieved Final draft of Green Paper on International Migration approved by the Minister on 29 March 2016	White Paper on International Migration submitted to Cabinet for approval	Target achieved The White Paper was approved by Cabinet on 29 March 2017	Not applicable	Not applicable	Immigration Affairs Management

Programme name							
Programme 3: Immigration Affairs							
Outcome							
Outcome 2: Secured and responsive immigration system							
Strategic objective							
Strategic Objective 2.2: Movement of persons in and out of the country managed according to a risk based approach							
Performance indicator	Annual target	Actual achievement 2015/16	Planned target 2016/17	Actual achievement 2016/17	Deviation from planned target to actual achievement for 2016/17	Comment on deviations	Sub-programme
Number of selected ports of entry with either improved residential or improved office accommodation or both as per set standard	2.2.4	Target not achieved	15	Target not achieved 12 out of 15 selected ports of entry have been improved with either residential or office accommodation or both as per set standards	Lease agreements to acquire infrastructure at three maritime ports of entry could not be achieved due to the dependency on the DPW for the lease agreement with the Transnet National Ports Authority (TNPA)	Way forward and remedial action: The process for lease agreements to acquire the infrastructure at three maritime ports of entry commenced and the required documents were submitted to the DPW and TNPA for the finalisation of the lease agreements with TNPA The site visits have been completed, needs submitted and potential areas of operations in consultation with the TNPA have been identified to ensure that the finalisation of the lease agreements is expedited	Admission Services

Programme name		Programme 3: Immigration Affairs					
Outcome		Outcome 2: Secured and responsive immigration system					
Strategic objective		Strategic Objective 2.3: Enabling documents issued to foreigners efficiently and securely					
Performance indicator	Annual target	Actual achievement 2015/16	Planned target 2016/17	Actual achievement 2016/17	Deviation from planned target to actual achievement for 2016/17	Comment on deviations	Sub-programme
Percentage of permanent residence applications adjudicated within eight months for applications collected within the RSA (from date of receipt of application until outcome is scanned at VFS centre – office of application) <i>(Above applications refer to critical skills (section 27b), general work (section 26a) and business (section 27c) only.)</i>	2.3.1	Target not achieved From a population of 5 227 applications, 2 754 were adjudicated within the turnaround time, yielding a 53% achievement for the year	85%	Target achieved 98% (5 271 out of 5 374) of permanent residence applications were adjudicated within eight months for applications collected within the RSA (from date of receipt of application until outcome is received at the office of application). <i>(Above applications refer to critical skills (section 27b), general work (section 26a) and business (section 27c) only.)</i>	Reasons for over-achievement: The approach is to separate the population of applications that are critical to the strategic performance of the department, which are critical skills, business and general work. These applications are adjudicated by a team of officials who have no other responsibilities. The other team deals with applications that require more investigations, more assessment and verification of supporting documents, and other high-risk areas This planning ensures that each team concentrates on matters within its area of operation The business unit has also engaged VFS to ensure that outcomes are received, scanned and ready for collection on a more regular basis to ensure that the eight-month turnaround time is over-achieved These efforts resulted in over-achievement of the target, which is 98% instead of 85% for annual performance	Way forward and remedial action: The operations planning as per the reasons for over-achievement will be maintained Constant monitoring of daily operational targets will continue together with morning operational meetings to address any challenges that may occur Where challenges are identified, remedies will be implemented to ensure that the current achievement is sustained Evaluation of strategic interventions by management will also be maintained	Admission Services

Programme name		Programme 3: Immigration Affairs					
Outcome		Outcome 2: Secured and responsive immigration system					
Strategic objective		Strategic Objective 2.3: Enabling documents issued to foreigners efficiently and securely					
Performance indicator	Annual target	Actual achievement 2015/16	Planned target 2016/17	Actual achievement 2016/17	Deviation from planned target to actual achievement for 2016/17	Comment on deviations	Sub-programme
Percentage of business and general work visas adjudicated within eight weeks for applications processed within the RSA (from date of receipt of application until outcome is scanned at VFS centre - office of application)	2.3.2	Target achieved Out of 6 805 Applications, 5 764 were adjudicated within the eight-week turnaround time, thus yielding an 84.7% achievement for the year under review	80%	Target achieved 97% (2 007 out of 2 062) of business and general work visas were adjudicated within eight weeks for applications processed within the RSA (from date of receipt of application until outcome is scanned at VFS centre - office of application)	Reasons for over- achievement: There is a dedicated team that works on business and general work visas only. The team receives applications daily and management monitors the performance of the team on a daily basis. The process flow is adhered to at all times to ensure the achievement of targets The online adjudication process ensures that applications are adjudicated as they are received and performance can be easily monitored to establish areas of concern Administrative duties associated with adjudication, like the capturing of MCS, dispatch, etc., are separated from the adjudicators and have their own turnaround time, which is constantly monitored. The dispatch of outcomes and their receipt at the VFS centre is monitored online by the management of the unit These efforts resulted in an over-achievement of the target, which is 97% instead of 80% for annual performance	Way forward and remedial action: The operations planning as per the reasons for over-achievement will be maintained Continuous monitoring of daily operational targets per official will assist to ensure the overall achievement of the target Where challenges are identified, remedies will be implemented to ensure that the current achievement is sustained The business unit will also focus on the quality of decisions to ensure compliance with departmental strategies	Admission Services

Programme name							
Programme 3: Immigration Affairs							
Outcome							
Outcome 2: Secured and responsive immigration system							
Strategic objective							
Strategic Objective 2.3: Enabling documents issued to foreigners efficiently and securely							
Performance indicator	Annual target	Actual achievement 2015/16	Planned target 2016/17	Actual achievement 2016/17	Deviation from planned target to actual achievement for 2016/17	Comment on deviations	Sub-programme
Percentage of critical skills visas adjudicated within four weeks for applications processed within the RSA (from date of receipt of application until outcome is scanned at VFS centre - office of application)	2.3.3	Target achieved Out of a total of 4 424 applications, 3 530 applications were adjudicated within the prescribed time frames, thus yielding a rate of 79.8% (80%) for the year under review	75%	Target achieved 94% (5 951 out of 6 314) of critical skills visas were adjudicated within four weeks for applications processed within the RSA	Reasons for over achievement: There is a dedicated team that works on critical skills visas only The team receives applications daily and management monitors the performance of the team on a daily basis. Due to the limited time frame, management performs a reconciliation of applications received online with a report from VFS to ensure that outstanding applications are identified. This is the reason supervisors are able to identify “near empty VAS queues” where applications are transferred from VFS, but not readily available on VAS for adjudication. This target, however, continues to be monitored closely due to its limited time frame of four weeks Administrative duties associated with adjudication, like the capturing of MCS, dispatch, etc., are separated from the adjudicators and have their own turnaround time, which is constantly monitored The dispatch of outcomes and their receipt at the VFS centre is monitored online by the management of the unit These efforts resulted in an over-achievement of the target, which is 94% instead of 75% for annual performance	Way forward and remedial action: The operations planning as per the reasons for over-achievement will be maintained Continuous monitoring of daily operational targets per official will assist to ensure the overall achievement of the target There will be a continuous daily reconciliation of applications received from VFS and those readily available on VAS for adjudication Where challenges are identified, remedies will be implemented to ensure that the current achievement is sustained The business unit will also focus on the quality of decisions to ensure compliance with departmental strategies	Admission Services

Programme name		Programme 3: Immigration Affairs					
Outcome		Outcome 2: Secured and responsive immigration system					
Strategic objective		Strategic Objective 2.3: Enabling documents issued to foreigners efficiently and securely					
Performance indicator	Annual target	Actual achievement 2015/16	Planned target 2016/17	Actual achievement 2016/17	Deviation from planned target to actual achievement for 2016/17	Comment on deviations	Sub-programme
Number of DHA premium visa and permit service centres opened for clients registered with the Corporate Accounts Unit (CAU)	2.3.4	New performance indicator	2	Target achieved. Two DHA premium visa and permit service centres opened for clients registered with the CAU (KwaZulu-Natal and Eastern Cape)	Not applicable	Not applicable	Admission Services
Ministry-approved project plan for BMA launch implemented (2016/17)	New performance indicator	New performance indicator	New performance indicator				

Linking performance with budgets

Programme 3: Immigration Affairs	2016/17			2015/16		
	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Sub programme						
1 Immigration Affairs Management	7 269	7 269	-	33 559	32 619	940
2 Admission Services	763 769	763 670	99	407 328	407 101	227
3 Immigration Services	249 199	249 199	-	228 098	227 956	133
4 Asylum Seekers	125 564	125 564	-	62 430	62 080	350
Total	1 145 801	1 145 702	99	731 406	729 756	1 650

With the exception of the subprogramme Admission Services, all subprogrammes spent 100% of their budget allocations.

5. TRANSFER PAYMENTS

5.1 TRANSFER PAYMENTS TO PUBLIC ENTITIES

The department does not make transfer payments to any public entities.

5.2 TRANSFER PAYMENTS TO ALL ORGANISATIONS OTHER THAN PUBLIC ENTITIES

The department makes monthly transfer payments to the IEC. The IEC is a Schedule 1 constitutional institution. The IEC, in turn, transfers funds to the Represented Political Parties Fund. Given that the IEC is a constitutional institution, the provisions of section 38(1)(j) of the PFMA do not apply. The department does not monitor the spending once the funds are transferred to the IEC.

The table below reflects the transfer payments made to the IEC for the period 1 April 2016 to 31 March 2017:

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the department comply with section 38(1)(j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity	Reasons for the funds unspent by the entity
Independent Electoral Commission	Constitutional institution	Elections	No	R1 657 901		
Represented Political Parties Fund		Fund political parties	No	R134 480		

6. CONDITIONAL GRANTS

6.1 CONDITIONAL GRANTS AND EARMARKED FUNDS PAID

Conditional grants enable national priorities to be provided for in the budgets of other spheres of government and are viewed as part of voted funds. The department is a national competency and does not make conditional grants or pay earmarked funds.

6.2 CONDITIONAL GRANTS AND EARMARKED FUNDS RECEIVED

The department did not receive any conditional grants or earmarked funds.

7. DONOR FUNDS

7.1 DONOR FUNDS RECEIVED

Donor assistance includes both cash and in-kind contributions. Details of the gifts, donations and sponsorships received are set out in Annexure 1J of the Annual Financial Statements. Cash donations from Telkom, the banks and SABRIC relate to cash prizes for the winners of the Mkhaya Migrants Awards, the launch of the e-channel for the banks, and for the development of non-biometric IT functionality as requested by the banking industry.

8. CAPITAL INVESTMENT

8.1 CAPITAL INVESTMENT, MAINTENANCE AND ASSET MANAGEMENT PLAN

The department has, in the year under review, incurred the following expenditure relating to infrastructure:

- R37.2 million was spent on the roll-out of the office refurbishments and modernisation infrastructure projects. This entails the reconfiguration of the layout of the offices, which includes changes to the public area, modification of counters and installation of new counters, power skirting, painting and signage. In addition, other major items are the construction of server rooms, the installation of back-up power generators, uninterrupted power supply (UPS) units and air-conditioning in the server rooms.

- R5.2 million was spent on general maintenance of offices throughout the country.
- R58.5 million was spent on the port of entry maintenance and general infrastructure improvements.
- R37.4 million was spent by the DPW on the construction of new offices and general improvements to state-owned properties. Subsequent to that, the DHA refunded the DPW on a monthly basis.

The department has submitted its User Asset Management Plan (UAMP) to the DPW and National Treasury outlining leasing and capital requirements up to 2020/21.

Some of the department's offices are in a poor condition and maintenance is a problem. In this regard, the department is engaging with the DPW on a continuous basis to ensure that buildings are repaired and maintained.

Infrastructure projects	2015/2016			2016/2017		
	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
New Park homes and new constructions and replacement assets	4 730	4 730	0	36 570	36 570	0
Existing infrastructure assets						
- Upgrades and additions	85 149	85 149	0	22 195	22 195	0
- Rehabilitation, renovations and refurbishments(PACE/ Look & Feel, Self Financing and POE) According to BAS	8 331	8 331	0	53 863	53 863	0
- Maintenance and repairs	3 014	3 014	0	1 371	1 371	0
Infrastructure transfer						
- Current	0	0	0	0	0	0
- Capital	0	0	0	0	0	0
Total	101 224	101 224	0	113 999	113 999	0

It should be noted that all buildings occupied by the Department are either Private Lease or State Owned. Department makes use of self-financing funds for existing infrastructure.



PART C:

GOVERNANCE

1. INTRODUCTION

Commitment by the department to maintain the highest standards of governance is fundamental to the management of public finances and resources. Citizens want assurance that the department has good governance structures in place to effectively, efficiently and economically utilise the state resources, which are funded by the taxpayer.

2. RISK MANAGEMENT

The department has a risk management strategy and policy that was approved by the Director-General on 16 August 2016. The policy and strategy govern risk management activities within the department and are reviewed on an annual basis.

The department annually conducts risk assessments to review the existing risk profile, to identify new and emerging risks, and to inform internal audit efforts and priorities.

The department's Risk Management Committee (RMC) consists of senior management of the department and risk management experts who are not employed by the department. The committee operates through written terms of reference approved by the Director-General and reviewed on an annual basis. The committee is chaired by an external chairperson and meets on a quarterly basis. Its duties include providing oversight and advising management and the Director-General on the overall system of risk management. During the year under review, the committee recommended for approval by the Director-General a policy on the acceptance of risks, and reviewed the risk management strategy and policy, as well as its terms of reference.

The chairperson of the RMC is also member of the Audit Committee. At each meeting of the Audit Committee, the RMC chairperson tables a report of the RMC. The Audit

Committee reviews the RMC report and provides advice on the overall effectiveness of the system of risk management within the department.

Because the process of risk assessments is centred around the department's APP, risks are identified for each strategic goal and its objectives at both a strategic and an operational level. Although the department has not devised any tool to specifically provide evidence that the department's improved performance is as a result of risk management, the department can safely report that without its vigorous risk management initiatives, it would not have achieved some of its APP targets.

There has been huge progress in the management of risks and reporting. For example, the Chief Risk Officer presents the risk management report to EXCO on a quarterly basis. The compliance policy and charter were approved to enable the management and monitoring of compliance to laws and regulations. The response to management shows a great improvement on the adherence to the process of risk management.

The department is in the process of procuring risk management software that will improve risk management operations across the department.

3. FRAUD AND CORRUPTION

The Branch: Counter Corruption and Security Services (CCSS) is committed to preventing and uprooting corruption. This commitment is reflected in it achieving all of its Strategic Plan targets during the period under review. There was also an overachievement in three of its five targets, which is indicative of the dedication and commitment of the officials within the branch in carrying out their duties.

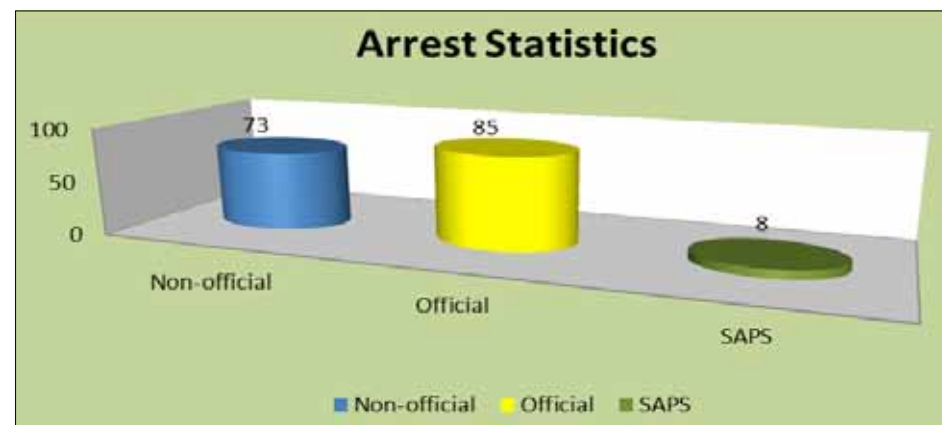
Below is a breakdown of the branch's performance during this period:

- Awareness initiatives on ethics, fraud prevention and counter corruption are essential in ensuring an ethical workforce and decreasing instances of fraud and corruption. The branch conducted 41 awareness initiatives within the department in pursuance of this goal. These took the form of training on anti-corruption and ethics, circulars, electronic posters, emails, articles in Ikhaya (the department's internal publication) and posts on social media.
- The branch evaluated two processes within the department: late registration of birth, and asylum seeker and refugee management. This was aimed at identifying corruption vulnerabilities and security loopholes. The evaluation reports recommended measures to strengthen areas of identified vulnerabilities, which were shared with the relevant business units to strengthen internal control mechanisms.
- There were 96 security threats and risk assessments, which were conducted in accordance with the requirements of both the MISS and MPSS. The main objective of conducting these assessments is to ensure that adequate security measures are in place to mitigate unforeseen risks.
- The branch has the responsibility of conducting vetting fieldwork investigations of DHA employees (both current and prospective), as well as assisting in pre-employment screening and coordinating company screening. The target for the financial year was to finalise 620 vetting fieldwork investigations and refer them to the SSA. This target cuts across all rank levels in the department and represents applications for various grades of clearances: Top Secret, Secret and Confidential. The achievement for the period under review is 732 files, which were completed and submitted to the SSA.

- The department received 444 cases, of which 65% were finalised within 90 working days. There were 187 cases that were referred for internal disciplinary action. The department's Operation Bvisa Masina, a project that gets its name from a Venda phrase meaning "weed out the rot", has to date resulted in 166 people, comprising 73 Home Affairs officials, eight South African Police Service (SAPS) officials and 85 members of the public, being arrested for various violations of DHA legislation.

The department has approved the DHA Code of Ethics, which seeks to promote ethical behaviour within the DHA environment. The Code complements the Public Service Code of Conduct.

Noting the aforesaid progress, the department will continue with its efforts aimed at eradicating fraud and corruption in support of the objectives of the NDP to create a capable developmental state.



4. MINIMISING CONFLICT OF INTEREST

To minimise conflict of interests, SMS members are required to disclose their financial interests, in line with the SMS Handbook. Non-SMS officials are required to obtain approval from the head of the department prior to conducting business outside the public service on an annual basis in line with applicable public service legislative framework. A verification process to obtain information of officials who conduct work with organs of state is being conducted.

During the 2016/17 financial year, 138 (94%) SMS members submitted declarations and nine (6%) SMS members failed to submit declarations of financial interest in terms of the Public Service Regulations of 2001, as amended, by 30 April 2016. Nine non-compliant members were subjected to disciplinary action for failing to submit their financial disclosure forms by 30 April 2016. The sanction of guilty verdict, coupled with final written warnings, was issued in this regard.

5. CODE OF CONDUCT

The department adheres to the Public Service Code of Conduct and the disciplinary procedures for both SMS and non-SMS officials.

During the 2016/17 financial year, 150 employees were subjected to disciplinary action. This represents a decrease of 40% over the previous financial year. The decrease is mostly due to fewer employees defying new working hours. Sanctions issued were as follows: 51 deviant employees (34%) were dismissed (representing a decrease of 14%), 24 employees (16%) were suspended without remuneration (representing a decrease of 80%), 60 employees (40%) were awarded final written warnings and lesser warnings (representing an increase of 173%), 11 employees (7%) were pronounced not guilty (representing a decrease of 1%) and three employees were discharged due to abscondment.

While the department is still confronted with high volumes of fraud and corruption cases, there is a notable decrease in the number of these cases from the previous financial year (2015/16). These cases amounted to a total of 32 registered cases of misconduct (21%), representing a decrease of 43%. Gross negligence and gross dishonesty also featured prominently in terms of the types of misconduct committed by employees. These cases amounted to 16 cases of gross negligence (11%), representing an increase of 14%, and 21 cases of gross dishonesty (14%), representing an increase of 200% during the period under review. Twelve cases of absenteeism (8%), representing an increase of 50%, was

also registered. Improper conduct accounted for 63 of these cases (42%). Furthermore, 16 officials were placed on precautionary suspension during the financial year and 26 officials were released on bail.

During the period under review, the department received 65 arbitration awards of which 40 (62%) were ruled in favour of and 25 (38%) against the department. Fourteen (56%) of the awards ruled against the DHA were taken on review to the Labour Court. Out of the 65 awards, 22 (33.84%) were based on unfair labour practice, 10 (45.45%) were ruled in favour of the department and 12 (54.54%) were ruled against the department. Out of the 12 awards against the DHA, four (33.33%) were disputes declared on working hours involving 18 employees. Out of the 65 arbitration awards, 38 (58.46%) were based on unfair dismissals. Of these, 27 (71.05%) were ruled in favour of the department and 11 (28.94%) were ruled against the department. Out of 65 awards, four (6.15%) were based on the interpretation of collective agreements, three (75%) were ruled in favour of the department and one (25%) was ruled against the department. One pre-dismissal case was ruled against the department.

The department received 103 grievances, four (3.88%) from SMS members, and 99 (96.11%) from non-SMS members. Thirty (29.12%) were resolved within the provisions of the grievance procedure and 28 (27.18%) were resolved outside the prescribed time frames. Forty-five (43.68%) were still in process at the end of the period under review.

6. HEALTH, SAFETY AND ENVIRONMENTAL ISSUES

During the year under review, the department implemented and monitored various occupational health and safety (OHS) programmes. The department identified the need to empower and capacitate its employees in order to minimise occupational injuries to reduce health and safety risk in the workplace environment.

Six immigration officials at ports of entry were vaccinated for hepatitis A, meningitis and tetanus. In support of continuous awareness, 23 Safety, Health and Environment (SHE)

Committee meetings were held. The department continued with internal assessments aimed at identifying occupational and potential health risks in terms of Section 8 of the Occupational Health and Safety Act, 1993 (Act No. 85 of 1993). OHS audits were conducted in six provinces. Occupational injuries were reported to the Compensation Commissioner for the year under review.

7. PORTFOLIO COMMITTEES

Parliamentary engagements for the 2016–2017 financial year

Parliamentary oversight committees scheduled 47 parliamentary engagements with the department and its entities in the period under review. Of the 47 engagements scheduled, 36 meetings took place, while 11 were either cancelled or postponed by the committees. These were as follows:

- Portfolio Committee on Home Affairs: 25 meetings held, 11 meetings cancelled or postponed
- Select Committee on Social Services: five meetings held, no cancellations or postponements
- Portfolio Committee on Labour: two meetings held
- Portfolio Committee on International Relations and Cooperation: one meeting held
- Standing Committee on Public Accounts: one meeting held
- Portfolio Committee on Public Service and Administration, Monitoring and Evaluation: one meeting held

One joint committee meeting was held during the period under review in which the DHA

participated. This was the joint meeting of the Portfolio Committee on Home Affairs and the Portfolio Committee on Telecommunications and Postal Services to receive a briefing by SITA on services to the DHA.

See the table below for details on the topics of the parliamentary engagements. During the briefings, members of the committee posed questions to which the department responded. Following the department's tabling of its APP 2016/17 in Parliament on 8 March 2016, the Budget Debate on Vote 5 in the National Assembly took place on 22 April 2016 and the Policy Debate on Vote 5 in the NCOP took place on 24 May 2016.

Committees of Parliament conducted two oversight visits during the financial year.

The first visit was a multi-party delegation of the Select Committee on Social Services and the Select Committee on Education and Recreation. The delegation visited the Beitbridge port of entry on 29 August 2016 as part of the NCOP oversight week. The objective of the visit was to do an in-loco inspection and have a meeting with the DHA and relevant stakeholders managing the port. The DHA and the centre management were accorded an opportunity to present a report to the delegation of the NCOP. During the visit, the Committee focused on the following:

- The clearance of tourists, foot travellers, bus passengers and commercial drivers, the detention and deportation of illegal immigrants, monthly statistics and reports, and the permit application process for work, residence and students
- Clearance of both exported and imported cargo, the facilitation of goods received in bond and transit, the collection of duties and taxes for imported goods, and interventions for preventing the smuggling of illicit goods
- Patrols and policing the border post control area and crime prevention
- Port health inspections and examination processes

The second visit was a multi-party delegation of the Select Committee on Social Services and the Select Committee on Education and Recreation. The delegation visited Mpumalanga from 27 to 31 March 2017 as part of the NCOP oversight week. The programme was part of the NCOP's constitutional mandate of ensuring that provincial interests are taken into account in the national sphere of government. As part of week-long programme, the delegation also visited the Department's Mbombela local office on 28 March 2017 (the large satellite office at the Rob Ferreira health facility). They

also inspected the Mbangwane Thusong Service Centre on 30 March 2017, where the department provides services two days a week.

On 30 March 2017, the department participated in a workshop to extensively brief the South African parliamentary delegation on all topics to be discussed at the 24th South African-European Union inter-parliamentary meeting taking place in April 2017. To this end, the department presented a discussion paper on bridging the security gap between the developed and developing countries with regard to immigration.

The BMA Bill, 2016, was tabled in Parliament on 26 May 2016 and the Refugees Amendment Bill, 2016, was introduced in Parliament on 16 September 2016.

The DHA's Annual Report 2015/16 was submitted to Parliament on 5 December 2016 and its APP 2017/18 was tabled in Parliament on 10 March 2017.

No.	Date of meeting	Committee/ Parliament	Agenda/topic	Venue and time	Responsibility	Status/ comments
1.	Tuesday, 5 April 2016	Portfolio Committee on Home Affairs	Briefing by the IEC and GPW on the APP and Budget for the 2016/17 financial year	S35, NCOP Building, Parliament 09:30–13:00	CEO: IEC and CEO: GPW	Honoured – teams from IEC and GPW led by respective CEOs
2.	Tuesday, 5 April 2016	Select Committee on Social Services	Briefing on the DHA's Strategic Plan and Budget Vote 2015–2017	Parliament 09:30–13:00	DDG: IPS (CD: P&SM)	Honoured – Deputy Minister led DHA delegation
3	Wednesday, 11 May 2016	Portfolio Committee on Labour	Briefing on immigration policy and issuing of work permits to foreign nationals	S12A, NCOP Building, Parliament 09:30–13:00	DDG: IMS	Honoured – Acting DDG: IMS led DHA delegation
4.	Tuesday, 17 May 2016	Portfolio Committee on Home Affairs	Briefing by the IEC on registration and preparation for LGE and Constitutional Court decision on adding addresses or particularities of voters in the voters' role	V475, Old Assembly, Parliament 09:30–13:00	CEO: IEC	Honoured – CEO: IEC led delegation
5.	Wednesday, 25 May 2016	Select Committee on Social Services	Briefing on Immigration amendment Bill [B5-2016]	Parliament 09:30–13:00	DDG: IMS/ CD: LS	Honoured – DDG: IMS led delegation
6.	Tuesday, 16 August 2016	Portfolio Committee on Home Affairs	Briefing by the DHA on the Border Management Authority Bill [B9-2016]	E249, New Wing, Parliament 09:30–13:00	PM: BMA	Honoured – DG led delegation

No.	Date of meeting	Committee/ Parliament	Agenda/topic	Venue and time	Responsibility	Status/ comments
7.	Tuesday, 16 August 2016	Select Committee on Social Services	Deliberations and finalisation of the Immigration Amendment Bill [B5-2016] section (75)	Parliament 10:00-12:30	CD: LS	Honoured – DDG: IMS led delegation
8.	Tuesday, 23 August 2016	Portfolio Committee on Home Affairs	Briefing by DHA on expenditure and performance of the fourth quarter 2015/16 and first quarter 2016/17 reports	M315, Marks Building, Parliament 09:30-13:00	DDG: IPS	Honoured – DG led delegation
9.	Tuesday, 30 August 2016	Portfolio Committee on Home Affairs	Briefing by DHA on status and collaboration at harbours and participation in protecting the ocean economy	M315, Marks Building, Parliament 09:30-13:00	PM: BMA	Honoured – PM: BMA led delegation
10.	Tuesday, 6 September 2016	Portfolio Committee on Home Affairs and Portfolio Committee on Telecommunications and Postal Services	Joint meeting with Portfolio Committee on Telecommunications and Postal Services on the briefing by SITA on services to DHA	Committee Room 2, 90 Plein Street, Parliament 09:30-13:00	Acting DDG: IS	Honoured – DG led DHA delegation
11.	Wednesday, 7 September 2016	Portfolio Committee on Labour	Follow up briefing by DHA on progress with regards to the issuing of work permits to foreign nationals on farms visited in Mpumalanga	S26, NCOP Building, Parliament 09:30-13:00	CD: Inspectorate	Honoured – CD: Inspectorate led DHA delegation
12.	Tuesday, 13 September 2016	Portfolio Committee on Home Affairs	Public hearings and submissions on Border Management Authority Bill [B9-2016]	V475, Old Assembly, Parliament 09:30-13:00	CD: LS/ PM: BMA	Honoured – Minister led DHA delegation
13.	Tuesday, 14 September 2016	Portfolio Committee on Home Affairs	Portfolio Committee deliberations of the submissions received on the Border Management Authority Bill [B9-2016]	V227, Old Assembly, Parliament 09:30-13:00	CD: LS/ PM: BMA	Honoured – Minister led DHA delegation
14.	Tuesday, 20 September 2016	Portfolio Committee on Home Affairs	Departmental responses to submissions/hearings on Border Management Authority Bill [B9-2016]	Room 535, NCOP Building, Parliament 09:30-13:00	CD: LS/ PM: BMA	Honoured – PM: BMA led delegation
15.	Tuesday, 11 October 2016	Portfolio Committee on Home Affairs	Briefing by the DHA on the Refugees Amendment Bill [B12-2016]	M315, Marks Building, Parliament 09:30-16:00	CD: LS/ DDG: IMS	Honoured – Deputy Minister led DHA delegation

No.	Date of meeting	Committee/ Parliament	Agenda/topic	Venue and time	Responsibility	Status/ comments
16.	Wednesday, 12 October 2016	Portfolio Committee on Home Affairs	1. Briefing by the GPW and the IEC on their 2015/16 annual reports 2. Deliberations on the Border Management Authority Bill [B9-2016]	Committee Room 3, 90 Plein Street, Parliament 09:30–16:00	Acting CEO: GPW and CEO: IEC PM: BMA	Honoured – teams from IEC and GPW led by their respective CEOs DG led DHA delegation
17.	Tuesday, 18 October 2016	Portfolio Committee on Home Affairs	Clause-by-clause deliberations on the Border Management Authority Bill [B9-2016]	Committee Room 1, 90 Plein Street, Parliament 09:30–16:00	CD: LS/ PM: BMA	Honoured – DG led delegation
18.	Tuesday, 25 October 2016	Portfolio Committee on Home Affairs	Consideration of the A and B versions of the Border Management Authority Bill [B12-2016]	Committee Room 2, 90 Plein Street, Parliament 09:30–13:00	CD: LS/ PM: BMA	Honoured – DG led delegation
19.	Tuesday, 1 November 2016	Portfolio Committee on Home Affairs	Consideration of the A and B versions of the Border Management Authority Bill [B12-2016]	Committee Room 2, 90 Plein Street, Parliament 09:30–13:00	CD: LS/ PM: BMA	Honoured – PM: BMA led delegation
20.	Tuesday, 1 November 2016	Standing Committee on Public Accounts (SCOPA)	Explanation on delayed tabling of DHA Annual Report			
21.	Tuesday, 8 November 2016	Portfolio Committee on Home Affairs	1. Constitutional Court ruling on search and seizure without a warrant 2. Consideration of Portfolio Committee Amendments to the BMA Bill	Committee Room 2, 90 Plein Street, Parliament 09:30–13:00	PM: BMA/ CD: LS	Honoured – DG led delegation
22.	Tuesday, 15 November 2016	Portfolio Committee on Home Affairs	Public hearings on the Refugees Amendment Bill [B12-2016]	Committee Room 1, 90 Plein Street, Parliament 09:30–13:00	CD: LS/ DDG: IMS	Honoured – DDG: IMS led delegation
23.	Tuesday, 29 November 2016	Portfolio Committee on Home Affairs	Consideration of the BMA Bill and adoption	Committee Room 2, 90 Plein Street, Parliament 09:30–13:00	PM: BMA/ CD: LS	Honoured – PM: BMA led delegation
24.	Tuesday, 6 December 2016	Portfolio Committee on Home Affairs	1. Briefing by the AGSA on the audit outcomes of the Annual Report 2015/16 of the DHA 2. Briefing by DHA on its Annual Report 2015/16 3. Consideration of the A and B list of the Border Management Authority Bill [B9-2016]	E249, New Wing, Parliament 09:30–13:00	DDG: IPS/CFO	Honoured – Deputy Minister led DHA delegation

No.	Date of meeting	Committee/ Parliament	Agenda/topic	Venue and time	Responsibility	Status/ comments
25.	Tuesday, 24 January 2017	Portfolio Committee on Home Affairs	Refugees Amendment Bill [B12-2016]: public hearings	M514, Marks Building, Parliament 09:30–13:00	CD: LS	Honoured – CD: LS led delegation
26.	Tuesday, 31 January 2017	Portfolio Committee on Home Affairs	Briefing by the DHA on the budget and performance reports of the second quarter 2016/17 and third quarter 2016/17	V119, Old Assembly Wing, Parliament 09:30–13:00	DDG: IPS/CFO	Honoured – CD: LS led delegation
27.	Tuesday, 14 February 2017	Portfolio Committee on Home Affairs	Briefing by DHA on the Green Paper/ White Paper on the International Migration Policy	Committee Room 3, 90 Plein Street, Parliament 09:30–13:00	DDG: IPS/ DDG: IMS	Honoured – CD: LS led delegation
28.	Tuesday, 21 February 2017	Portfolio Committee on Home Affairs	Response by DHA on the submissions received on the Refugees Amendment Bill [B12-2016]	Committee Room 3, 90 Plein Street, Parliament 09:30–13:00	DDG: IMS/ CD: LS	Honoured – Deputy Minister led delegation
29.	Tuesday, 21 February 2017	Select Committee on Social Services	Invitation to present the DHA Annual Report 2015/16	M315, Marks Building, Parliament 10:30–13:00	DDG: IPS/CFO	Honoured – DG led delegation
30.	Wednesday, 22 February 2017	Portfolio Committee on International Relations and Cooperation	DHA input on the Foreign Services Bill	Committee Room 2, 90 Plein Street, Parliament 10:30–13:00	DDG: IMS/ CD: LS	Honoured – DG led delegation
31.	Tuesday, 28 February 2017	Portfolio Committee on Home Affairs	1. Deliberations on the Refugees Amendment Bill [B12-2016] 2. Consideration and approval of the amendments to the BMA Bill: deliberations	V227, Old Assembly Wing, Parliament 09:30–13:00	DDG: IMS/ CD: LS PM:BMA	Honoured – Deputy Minister led delegation
32.	Tuesday, 7 March 2017	Portfolio Committee on Home Affairs	1. Further deliberations on the Refugees Amendment Bill [B12-2016] 2. Clause-by-clause deliberations on amendments to the Border Management Authority Bill [B9 - 2016]	M515, Marks Building, Parliament 09:30–13:00	DDG: IMS/ CD: LS PM: BMA	Honoured – Deputy Minister led delegation
33.	Tuesday, 8 March 2017	Portfolio Committee on Home Affairs	Clause-by-clause deliberation on the Refugees Amendment Bill [B12 -2016]	M201, Marks Building, Parliament 09:30–13:00	DDG: IMS/ CD: LS	Honoured – Deputy Minister led delegation

No.	Date of meeting	Committee/ Parliament	Agenda/topic	Venue and time	Responsibility	Status/ comments
34.	Tuesday, 14 March 2017	Portfolio Committee on Home Affairs	Briefing by DHA on the APP and Budget for 2017/18	Committee Room 3, 90 Plein Street, Parliament 09:30–13:00	DDG: IPS/CFO	Honoured – DG led delegation
35.	Wednesday, 15 March 2017	Portfolio Committee on Public Service and Administration, Monitoring and Evaluation	Briefing on 30-day payment to service providers	M314, Marks Building, Parliament 09:30–13:00	CFO	Honoured – CFO represented the DHA
36.	Wednesday, 22 March 2017	Select Committee on Social Services	Briefing by the Department of Home Affairs: <ul style="list-style-type: none"> • Overview on Border Management Authority Bill [B9B-2016] section 75 • Refugees Amendment Bill [B12B-2016] section 75 	Ground floor Boardroom, Ministry of Home Affairs, FSI Building, Arcadia	PM: BMA/CD: LS	Honoured – Deputy Minister led delegation

8. PRIOR MODIFICATIONS TO AUDIT REPORTS

In respect of the 2015/16 financial year, the department was qualified on two matters, both of which were related to foreign revenue. The basis for the qualified audit opinion was departmental revenue and NRF receipts to be surrendered to the NRF, and accruals and payables not recognised. To deal with prior-year qualifications, the department embarked on a robust integrated approach whereby the following interventions were undertaken:

- The Top 1 000 meeting (comprising all managers from Assistant Director upwards, including heads of offices) was held on 28 March 2017 to provide feedback on the audit outcome for the 2015/16 financial year. This was with the intention of informing all relevant managers and clearly communicating the expectations in dealing with the audit findings.
- The monthly compliance checklist was revised with the intention to include all issues as raised by the AGSA. These monthly checklists are submitted directly to the Chief Financial Officer (CFO) who monitors compliance in the submission of checklists and reports to internal governing structures (MMM, EXCO and DMC).

- Frequent meetings were convened with the AGSA and National Treasury (Office of the Accountant-General) to agree on the accounting treatment with regard to legacy issues affecting revenue and asset management.

In addition to the various measures implemented, the audit action plan aimed at addressing audit findings was developed, where its implementation continued to be monitored in the back-to-basics meetings.

In preparation of the year-end annual financial statements, the year-end plan was developed and communicated to the relevant managers to inform them of reporting requirements and submission dates. The plan was tracked on a daily basis to assess the status review of the relevant information that must be included in the annual financial statements.

9. INTERNAL CONTROL UNIT

An Internal Control Unit was established in the Branch: Finance and Supply Chain Management some years ago. The purpose of this directorate is to ensure that only valid invoices are paid. It performs the following verification checks on payment vouchers:

- Check if the invoice amount agrees with the order form
- Confirm that expenditure approval was done by a duly delegated official
- Reconcile the invoice to the order

- Verify if the contract is still valid or not
- Verify that all the supporting documents to the transaction are attached

If the payment voucher does not meet the payment requirements, the voucher is returned to SCM as a dispute for rectification by the supplier. If the payment voucher meets the requirements, it would then be stamped, signed and sent to the Payment Unit for capturing and final authorisation on BAS and LOGIS.

10. INTERNAL AUDIT AND AUDIT COMMITTEES

Key activities and objectives of the internal audit

The Chief Directorate: Audit Services of the DHA obtains its mandate from the PFMA, Act No. 1 of 1999, as amended, and its Treasury Regulations, as amended.

The purpose of Chief Directorate: Internal Audit Services is to provide independent, objective assurance and consulting services designed to add value and improve the department's operations. It helps the department accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

The Internal Audit Function reports to the Audit Committee and administratively to the Deputy Director-General: Institutional Planning and Support (DDG: IP&S). In order to ensure its independence, it operates under the terms of the Internal Audit Charter approved by the Audit Committee.

The scope of work of the Chief Directorate: Internal Audit Services is to determine whether the department's network of risk management, control and governance processes, as

designed and represented by management, is adequate and functioning in a manner to ensure, among other things, that:

- risks are appropriately identified and managed;
- interaction with the various governance groups within the department and/or the public service occurs as appropriate;
- significant financial, managerial and operating information is accurate, reliable and timely;
- employees' actions are in compliance with policies, standards, procedures and applicable laws and regulations;
- resources are economically acquired, efficiently used, and adequately protected;
- programmes, plans and objectives are achieved effectively;
- quality and continuous improvement are fostered in the department's control process; and
- significant legislative and/or regulatory issues that impact on the department are recognised and addressed appropriately.

Summary of audit work done

The 2016/17 Annual Internal Audit Plan was approved by the Audit Committee on 12 May 2016. The Internal Audit Function completed 35 audit projects during the period under review.

The scope of work of the Internal Audit Function covered the following:

- Financial audits conducted at the Branch: Finance and Supply Chain Management
- Audits of performance information conducted at all branches
- Operational audits such as birth registrations and late registrations of birth, asylum seeker and refugee management, and detention and deportation at core branches
- Information communication technology audits, which include information security assessments, NIS reviews and e-channel post implementation reviews

The Internal Audit Function has furthermore conducted follow-up audits to ensure that efficient and effective internal controls are implemented.

Key activities and objectives of the Audit Committee

The Audit Committee must, in terms of paragraph 3.1.10 of the Treasury Regulations and its approved Audit Committee Charter, review the following:

- The effectiveness of the internal control systems
- The effectiveness of the internal audit function
- The risk areas of the department's operations to be covered in the scope of internal and external audits
- The adequacy, reliability and accuracy of financial information provided to management and other users of such information
- Any accounting and auditing concerns identified as a result of internal and external audits
- The department's compliance with legal and regulatory provisions
- The activities of the internal audit function, including its annual work programme, coordination with the external auditors (the AGSA), the reports of significant investigations and the responses of management to specific recommendations.

The table below discloses relevant information on the Audit Committee members:

Name	Qualifications	Internal or external	If internal, position in the department	Date appointed	Date resigned	Number of meetings attended
Mr Sathie Gouden	- BCompt, Unisa - Higher Diploma in Accounting - Chartered Accountant - Professional Accountant - Certificate in Forensic Accounting and Fraud Examination - Executive Leadership Development	External	N/A	1 May 2012	N/A	8 meetings
Ms Zukiswa Ntlangula	- Masters Diploma in Human Resources Management - LLB degree - B Juris degree - Law Society of South Africa	External	N/A	1 July 2014	N/A	5 meetings
Ms Juliana Makapan	- MBA Human Resources Management	External	N/A	1 July 2014	N/A	8 meetings

Name	Qualifications	Internal or external	If internal, position in the department	Date appointed	Date resigned	Number of meetings attended
Ms Bothale Maditse	<ul style="list-style-type: none"> - BCom Financial Accounting - BCom Honours in Auditing - Chartered Accountant of South Africa (CA(SA)) - South African Institute of Chartered Accountants (SAICA) 	External	N/A	1 February 2016	N/A	4 meetings
Mr Charl de Kock	<ul style="list-style-type: none"> - South African Institute of Professional Accountants (SAIPA) - MIT (Auditing) - Honours degree in Accounting - Certified Information System Auditor - Certified Internal Auditor - Financial articles at firm of external auditors 	External	N/A	01 January 2016	N/A	8 meetings

11. AUDIT COMMITTEE REPORT

AUDIT COMMITTEE REPORT FOR THE YEAR ENDED 31 March 2017

The Audit Committee (Committee) hereby presents its report in respect of the financial year ended 31 March 2017 in terms of its obligations according to Paragraph 3.1.13 of the Treasury Regulations issued in terms of section 38(1) (a) and section 77 of the Public Finance Management Act (PFMA), Act 1 of 1999, as amended by Act 29 of 1999.

1. AUDIT COMMITTEE MEMBERS, MEETINGS AND ATTENDANCE

The Department has established an Audit Committee in accordance with the provisions of section 38(1) (a) (ii) and 77(a) of the PFMA. The Audit Committee Charter requires that the Audit Committee be composed of a minimum of three (3) and a maximum of five (5) members, the majority of which should be from outside the public service.

In terms of section 77(b) of the PFMA, the Audit Committee must meet at least twice a year. The Committee meetings during the financial year under review were attended as follows:

Name of member	Scheduled Meetings	Attended
Mr. S Gounden (Chairperson)	8	8
Ms. J Makapan	8	8
Ms. Z Ntlangula	8	5
Ms. B Maditse	8	4
Mr. C de Kock	8	8

The members of the Committee held meetings throughout the reporting period, with the Director-General, senior management of the Department and Internal Audit, collectively and individually, on matters related to governance, internal control and risk management.

2. AUDIT COMMITTEE RESPONSIBILITY

The Audit Committee has complied with its responsibilities arising from section 38(1)(a) (ii) of the PFMA and Treasury Regulation 3.1.13, and also report that it operated in terms of the Audit Committee Charter read in conjunction with the Internal Audit Charter, as its terms of reference in discharging all its responsibilities as regulated therein.

3. EFFECTIVENESS OF INTERNAL CONTROLS

The Committee acknowledges management's efforts to strengthen internal controls in the Department. There is a need for increased technical support, monitoring and evaluation from Head Office to unlock the full potential of these efforts.

The Committee is concerned that in certain instances the matters reported in prior years were not fully and satisfactorily addressed. Management has given assurance that effective corrective action will be implemented in respect of all internal control weaknesses and the Committee will monitor these going forward.

The Department has adopted aggressive anti-corruption measures to curb the frequency and magnitude of fraud and corruption. The Committee is not completely satisfied with the prevention of fraud and these concerns have been raised with management. The Committee has requested that the detailed fraud prevention plan and progress reports on the action plans for addressing the fraud risks be tabled at each quarterly meeting of the Audit Committee.

Due to the strategic importance of, and massive investment in the modernisation of information and communication technology (ICT) in the Department, the Committee has monitored the risk register and progress reports on the respective action plans during the year under review. The Committee is still concerned that certain ICT risks, which include obtaining IT specialist capacity, are not yet sufficiently addressed or mitigated in implementing the new systems.

Discussions have been held with management on steps to be taken to improve the internal control environment, as well making staff more accountable for areas under their control. Whilst the Committee is satisfied with the improvement in the state of the internal control environment, more effort need to be put in place in order that the internal control environment is effective.

4. THE QUALITY OF MANAGEMENT'S MONTHLY / QUARTERLY REPORTS SUBMITTED IN TERMS OF THE PFMA AND THE DIVISION OF REVENUE ACT ("DORA")

The Committee was largely satisfied with the content and quality of quarterly financial reports prepared and issued by the Department during the year under review, in compliance with the statutory reporting framework. However, the Committee has suggested improvements to reports especially relating to performance information and timeous submission.

5. INTERNAL AUDIT FUNCTION

The Committee was satisfied that Internal Audit had properly discharged its functions and responsibilities during the year under review. The capacity of Internal Audit has been enhanced through the restructuring of the internal audit department and investments in an intensive training programme.

6. RISK MANAGEMENT

The Committee is responsible for the oversight of the risk management function. The Risk Management Committee reports to the Audit Committee on the Department's management of risk on a quarterly basis. The Risk Management Committee is chaired by a person that is a specialist and is independent of the Department of Home Affairs. The Committee has reviewed the risk register and the reports from the Risk Management Committee and is concerned with the level of maturity of the risk management process.

7. EVALUATION OF THE ANNUAL FINANCIAL STATEMENTS

The Committee has:

- reviewed and discussed the audited Annual Financial Statements included in the annual report, with the Auditor-General and the Accounting Officer;
- reviewed the Auditor-General's management letter and management's response thereto;

- reviewed and discussed the Performance Information with management;
- reviewed changes in Accounting Policies and practices; and
- reviewed the entity's compliance with Legal and Regulatory provisions.

8. EVALUATION OF THE FINANCE FUNCTION

Based on management's assertions and from assurance provided by Internal Audit, the Committee is not completely satisfied with the Department's finance function during the year under review.

The Committee acknowledges that based on budgetary cuts, vacancies could not be filled, which resulted in the Department not being able to operate at its optimal level.

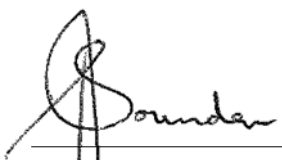
9. AUDITOR-GENERAL'S REPORT

The Committee concurs with and accepts the conclusions and audit opinion of the Auditor-General on the annual financial statements and supports the view that the audited financial statements be accepted and read together with the report of the Auditor-General.

The Committee confirms that it has been actively involved throughout the audit process and is thoroughly appraised of the issues giving rise to the audit opinion.

The Committee appreciates the enormity of the audit challenges associated with managing a large, geographically dispersed and complex entity. The Committee has requested management to take corrective measures to ensure that repeat audit findings are cleared timeously.

On behalf of the Audit Committee



S. Gounden
Chairperson of the Audit Committee

Pretoria
25 August 2017





PART D:

HUMAN RESOURCES MANAGEMENT

1. INTRODUCTION

The status of human resources in the Department:

The Department's top three tiers organisational structure was reviewed during 2016/17 to reposition itself as an organisation that is responsive to the needs of the client.

To strengthen the calibre of candidates recruited into the department, and to ensure the alignment of recruitment practices to the NDP, advertisements have continued to be reviewed for relevance and impact in terms of content, look and feel. In addition, the department has maintained the approach that all senior and middle managers are subjected to compulsory competency assessment as a normal part of the selection process.

An integrated employee mobility and utilisation policy, which is aligned to the new Public Service Regulations, 2016, is being developed. This will aid in introducing best practice, uniformity in application and sound risk management strategies.

The Department progress on employment equity targets against the National Economic Active Population by gender and race is depicted below:

(The tables below depict the 2016 Economic Active Population (EAP) produced by Statistic South Africa)

Race	Male	Female	Total
African	42.8%	35.1%	78%
Asian/Indian	1.8%	1.0%	2.8%
Coloured	5.3%	4.5%	9.8%
White	5.3%	4.2%	9.5%
Total	55.2%	44.8%	100%

Source: Statistics South Africa (Quarterly Labour Force Survey, 3rd quarter, 2016)

The department's race and gender status reflects a decline in comparison with that of 2015/16.

A decline was recorded for all four categories, due to National Treasury's directive on the non-filling of posts. Furthermore the White, Coloureds and Indian categories continue to be under-represented. However, the African category remains over-represented across all salary levels.

The representation of People living with Disabilities for 2016/17 has improved and is currently at 1.58% from 1.57% in 2015/16. Collaboration with relevant organisations and institutions is continuing to encourage people with disabilities to apply for vacant positions, as and when they are advertised.

The status of the SMS is at 56.21% (male) and 43.79% (female), in comparison with 54.32% (male) and 45.68% (female) in 2015/16. To address this imbalance, a directive was issued that all vacant funded posts at SMS level be filled by female staff members.

The figures below indicate the difference between the expected representation and the current status of all the race groups

Total workforce for 2016/17

Race	Female	Male	Total workforce by race	EAP against workforce
African	4 940 (51.34%)	3 464 (36%)	8 404 (87.33%)	78% (-9.33%)
Coloureds	338 (3.51%)	244 (2.53%)	582 (6.04%)	9.8% (3.76%)
Indians	56 (0.58%)	41 (0.43%)	97 (1.01%)	2.8% (1.79%)
Whites	397 (4.12%)	143 (1.49%)	540 (5.61%)	9.5% (3.89%)
Total	5 731 (59.56%)	3 892 (40.44%)	9 623	100%

Source: Personnel and Salaries Database (PERSAL)

During the 2016/17 financial year, 490 managers (195 junior managers, 238 middle managers and 57 senior managers) were engaged in the leadership and management development programmes to improve performance. The following courses were completed:

- Service Delivery Improvement (client relations),
- Finance Management
- Multiple Intelligences
- Diversity Management
- Operations Management
- SMS Project Khaedu (coalface) Training
- Supply Chain and Bid Management
- Security Management
- Advanced Management Development Programme (AMDP)
- Policy Formulation and Implementation
- Coaching and mentoring

In response to the call of the NDP, the department participated in three career exhibitions hosted by the National Youth Development Agency (NYDA), the Department of Tourism in KwaZulu-Natal, DIRCO, and the Department of Higher Education and Training, in conjunction with the Public Service Sector Education and Training Authority (PSETA) for the Khetha radio show.

During the year under review, the department hosted 349 interns, 160 cadets and 402 workplace-integrated or experiential learners from Amajuba, Proserv South Africa, EOH and the Safety and Security Sector Education and Training Authority (SASSETA).

The full implementation of the national Absenteeism Management Framework within the department has continued to be monitored, together with the use of the improved management tools developed and implemented during the 2013/14 financial year. Monthly leave credit and trend analysis reports continue to be issued to all SMS members to strengthen the monitoring process. Monthly leave audit verifications continue to be undertaken by managers. Non-compliance and challenges are reported to various corporate governance structures. The capturing of leave on PERSAL is being tracked on a weekly basis, and suspense file transactions are monitored and managed towards clearance, thereby improving the department's ability to accurately assess its leave liability at any given stage.

Dedicated audits of attendance registers versus leave transactions on staff files and PERSAL were conducted. In addition, bi-annual leave liability analyses were conducted, and recommendations communicated to all senior managers.

Human Resources Priorities for the year under review and the impact of these

The seven key HR priorities listed below, outlined in the strategy, aim to drive organisational culture change and effectiveness, and enhance people management practices:

- **Talent acquisition:**
Recruit for competence, qualification, organisational fit, motivation and attitude. Partner with line management and introduce an e-recruitment process.
- **HR business process and systems:**
Develop and review core and support business processes to ensure alignment with organisational functions. Attain the modernised DHA business processes. Facilitate the implementation of SOPs to ensure consistent application of legislation, policies and procedures.
- **Employee health and wellness:**
Facilitate the implementation of employee health and wellness strategies to support employee performance.
- **Transformation and change:**
Drive the change agenda and mainstream gender and disability.
- **Employee and labour relations:**
Drive a zero-tolerance approach towards corruption and ill-discipline. Create awareness on ethical conduct to ensure good conduct and attitude, thereby improving the image of the DHA.
- **Performance management:**
Drive compliance and a performance culture to enhance a work and performance ethic through contracting, reviewing and recognising excellent performance (rewards and recognition) as part of the Moetapele initiative.
- **HR development:**
Build skills levels and leadership capacity and capability that is suitable for a service-oriented environment

Workforce Planning and key strategies to attract and recruit a skilled and capable workforce:

The Human Resources Plan (HRP) takes into consideration the staffing requirements for priority programmes aligned to the strategic and policy obligations of the department. This includes determining the correct numbers and skills of staff required; the optimal utilisation of staff; the management of surplus and shortage of staff. Emanating from the transformative requirements of the department, the HRP also reflects on the creation of a multi-skilled, representative and flexible workforce.

The DHA's MTEF Human Resource Plan 2016–2019 was approved and submitted to the DPSA, which identified the following five key strategies for implementation:

- Diversity management
- Succession planning
- Leadership development
- Talent management
- Capacity development

Employee Performance Management

The department has moved towards inculcating a culture of effective performance management. The compliance rate for the submission of performance assessment in the department is 99.8%. The compliance rate for the submission of performance agreements in the department is 99%.

The department has introduced a measuring toolkit to ensure that officials are evaluated objectively. The measuring toolkit has been designed to operationalise performance measures for the respective performance ratings. This will promote objectivity in the allocation of performance rating for managers and moderating committee members. Awareness sessions, through workshops throughout the Department were conducted..

Managers are encouraged to recognise good performance on a monthly basis. Monthly reward and recognition serves as a feeder to the department's excellence awards. A total of 7 881 officials received pay progression increases and 1 420 officials received performance bonuses. Performance incentives in respect of the 2015/16 performance cycle have been fully processed.

The department has compiled a performance improvement guideline for managers. The purpose of the guideline is to assist managers in managing incapacity and inadequate



work performance. Workshops and awareness sessions have been conducted for staff and managers. The improvement of officials' performance is a priority for the department. Oversight bodies such as the DPSA and AGSA monitor the implementation of interventions as contained in officials' performance improvement plans. The department submitted an underperformance status report for SMS members 2015/16 mid-year assessment results on 31 March 2017. Performance improvement diagnosis and interventions will be conducted in identified business units to improve the performance of officials who perform below the norm.

Employee wellness programmes

The employee wellness programmes are focused on implementing the government agenda. These are implemented in terms of the National Strategic Plan 2012–2016. In lieu of the latter, the following programs were rolled out:

- Human Immunodeficiency Virus (HIV) and Acquired Immunodeficiency Syndrome (AIDS);
- Sexually transmitted infections (STIs);
- Tuberculosis (TB) and
- Other chronic diseases.

As a result, the following are the results for the 2016/17 financial year:

- 288 employees underwent HIV voluntary counselling and testing (VCT)
- 770 employee health screenings were conducted by the Government Employees Medical Scheme (GEMS) to test for blood pressure, cholesterol, blood sugar, and body mass index (BMI)
- 412 employees had their blood screened at a blood donations drive
- 305 employees donated blood
- 4 peer educator meetings were held in Mpumalanga, Northern Cape, Gauteng and KwaZulu-Natal
- 182 employees received face-to-face counselling from ICAS and
- 290 employees received telephone counselling
- 204 employees received counselling and therapeutic interventions

A total of 7 719 employees were reached through the rolling out of Employee Wellness Programs.



2. LEGISLATION THAT GOVERNS HR MANAGEMENT

The functioning of human resources in the Public Service is governed by legislation and other policy frameworks. HR executes its functions based on, among others, the following legislative frameworks:

The Constitution of the Republic of South Africa (1996)
White Paper on the Transformation of the Public Service, 1995
White Paper on Human Resource Management in the Public Service, 1997
Public Service Act, 1994, as amended
Public Service Regulations, 2001, as amended
Public Service Bargaining Council Resolutions
Code of Remuneration (CORE), 1999, as amended
The SMS Handbook, 2003, as amended
Labour Relations Act (LRA), 66 of 1995

Basic Conditions of Employment Act, 75 of 1997
Employment Equity Act (EEA), 55 of 1998
Skills Development Act, 97 of 1998
Skills Development Levies Act, 1999
Occupational Health and Safety Act, 1993
Compensation for Occupational Injuries and Diseases Act, 130 of 1993

Human Resources has identified key business processes and developed Standard Operating Procedures and Toolkits in order to guide people management and empowerment of line management in executing the HR function in their respective units. These include; leave management, performance management, discipline management, DHA cadre ambassador, recruitment, retention and exit management.

3. HUMAN RESOURCES OVERSIGHT STATISTICS

3.1 PERSONNEL-RELATED EXPENDITURE

The following tables summarise the final audited personnel-related expenditure by programme and by salary bands. In particular, it provides an indication of the following:

- The amount spent on personnel
- The amount spent on salaries, overtime, homeowner's allowances and medical aid

Table 3.1.1: Personnel expenditure by programme for the period 1 April 2016 to 31 March 2017

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services expenditure (R'000)	Personnel expenditure as a percentage of total expenditure	Average personnel cost per employee (R'000)
Programme 1: Administration	481 383	433 282	2 459	45 642	90	45
Programme 2: Citizen Affairs	1 879 870	1 876 295	72	3 503	100	195
Programme 3: Immigration Affairs	708 515	703 771	62	4 682	99	73
Total	3 069 768	3 013 348	2 593	53 827	98	313

Table 3.1.2: Personnel costs by salary band for the period 1 April 2016 to 31 March 2017

Salary band	Personnel expenditure (R'000)	Percentage of total personnel cost	Number of employees	Average personnel cost per employee (R'000)
Lower skilled (levels 1-2)	0	0	0	0
Skilled (levels 3-5)	128 456	4.26	681	188
Highly skilled production (levels 6-8)	1 914 823	63.53	7 714	248
Highly skilled supervision (levels 9-12)	618 365	20.52	754	820
Senior and top management (levels 13-16)	349 574	11.60	151	2 315
Contract (levels 1-2)	0	0	0	0
Contract (levels 3-5)	486	0.02	315	2
Contract (levels 6-8)	391	0.01	5	78
Contract (levels 9-12)	880	0.03	1	880
Contract (levels 13-16)	371	0.03	2	186
Periodical remuneration	2	0	0	0
Total	3 013 348	100	9 623	313

Table 3.1.3: Salaries, overtime, home owners' allowance and medical aid by programme for the period 1 April 2016 to 31 March 2017

Programme	Salaries		Overtime		Home owners' allowance (HOA)		Medical aid	
	Amount (R'000)	Salaries as a percentage of personnel costs	Amount (R'000)	Overtime as a percentage of personnel costs	Amount (R'000)	HOA as a percentage of personnel costs	Amount (R'000)	Medical aid as a percentage of personnel costs
Programme 1: Administration	346 673	11.50	3 688	0.12	12 760	0.42	18 039	0.60
Programme 2: Citizen Affairs	1 339 886	44.47	16 365	0.54	82 484	2.74	127 750	4.24
Programme 3: Immigration Affairs	708 515	23.51	11 954	0.40	26 882	0.89	43 057	1.43
Total	2 395 074	79.48	32 007	1.06	122 126	4.05	188 846	6.27

Table 3.1.4: Salaries, overtime, home owners' allowance and medical aid by salary band for the period 1 April 2016 to 31 March 2017

Salary band	Salaries		Overtime		Home owners' allowance		Medical aid	
	Amount (R'000)	Salaries as a percentage of personnel costs	Amount (R'000)	Overtime as a percentage of personnel costs	Amount (R'000)	HOA as a percentage of personnel costs	Amount (R'000)	Medical aid as a percentage of personnel costs
Skilled (levels 1-2)	0	0	0	0	0	0	0	0
Skilled (levels 3-5)	109 572	3.64	870	0.03	9 087	0.30	11 423	0.38
Highly skilled production (levels 6-8)	1 834 718	60.89	24 214	0.80	103 658	3.44	158 642	5.26
Highly skilled supervision (levels 9-12)	347 331	11.53	3 560	0.12	8 305	0.28	16 890	0.56
Senior management (levels 13-16)	103 182	3.42	0	0	1 076	0.04	1 891	0.06
Contract (levels 1-2)	0	0	0	0	0	0	0	0
Contract (levels 3-5)	18	0	0	0	0	0	0	0
Contract (levels 6-8)	196	0.01	3 363	0.11	0	0	0	0
Contract (levels 9-12)	41	0	0	0	0	0	0	0
Contract (levels 13-16)	14	0	0	0	0	0	0	0
Periodical remuneration	2	0	0	0	0	0	0	0
Total	2 395 074	79.48	32 007	1.06	122 126	4.05	188 846	6.27

3.2 EMPLOYMENT AND VACANCIES

The tables in this section summarise the position with regard to employment and vacancies.

The following tables summarise the number of posts on the establishment, the number of employees, the vacancy rate and whether there are any staff members that are additional to the establishment.

This information is presented in terms of three key variables: programme, salary band and critical occupations (see definition in notes below).

Departments have identified critical occupations that need to be monitored. In terms of current regulations, it is possible to create a post on the establishment that can be occupied by more than one employee. Therefore, the vacancy rate reflects the percentage of posts that are not filled.

Table 3.2.1: Employment and vacancies by programme as at 31 March 2017

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy rate	Number of employees additional to the establishment
Programme 1: Administration	1 072	1 067	0.5	171
Programme 2: Citizen Affairs	6 470	6 451	0.3	140
Programme 3: Immigration Affairs	1 785	1 782	0.2	12
Total	9 327	9 300	0.3	323

Table 3.2.2: Employment and vacancies by salary band as at 31 March 2017

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy rate	Number of employees additional to the establishment
Lower skilled (levels 1-2)	0	0	0	0
Skilled (levels 3-5)	682	681	0.1	0
Highly skilled production (levels 6-8)	7 734	7 714	0.3	0
Highly skilled supervision (levels 9-12)	758	754	0.5	0
Senior management (levels 13-16)	153	151	1.3	0
Contract (levels 1-2)	0	0	0	0
Contract (levels 3-5)	0	0	0	315
Contract (levels 6-8)	0	0	0	5
Contract (levels 9-12)	0	0	0	1
Contract (levels 13-16)	0	0	0	2
Total	9 327	9 300	0.3	323

Table 3.2.3: Employment and vacancies by critical occupations as at 31 March 2017

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy rate	Number of employees additional to the establishment
Identification experts	254	252	0.8	0
Information technology related	25	25	0	0
Legal related	15	15	0	0
Other information technology personnel	109	109	0	0
Regulatory inspectors	1 943	1 938	0.3	0
Total	2 346	2 339	0.3	0

Notes:

- The CORE classification, as prescribed by the DPSA, should be used for the completion of this table.
- Critical occupations are defined as occupations or subcategories within an occupation:
 - (a) in which there is a scarcity of qualified and experienced persons currently or anticipated in the future, either because such skilled persons are not available or they are available, but do not meet the applicable employment criteria;
 - (b) for which persons require advanced knowledge in a specified subject area or science or learning field and such knowledge is acquired by a prolonged course or study and/or specialised instruction;
 - (c) where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and
 - (d) in respect of which a department experiences a high degree of difficulty to recruit or retain the services of employees.

3.3 FILLING OF SMS POSTS

The tables in this section provide information on employment and vacancies as it relates to members of the SMS by salary level. It also provides information on the advertising and filling of SMS posts, reasons for not complying with prescribed timeframes and disciplinary steps taken.

Table 3.3.1: SMS post information as at 31 March 2017

SMS level	Total number of funded SMS posts	Total number of SMS posts filled	Percentage of SMS posts filled	Total number of SMS posts vacant	Percentage of SMS posts vacant
Director-General/ Head of Department	1	1	100	0	0
Salary level 16	2	2	100	0	0
Salary level 15	10	10	100	0	0
Salary level 14	33	33	100	0	0
Salary level 13	108	107	99.1	1	0.9
Total	154	153	99.4	1	0.6

Table 3.3.2: SMS post information as at 30 September 2016

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100	0	0
Salary level 16	2	2	100	0	0
Salary level 15	9	9	100	0	0
Salary level 14	33	32	96.97	1	3.03
Salary level 13	114	112	98.25	2	1.75
Total	159	156	98.11	3	1.89

Table 3.3.3: Advertising and filling of SMS posts for the period 1 April 2016 to 31 March 2017

SMS level	Total number of funded SMS posts	Total number of SMS posts filled	Percentage of SMS posts filled	Total number of SMS posts vacant	Percentage of SMS posts vacant
Director-General/ Head of Department	0	0	0	0	0
Salary level 16	0	0	0	0	0
Salary level 15	0	0	0	0	0
Salary level 14	0	0	0	0	0
Salary level 13	0	0	0	0	0
Total	0	0	0	0	0

Table 3.3.4: Reasons for not having complied with the filling of funded vacant SMS-advertised within six months and filled within 12 months after becoming vacant for the period 1 April 2016 to 31 March 2017

Reasons for vacancies not advertised within six months
Prioritisation of funded SMS posts
Reasons for vacancies not filled within six months
Not applicable

Notes:

In terms of the Public Service Regulations, Chapter 1, Part VII C.1A.3, departments must indicate good cause or reason for not having complied with the filling of SMS posts within the prescribed timeframes.

Table 3.3.5: Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2016 to 31 March 2017

Reasons for vacancies not advertised within six months
Not applicable
Reasons for vacancies not filled within six months
Not applicable

Notes:

In terms of the Public Service Regulations, Chapter 1, Part VII C.1A.2, departments must indicate good cause or reason for not having complied with the filling of SMS posts within the prescribed timeframes. In the event of non-compliance with this regulation, the relevant Executive Authority or Head of Department must take appropriate disciplinary steps in terms of section 16A(1) or (2) of the Public Service Act.



3.4 JOB EVALUATION

Within a nationally determined framework, executing authorities may evaluate or re-evaluate any job in their organisation. In terms of the Regulations, all vacancies on salary levels 9 and higher must be evaluated before they are filled. The following table summarises the number of jobs that were evaluated during the year under review. The table also provides statistics on the number of posts that were upgraded or downgraded.

Table 3.4.1: Job evaluation by salary band for the period 1 April 2016 to 31 March 2017

Salary band	Number of posts on approved establishment	Number of jobs evaluated	Percentage of posts evaluated by salary bands	Posts upgraded		Posts downgraded	
				Number	Percentage of posts evaluated	Number	Percentage of posts evaluated
Lower skilled (levels 1-2)	0	0	0	0	0	0	0
Skilled (levels 3-5)	682	0	0	0	0	0	0
Highly skilled production (levels 6-8)	7 734	0	0	0	0	0	0
Highly skilled supervision (levels 9-12)	758	0	0	0	0	0	0
SMS Band A	107	0	0	0	0	0	0
SMS Band B	33	0	0	0	0	0	0
SMS Band C	10	0	0	0	0	0	0
SMS Band D	3	0	0	0	0	0	0
Total	9 327	0	0	0	0	0	0

The following table provides a summary of the number of employees whose positions were upgraded due to their post being upgraded. The number of employees might differ from the number of posts upgraded since not all employees are automatically absorbed into the new posts and some of the posts upgraded could also be vacant.

Table 3.4.2: Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2016 to 31 March 2017

Gender	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
Total	0	0	0	0	0
Employees with a disability					0

The following table summarises the number of cases where remuneration bands exceeded the grade determined by job evaluation. Reasons for the deviation are provided in each case.

Table 3.4.3: Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2016 to 31 March 2017

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Bus and heavy vehicle drivers	1	7	8	Grade progression
Cashiers tellers and related clerks	32	5	6	Grade progression
Cashiers tellers and related clerks	3	5	7	Structural amendment
Client inform clerks (switchboard reception information clerks)	1	5	6	Grade progression
Financial and related professionals	1	7	8	Grade progression
Financial clerks and credit controllers	4	6	7	Grade progression
Human resource clerks	1	6	7	Grade progression
Human resource clerks	1	7	8	Grade progression
Identification experts	2	6	7	Grade progression
Legal related	1	10	12	Occupation-specific dispensation
Library mail and related clerks	2	6	7	Grade progression
Light vehicle drivers	1	5	6	Grade progression
Other administrative and related clerks and organisers	2	5	6	Grade progression
Other administrative and related clerks and organisers	349	6	7	Grade progression
Other administrative and related clerks and organisers	7	6	8	Structural amendment
Other administrative and related clerks and organisers	1	6	10	Structural amendment
Other administrative and related clerks and organisers	42	7	8	Grade progression
Other administrative policy and related officers	3	6	7	Grade progression
Other administrative policy and related officers	6	7	8	Grade progression
Other administrative policy and related officers	1	8	10	Structural amendment
Regulatory inspectors	51	6	7	Grade progression
Secretaries and other keyboard operating clerks	7	6	7	Grade progression
Secretaries and other keyboard operating clerks	2	7	8	Grade progression
Senior manager	1	13	14	Deployment
Senior managers	1	14	15	Structural amendment
Total number of employees whose salaries exceeded the level determined by job evaluation				523
Percentage of total employed				5.6

The following table summarises the beneficiaries of the above in terms of race, gender and disability.

Table 3.4.4: Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2016 to 31 March 2017

Gender	African	Asian	Coloured	White	Total
Female	210	20	2	151	383
Male	108	4	3	25	140
Total	318	24	5	176	523
Employees with a disability	5	1	0	3	9
Total number of employees whose salaries exceeded the grades determine by job evaluation					None

3.5 EMPLOYMENT CHANGES

This section provides information on changes in employment over the financial year. Turnover rates provide an indication of trends in the employment profile of the department. The following tables provide a summary of turnover rates by salary band and critical occupations (see definition in notes below).

Table 3.5.1: Annual turnover rates by salary band for the period 1 April 2016 to 31 March 2017

Salary band	Number of employees at beginning of period: 1 April 2016	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled (levels 1-2)	0	0	0	0
Skilled (levels 3-5)	718	0	29	4
Highly skilled production (levels 6-8)	7 865	117	275	3.5
Highly skilled supervision (levels 9-12)	787	3	43	5.5
SMS Band A	113	0	9	8
SMS Band B	33	2	3	9.1
SMS Bands C	8	0	0	0
SMS Band D	3	0	0	0
Contract (levels 1-2)	0	0	0	0
Contract (levels 3-5)	429	258	368	85.8
Contract (levels 6-8)	10	4	4	40
Contract (levels 9-12)	8	1	2	25
Contract SMS Band A	4	0	0	0
Contract SMS Band B	0	1	0	0
Contract SMS Band C	2	1	1	50
Contract SMS Band D	0	0	0	0
Total	9 980	387	734	7.4

Table 3.5.2: Annual turnover rates by critical occupation for the period 1 April 2016 to 31 March 2017

Critical occupation	Number of employees at beginning of period: 1 April 2016	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Identification experts	260	0	7	2.7
Information technology related	28	0	3	10.7
Legal related	15	1	2	13.3
Other information technology personnel	114	1	5	4.4
Regulatory inspectors	2 008	2	67	3.3
Total	2 425	4	84	3.5

Notes:

- The CORE classification, as prescribed by the DPSA, should be used for completion of this table.
- Critical occupations are defined as occupations or subcategories within an occupation:
 - (a) in which there is a scarcity of qualified and experienced persons currently or anticipated in the future, either because such skilled persons are not available or they are available, but do not meet the applicable employment criteria;
 - (b) for which persons require advanced knowledge in a specified subject area or science or learning field and such knowledge is acquired by a prolonged course or study and/or specialised instruction;
 - (c) where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and
 - (d) in respect of which a department experiences a high degree of difficulty to recruit or retain the services of employees.

The table below identifies the major reasons why staff left the department.

Table 3.5.3: Reasons why staff left the department for the period 1 April 2016 to 31 March 2017

Termination type	Number	Percentage of total resignations
Death	36	4.90
Resignation	197	26.84
Expiry of contract	325	44.28
Dismissal – misconduct	35	4.77
Discharged due to ill-health	9	1.23
Retirement	87	11.85
Transfer to other public service departments	45	6.13
Total	734	100
Total number of employees who left as a percentage of total employment		7.60

Table 3.5.4: Promotions by critical occupation for the period 1 April 2016 to 31 March 2017

Occupation	Employees: 1 April 2016	Promotions to another salary level	Salary level promotions as a percentage of employees by occupation	Progressions to another notch within a salary level	Notch progression as a percentage of employees by occupation
Identification experts	260	0	0	242	93.1
Information technology related	28	0	0	24	85.7
Legal related	15	0	0	12	80
Other information technology personnel	114	0	0	50	43.9
Regulatory inspectors	2 008	0	0	1 618	80.6
Total	2 425	0	0	1 946	80.2

Table 3.5.5: Promotions by salary band for the period 1 April 2016 to 31 March 2017

Salary band	Employees: 1 April 2016	Promotions to another salary level	Salary bands promotions as a percentage of employees by salary level	Progressions to another notch within a salary level	Notch progression as a percentage of employees by salary bands
Lower skilled (levels 1-2)	0	0	0	0	0
Skilled (levels 3-5)	718	0	0	595	82.9
Highly skilled production (levels 6-8)	7 865	9	0.11	6 561	83.4
Highly skilled supervision (levels 9-12)	787	0	0	636	80.8
Senior management (levels 13-16)	157	0	0	113	72
Contract (levels 1-2)	0	0	0	0	0
Contract (levels 3-5)	429	0	0	0	0
Contract (levels 6-8)	10	0	0	0	0
Contract (levels 9-12)	8	0	0	0	0
Contract (levels 13-16)	6	1	16.67	2	33.3
Total	9 980	10	0.10	7 907	79.2

3.6 EMPLOYMENT EQUITY

Table 3.6.1: Total number of employees (including employees with disabilities) in each of the following occupational categories as at 31 March 2017

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	68	9	2	8	52	2	5	7	153
Professionals	152	11	2	8	170	8	3	19	373
Technicians and associate professionals	423	27	12	27	487	33	14	57	1 080
Clerks	1 523	104	16	42	3 104	234	30	290	5 343
Service and sales workers	1 071	79	9	57	866	46	4	24	2 156
Plant and machine operators and assemblers	126	8	0	1	8	0	0	0	143
Labourers and related workers	101	6	0	0	253	15	0	0	375
Total	3 464	244	41	143	4 940	338	56	397	9 623
Employees with disabilities	66	6	0	5	60	5	1	9	152

Table 3.6.2: Total number of employees (including employees with disabilities) in each of the following occupational bands as at 31 March 2017

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	7	1	0	1	1	0	1	0	11
Senior management	59	6	1	6	49	2	4	8	135
Professionally qualified and experienced specialists and mid-management	332	28	13	32	246	19	9	32	711
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	2 714	183	24	99	4 059	278	42	346	7 745
Semi-skilled and discretionary decision making	226	19	0	4	386	34	0	11	680
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
Contract (top management)	0	1	0	0	1	0	0	0	2
Contract (senior management)	1	1	1	1	1	0	0	0	5
Contract (professionally qualified)	1	0	2	0	4	0	0	0	7
Contract (skilled technical)	49	4	0	0	72	5	0	0	130
Contract (semi-skilled)	75	1	0	0	121	0	0	0	197
Contract (unskilled)	0	0	0	0	0	0	0	0	0
Total	3 464	244	41	143	4 940	338	56	397	9 623

Table 3.6.3: Recruitment for the period 1 April 2016 to 31 March 2017

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	0	0	0	0	0	0	0	0	0
Senior management	0	1	0	0	1	0	0	0	2
Professionally qualified and experienced specialists and mid-management	2	0	0	0	1	0	0	0	3
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	27	0	0	1	85	3	0	1	117
Semi-skilled and discretionary decision making	0	0	0	0	0	0	0	0	0
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
Contract (top Management)	0	0	0	0	1	0	0	0	1
Contract (senior Management)	0	0	0	1	0	0	0	0	1
Contract (professionally qualified)	0	0	0	0	1	0	0	0	1
Contract (skilled technical)	50	4	0	0	68	5	0	0	127
Contract (semi-skilled)	43	1	0	0	90	0	1	0	135
Contract (unskilled)	0	0	0	0	0	0	0	0	0
Total	122	6	0	2	247	8	1	1	387
Employees with disabilities	2	0	0	0	2	0	0	0	4

Table 3.6.4: Promotions for the period 1 April 2016 to 31 March 2017

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	0	0	0	0	0	0	0	0	0
Senior management	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	0	0	0	0	0	0	0	0	0
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	1	0	0	0	7	1	0	0	9
Semi-skilled and discretionary decision making	0	0	0	0	0	0	0	0	0
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
Contract (top management)	0	0	0	0	1	0	0	0	1
Total	1	0	0	0	8	1	0	0	10
Employees with disabilities	0	0	0	0	0	0	0	0	0

Table 3.6.5: Terminations for the period 1 April 2016 to 31 March 2017

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	0	0	0	0	0	0	0	0	0
Senior management	3	0	0	1	7	0	0	1	12
Professionally qualified and experienced specialists and mid-management	21	0	1	3	12	4	0	2	43
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	112	5	1	10	106	10	1	30	275
Semi-skilled and discretionary decision making	9	0	0	0	18	1	0	1	29
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
Contract (top management)	0	0	0	0	0	0	0	0	0
Contract (senior management)	0	0	0	0	1	0	0	0	1
Contract (professionally qualified)	0	0	0	1	1	0	0	0	2
Contract (skilled technical)	68	2	0	1	123	2	0	0	196
Contract (semi-skilled)	53	0	0	0	119	1	3	0	176
Contract (unskilled)	0	0	0	0	0	0	0	0	0
Total	266	7	2	16	387	18	4	34	734
Employees with disabilities	3	0	0	2	1	1	0	1	8

Table 3.6.6: Disciplinary action for the period 1 April 2016 to 31 March 2017

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Guilty	75	1	0	3	54	4	0	1	138
Not guilty	3	0	0	1	5	0	0	0	9
Not required	1	0	0	0	1	0	0	0	2
Resigned	0	0	0	0	0	1	0	0	1
Withdrawn	0	0	0	0	0	0	0	0	0
Total	79	1	0	4	60	5	0	1	150

Table 3.6.7: Skills development for the period 1 April 2016 to 31 March 2017

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	75	10	3	8	59	2	3	11	171
Professionals	56	2	1	0	55	6	2	8	130
Technicians and associate professionals	117	14	5	11	128	13	0	13	301
Clerks	211	7	4	6	462	13	3	9	715
Service and sales workers	299	21	2	15	305	10	1	4	657
Plant and machine operators and assemblers	8	0	0	0	0	0	0	0	8
Labourers and related workers	1	0	0	0	10	0	0	0	11
Total	767	54	15	40	1019	44	9	45	1 993
Employees with disabilities	12	4	0	0	12	0	2	0	30

3.7 SIGNING OF PERFORMANCE AGREEMENTS BY SMS MEMBERS

All members of the SMS must conclude and sign performance agreements within specific timeframes. Information regarding the signing of performance agreements by SMS members, the reasons for not complying within the prescribed timeframes and disciplinary steps taken are presented here.

Table 3.7.1: Signing of performance agreements by SMS members as at 31 May 2016

SMS level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as percentage of total number of SMS members
Director-General/ Head of Department	1	1	1	100
Salary level 16	2	2	0	0
Salary level 15	11	10	7	70
Salary level 14	37	32	31	96.88
Salary level 13	122	114	114	100
Total	173	159	153	96.23

Notes:

In the event of a national or provincial election occurring within the first three months of a financial year, all members of the SMS must conclude and sign their performance agreements for that financial year within three months following the month in which the elections took place. For example if elections took place in April, the reporting date in the heading of the table above should change to 31 July 20ZZ.

Table 3.7.2: Reasons for not having concluded performance agreements for all SMS members as on 31 May 2016

Reasons
The following SMS members did not conclude their Performance Agreements by 31 May 2016:
MKN Gigaba (SL16) – political appointment and therefore not applicable
FI Chohan (SL16) – political appointment and therefore not applicable
MRE Mamoepa (SL15) – official seconded to the Office of the Deputy President
NL Moyo (SL15) – Special Advisor – political appointment and therefore not applicable
TJ Msomi (SL15) – Special Advisor – political appointment and therefore not applicable
K Sloth-Nielsen (SL14) – Chairperson of the Standing Committee on Refugee Affairs and therefore not applicable

Table 3.7.3: Disciplinary steps taken against SMS members for not having concluded performance agreements as on 31 May 2016

Reasons
No disciplinary steps were taken against SMS members due to justifiable reasons as mentioned in Table 3.7.2



3.8 PERFORMANCE REWARDS

To encourage good performance, the department has granted the following performance rewards during the year under review. The information is presented in terms of race, gender, disability, salary bands and critical occupations (see definition in notes below).

Table 3.8.1: Performance rewards by race, gender and disability for the period 1 April 2016 to 31 March 2017

Race and gender	Beneficiary profile			Cost	
	Number of beneficiaries	Number of employees	Percentage of total within group	Cost (R)	Average cost per employee (R)
African					
Male	458	3 464	13.22	2 891 047	6,312
Female	725	4 940	14.68	4 057 120	5,588
Asian					
Male	3	41	7.32	28 063	9,354
Female	7	56	12.50	51 019	7,288
Coloured					
Male	39	244	15.98	264 869	6,792
Female	59	338	17.46	337 566	5,721
White					
Male	27	143	18.88	230 307	8,530
Female	102	397	25.69	674 153	6,609
Total	1 420	9 623	14.76	8 534 145	6,006

Table 3.8.2: Performance rewards by salary band for personnel below SMS for the period 1 April 2016 to 31 March 2017

Salary band	Beneficiary profile			Cost		Total cost as a percentage of the total personnel expenditure
	Number of beneficiaries	Number of employees	Percentage of total within salary bands	Total cost (R)	Average cost per employee (R)	
Lower skilled (levels 1–2)	0	0	0	0	0	0.0
Cost (levels 3–5)	122	681	17.91	400 279	3,281	1.6
Highly skilled production (levels 6–8)	1 141	7 714	14.79	6 080 322	5,324	0.20
Highly skilled supervision (levels 9–12)	157	754	20.82	2 053 543	13,080	0.33
Contract (levels 1–2)	0	0	0	0	0	0
Contract (levels 3–5)	0	315	0	0	0	0
Contract (levels 6–8)	0	5	0	0	0	0
Contract (levels 9–12)	0	1	0	0	0	0
Total	1 420	9 470	14.99	8 534 145	6,006	0.28

Table 3.8.3: Performance rewards by critical occupation for the period 1 April 2016 to 31 March 2017

Critical occupation	Beneficiary profile			Cost	
	Number of beneficiaries	Number of employees	Percentage of total within occupation	Total cost (R)	Average cost per employee (R)
Identification experts	54	252	21.43	267 877	4,961
Information technology related	3	25	12.00	49 192	16,397
Legal related	5	15	33.33	88 921	17,784
Other information technology personnel	16	109	14.68	151 637	9,477
Regulatory inspectors	172	1 938	8.88	944 432	5,491
Total	250	2 339	10.69	1 502 059	6,008

Notes:

- The CORE classification, as prescribed by the DPSA, should be used for completion of this table.
- Critical occupations are defined as occupations or subcategories within an occupation:
 - (a) in which there is a scarcity of qualified and experienced persons currently or anticipated in the future, either because such skilled persons are not available or they are available, but do not meet the applicable employment criteria;
 - (b) for which persons require advanced knowledge in a specified subject area or science or learning field and such knowledge is acquired by a prolonged course or study and/or specialised instruction;
 - (c) where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and
 - (d) in respect of which a department experiences a high degree of difficulty to recruit or retain the services of employees.

Table 3.8.4: Performance-related rewards (cash bonus), by salary band for SMS for the period 1 April 2016 to 31 March 2017

Salary band	Beneficiary profile		Cost		Cost		Total cost as a percentage of the total personnel expenditure
	Number of beneficiaries	Number of employees	Percentage of total within salary bands	Total cost (R'000)	Average cost per employee		
Band A	0	107	0	0	0	0	
Band B	0	33	0	0	0	0	
Band C	0	10	0	0	0	0	
Band D	0	3	0	0	0	0	
Total	0	153	0	0	0	0	

3.9 FOREIGN WORKERS

The tables below summarise the employment of foreign nationals in the department in terms of salary band and major occupation.

Table 3.9.1: Foreign workers by salary band for the period 1 April 2016 to 31 March 2017

Salary band	1 April 2016		31 March 2017		Change	
	Number	Percentage of total	Number	Percentage of total	Number	Percentage change
Lower skilled (levels 1–2)	0	0	0	0	0	0
Highly skilled production (levels 6–8)	0	0	0	0	0	0
Highly skilled supervision (levels 9–12)	1	100	1	100	0	0
Contract (levels 9–12)	0	0	0	0	0	0
Contract (level 13–16)	0	0	0	0	0	0
Total	1	100	1	100	0	0

Table 3.9.2: Foreign workers by major occupation for the period 1 April 2016 to 31 March 2017

Major occupation	1 April 2016		31 March 2017		Change	
	Number	Percentage of total	Number	Percentage of total	Number	Percentage change
Administrative office workers	1	100	1	100	0	0
Total	1	100	1	100	0	0

3.10 LEAVE UTILISATION

The Public Service Commission identified the need for careful monitoring of sick leave within the public service. The following tables provide an indication of the use of sick leave and disability leave. In both cases, the estimated cost of the leave is also provided.

Table 3.10.1: Sick leave for the period 1 January 2016 to 31 December 2016

Salary band	Total days	Percentage days with medical certification	Number of employees using sick leave	Percentage of total employees using sick leave	Average days per employee	Estimated cost (R'000)
Lower skills (levels 1–2)	0	0	0	0	0	0
Skilled (levels 3–5)	10 003	66.2	1 571	15.7	6	7 060
Highly skilled production (levels 6–8)	83 372	55.2	7 572	75.65	11	86 849
Highly skilled supervision (levels 9–12)	6 289	52.6	721	7.2	9	14 229
Top and senior management (levels 13–16)	990	58.38	125	1.25	8	3 698
Contract (levels 1–2)	0	0	0	0	0	0
Contract (levels 3–5)	10	30	2	0.02	5	7
Contract (levels 6–8)	65	27.69	9	0.09	7	76
Contract (levels 9–12)	28	71.4	6	0.06	5	67
Contract (levels 13–16)	11	27.2	3	0.03	4	45
Total	100 768	55.77	10 009	100	10	112 031

Table 3.10.2: Disability leave (temporary and permanent) for the period 1 January 2016 to 31 December 2016

Salary band	Total days	Percentage days with medical certification	Number of employees using disability leave	Percentage of total employees using disability leave	Average days per employee	Estimated cost (R'000)
Lower skilled (levels 1–2)	0	0	0	0	0	0
Skilled (levels 3–5)	632	100	21	11.05	30	415
Highly skilled production (levels 6–8)	5 658	100	154	81.05	37	5 890
Highly skilled supervision (levels 9–12)	582	100	12	6.32	49	1 250
Senior management (levels 13–16)	59	100	3	1.58	20	223
Total	6 931	100	190	100	36	7 778

The table below summarises the utilisation of annual leave. The wage agreement concluded with trade unions in the PSCBC in 2000 requires management of annual leave to prevent high levels of accrued leave being paid at the time of termination of service.

Table 3.10.3: Annual leave for the period 1 January 2016 to 31 December 2016

Salary band	Total days taken	Number of employees using annual leave	Average per employee
Lower skilled (levels 1–2)	0	0	0
Skilled (levels 3–5)	26 534	13	2 078
Highly skilled production (levels 6–8)	203 541	25	7 992
Highly skilled supervision (levels 9–12)	23 813	29	816
Senior management (levels 13–16)	3 829	25	155
Contract (levels 1–2)	0	0	0
Contract (levels 3–5)	5 330	12	443
Contract (levels 6–8)	170	15	11
Contract (levels 9–12)	176	20	9
Contract (levels 13–16)	108	14	8
Total	263 501	23	11 512

Table 3.10.4: Capped leave for the period 1 January 2016 to 31 December 2016

Salary band	Total days of capped leave taken	Number of employees using capped leave	Average number of days taken per employee	Average capped leave per employee as on 31 March 2017
Lower skilled (levels 1–2)	0	0	0	0
Skilled (levels 3–5)	9	6	2	52.94
Highly skilled production (levels 6–8)	540	96	6	50.82
Highly skilled supervision (levels 9–12)	52	13	4	58.33
Senior management (levels 13–16)	49	2	25	44.57
Total	650	117	6	51.88

The following table summarise payments made to employees as a result of leave that was not taken.

Table 3.10.5: Leave payouts for the period 1 April 2016 to 31 March 2017

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Leave payout for 2016/17 due to non-utilisation of leave for the previous cycle	0	0	0
Capped leave payouts on termination of service for 2016/17	5 236	82	64
Current leave payout on termination of service for 2016/17	11 088	103	108
Total	16 326	185	88

3.11 HIV/AIDS AND HEALTH PROMOTION PROGRAMMES

Table 3.11.1: Steps taken to reduce the risk of occupational exposure

Units or categories of employees identified to be at high risk of contracting HIV and related diseases (if any)	Key steps taken to reduce the risk
None	

Table 3.11.2: Details of health promotion and HIV/AIDS programmes (tick the applicable boxes and provide the required information)

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position	X		The incumbent retired on 31 December 2014. Currently the post is vacant and unfunded. Ms LV Moshoeite has been appointed to act in this post
2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and wellbeing of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose	X		Deputy Director: Quality of Work-life: Ms LV Moshoeite and two assistant directors Deputy Director: Occupational Health and Safety and one Assistant Director The annual budget for the programme is all-encompassing and amounts to approximately R1 984 000.00



Question	Yes	No	Details, if yes
<p>3. Has the department introduced an employee assistance or health promotion programme for your employees? If so, indicate the key elements or services of this programme</p>	X		<p>a) Hybrid Model: External service provider ICAS: Counselling, trauma debriefing, HIV and chronic disease management, life skills and marketing of all wellness services. Functional 24-hour toll-free telephone counselling available to employees and their immediate family members and ECARE: online wellness services accessible to employees. Internal services: Workplace-based interventions. Quality of Work-life Management Subdirectorate.</p> <p>b) Health calendar events conducted and health and productivity policy implemented: ongoing work-life balance and chronic disease management awareness/educational sessions are conducted and promotional materials distributed throughout the year: February: STI and Condom Week awareness conducted. March: TB and promotion of healthy lifestyles and sports day conducted. April: Healthy lifestyle awareness, health screening and HIV awareness conducted. May: Know your HIV status campaign and candlelight memorial day conducted. June: Blood screening and blood donation clinic, substance abuse awareness and sports day conducted. July: Men's health day: prostate cancer and medical male circumcision (MMC) awareness conducted. August: Choir competitions held in October. September: Heart, mental health awareness and sports day conducted. October: Women's Health Day: breast and cervical cancer education conducted. November: Red Ribbon awareness campaigns conducted. December: World AIDS Day and sports day conducted.</p> <p>c) HIV/ STI/ TB Management policy implemented: HIV/AIDS Peer education programme implemented, quarterly HIV Counselling and Testing conducted, blood screening and blood donation clinics held after every 8 weeks. HIV, STI, TB and healthy lifestyle brochures distributed, male and female condoms distributed.</p> <p>d) Wellness management policy implemented: quarterly health screening conducted, such as blood pressure, blood sugar, cholesterol, BMI, stress and obesity screening. Ongoing healthy lifestyle campaigns and educational sessions conducted.</p> <p>e) Performance enhancement programmes: choir, quarterly sports and wellness days conducted, life skills offered to employees (stress management, trauma debriefing, financial management, interpersonal relations, marital problems, parenting, etc.).</p> <p>f) Safety, health, environment, risk and quality (SHERQ) management: SHE representative appointed, health risk assessments, vaccinations of employees at ports of entries, harbours, holding facilities, office inspections and audits done regularly, reports with recommendations submitted to the Director-General.</p>

Question	Yes	No	Details, if yes
4. Has the department established: (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	X		<p>A total of 65 DHA employees representing all the provinces were appointed as Employee Wellness Committee members and trained as HIV/AIDS peer educators (five to eight employees per province, including National Office). Their names are as follows:</p> <p>National office: J. Mathane, J. Mmekwa, M. Tlou, K. Siko, M. Molefe, Z. Dube, D. Moabelo, L. Noma, M. Kobo, K. Letlape, V. Mofana</p> <p>North West: A Perekamoyo, P.Tlhone, P. Masilela, B. Loabile, T. Tlhone, L. Gaolae, L. Makhamba</p> <p>Free State: D. Moholo, T Sebueng, M. Lepitsi, T. Khobotlo, I. Matona</p> <p>Gauteng: M. Netshifhefhe, E. Motsiri, T. Ramokoka, S. Sambo, N. Nkanyani, L. Molantoa, M. Mbebe, J.Segone</p> <p>Limpopo: M. Nkanyane, L. Mashilo, P. Lediga, S. Sinden, S. Kgopotso, K. Tema</p> <p>Western Cape: N. Madolo, S. Mathiso, Z. Ndukwana, S. Mayekiso, N. Mtimkhulu</p> <p>Eastern Cape: B. Dlotho, T. Sajini, P. Maeselana-Ndungane, S. Timakwe</p> <p>Mpumalanga: Z. Mahlangu, G. Mashiane, T. Lusibane</p> <p>Northern Cape: L. Hlophe, M. Lekay, E. Pretorius, M. Malinga</p> <p>KwaZulu-Natal: S. Mofokeng, N. Ngcobo, N. Ndlovu, N. Mhlongo, B. Gabela, P. Nduli</p> <p>All the abovementioned committee members will serve their three-year term of office from 2016 to 2018.</p>
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	X		<ul style="list-style-type: none"> a) DHA HIV, STI, TB and Gender Rights-based Management Plan 2016-2017 (DHA Annual Plan signed by Director-General and submitted to DPSA and the Office of The Presidency) b) DHA HIV, STI, TB management policy developed c) Wellness management policy d) Health and productivity policy e) SHERQ f) HIV/AIDS peer education programme implemented g) Ongoing HIV, STI, TB education, awareness sessions conducted.
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	X		<ul style="list-style-type: none"> a) DHA HIV, STI, TB and Gender Rights-based Management Plan 2016-2017: Annual plan signed by Director-General and submitted to DPSA and the Office of The Presidency: emphasises protection of human rights, destigmatisation of HIV-positive employees, ongoing education about VCT and voluntary disclosure. b) Annual EWP operational plan with HIV, STI, TB activities' set targets and compliance issues c) HIV/AIDS peer education programme implemented: one meeting held per quarter and information-sharing sessions conducted on a monthly basis by peer educators, monthly reports submitted to head office. d) Five employees disclosed their status to EWP, among them one disclosed publicly to all employees of DHA, ongoing care and support provided to all.



Question	Yes	No	Details, if yes
7. Does the department encourage its employees to undergo VCT? If so, list the results that you have you achieved.	X		<ul style="list-style-type: none"> a) Quarterly HIV VCT conducted by GEMS: 288 employees tested, 285 tested negative, five tested positive, all enrolled in antiretroviral (ARV) clinics, one disclosed her status to the public; she is also an HIV peer educator. b) Quarterly health screenings conducted by GEMS: 770 employees tested for blood pressure, blood sugar, BMI, cholesterol. c) 5 000 male condoms and 1 000 female condoms, 9 000 HIV, STI, TB brochures and desk drops distributed d) Blood screening and blood donation clinics every eight weeks: 412 regular blood donors screened, 305 donated blood and 79 employees were declined from donating blood due to various reasons such as low iron level, being on antibiotics, having undergone operations, etc.
8. Has the department developed measures/indicators to monitor and evaluate the impact of its health promotion programme? If so, list these measures/indicators.	X		<ul style="list-style-type: none"> a) Developed and submitted costed operational plan with monthly, quarterly and annual targets. b) Monthly, quarterly and annual reports done and submitted with evidence of attendance registers, reports from GEMS and ICAS (7 719 employees attended calendar events awareness sessions, 288 tested for HIV, 285 tested negative and five tested positive, 770 employees underwent health screening: blood sugar, blood pressure, cholesterol, and BMI). c) Analysed GEMS and ICAS reports and developed intervention programmes in the form of educational and awareness sessions. d) Annual EWP health calendar events incorporated into DHA yearly planner. e) Minutes and reports with recommendations from peer educators and SHE representatives submitted and incorporated into monthly and quarterly reports of DHA.

3.12 LABOUR RELATIONS

Table 3.12.1: Collective agreements for the period 1 April 2016 to 31 March 2017

Subject matter	Date
Total number of collective agreements	None

The following table summarises the outcome of disciplinary hearings conducted within the department for the year under review.

Table 3.12.2: Misconduct and disciplinary hearings finalised for the period 1 April 2016 to 31 March 2017

Outcomes of disciplinary hearings	Number	Percentage of total
Written warning	1	0.67
Final written warning	59	39.33
Discharged (section17)	3	2.00
Dismissal	51	34
Not required	11	7.33
Resignations	1	0.67
Suspended without pay	16	10.67
Suspended without pay and final written warning	8	5.33
Total	150	100

Table 3.12.3: Types of misconduct addressed at disciplinary hearings for the period 1 April 2016 to 31 March 2017

Type of misconduct	Number	Percentage of total
Absenteeism	9	6.00
Abscondment	3	2.00
Financial misconduct	3	2.00
Fraud and corruption	32	21.33
Gross negligence	16	10.67
Improper conduct	63	42.00
Performance management	1	0.67
Misrepresentation	1	0.67
Assault	1	0.67
Gross dishonesty	21	14.00
Total	150	100

Table 3.12.4: Grievances logged for the period 1 April 2016 to 31 March 2017

Grievances	Number	Percentage of total
Number of grievances resolved	58	56.31
Number of grievances not resolved	45	43.69
Total number of grievances lodged	103	100

Table 3.12.5: Disputes lodged with councils for the period 1 April 2016 to 31 March 2017

Disputes	Number	Percentage of total
Number of disputes upheld	40	62
Number of disputes dismissed	25	38
Total number of disputes lodged	65	100

Table 3.12.6: Strike actions for the period 1 April 2016 to 31 March 2017

Total number of persons working days lost	0
Total costs working days lost	0
Amount recovered as a result of no work no pay (R'000)	0

Table 3.12.7: Precautionary suspensions for the period 1 April 2016 to 31 March 2017

Number of people suspended	16
Number of people whose suspension exceeded 30 days	16
Average number of days suspended	85
Cost of suspension	R855 701.92

3.13 SKILLS DEVELOPMENT

This section highlights the efforts of the department with regard to skills development.

Table 3.13.1: Training needs identified for the period 1 April 2016 to 31 March 2017

Occupational category	Gender	Number of employees as at 1 April 2016	Training needs identified at start of the reporting period			
			Learnerships	Skills programmes and other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	74	0	241		241
	Male	89	0	210	0	210
Professionals	Female	206	0	34	0	34
	Male	184	0	57	0	57
Technicians and associate professionals	Female	631	0	174	0	174
	Male	509	0	162	0	162
Clerks	Female	3 757	82	703	0	785
	Male	1 761	62	566	0	628
Service and sales workers	Female	962	0	251	0	251
	Male	1 267	0	289	0	289
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Labourers and related workers	Female	284	0	10	0	10
	Male	111	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	4	0	4
	Male	8	0	12	0	12
Elementary occupations	Female	137	0	0	0	0
	Male	0	0	0	0	0
Subtotal	Female	5 922	82	1 417	0	1 499
	Male	4 058	62	1 296	0	1 358
Total		9 980	144	2 713	0	2 857

3.13 SKILLS DEVELOPMENT

This section highlights the efforts of the department with regard to skills development.

Table 3.13.2: Training provided for the period 1 April 2016 to 31 March 2017

Occupational category	Gender	Number of employees as at 1 April 2016	Training needs identified at start of the reporting period			
			Learnerships	Skills programmes and other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	74	0	75	0	75
	Male	89	0	96	0	96
Professionals	Female	206	0	71	0	71
	Male	184	0	59	0	59
Technicians and associate professionals	Female	631	0	154	0	154
	Male	509	0	147	0	147
Clerks	Female	3757	81	406	0	487
	Male	1761	60	168	0	228
Service and sales workers	Female	962	0	320	0	320
	Male	1 267	0	337	0	337
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Labourers and related workers	Female	284	0	10	0	10
	Male	111	0	1	0	1
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	8	0	0	0	0
	Male	137	0	8	0	8
Elementary occupations	Female	0	0	0	0	0
	Male	0	0	0	0	0
Subtotal	Female	5 922	81	1 036	0	1 117
	Male	4 058	60	816	0	876
Total		9 980	141	1 852	0	1 993

3.14 INJURY ON DUTY

The following tables provide basic information on injury on duty.

Table 3.14.1: Injury on duty for the period 1 April 2016 to 31 March 2017

Nature of injury on duty	Number	Percentage of total
Required basic medical attention only	26	100
Temporary total disablement	0	0
Permanent disablement	0	0
Fatal	0	0
Total	26	100

3.15 UTILISATION OF CONSULTANTS

The following tables relate information on the utilisation of consultants in the department. In terms of the Public Service Regulations, “consultant” means a natural or juristic person or a partnership who or which provides, in terms of a specific contract on an ad hoc basis, any of the following professional services to a department against remuneration received from any source:

- (a) The rendering of expert advice
- (b) The drafting of proposals for the execution of specific tasks
- (c) The execution of a specific task that is of a technical or intellectual nature, but excludes an employee of a department



Table 3.15.1: Report on consultant appointments using appropriated funds for the period 1 April 2016 to 31 March 2017

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in rand
Alvistar	1	244	894 589.92
Arms Audit and Risk Management Solutions	1	When required	250 000.00
Banafrica	Dependent on which interpretation and translation service is required	212	1 274 872.00
Bitz	1	123	2 944 316.79
BVI Consulting Engineers	1	90	10 394 930.06
BVI Consulting Engineers	1	262	896 208.72
Emzansi Consulting Engineers	1	365	1 701 505.26
Execuprime Consulting	1	When required	8 323.00
GIJIMA Technology People	1	When required	15 212.00
Grant Thornton PS Advisory	Dependant on assignments	When required	1 258 420.66
KPMG (Pty) Ltd	4	240	12 327 371.87
Luckyvest Consulting Services	1	244	1 544 413.87
Metropolitan Health Services	1	365	244 644.11
Mogoma Research and Development	1	When required	14 488.00
Moikabi Consulting	1	91	689 920.00
Pricewaterhouse Coopers	15	365	1 449 336.94
SM Xulu Consulting	Dependent on assignments	When required	103 642.42
SOMA Initiative	1	When required	1 284 319.31
Teeque Trading Services T/A Time Quantum	1	244	1 132 855.84
Tlhogi's Consulting & Projects	1	244	1 301 049.72
Zakheni ICT	2	365	2 020 178.88
ZRGB Interpretation, Translations and Social Services	Dependent on which interpretation and translation service is required	365	3 608 462.00
Total		3 819	R45 359 061.37

Total number of projects	Total individual consultants	Total duration (work days)	Total contract value in rand
22	22	3 819	45 359 061.37

Table 3.15.2: Analysis of consultant appointments using appropriated funds in terms of historically disadvantaged individuals for the period 1 April 2016 to 31 March 2017

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that worked on the project
None			

Table 3.15.3: Report on consultant appointments using donor funds for the period 1 April 2016 to 31 March 2017

Project title	Total number of consultants that worked on project	Duration (work days)	Donor and contract value in rand
None			

Total number of projects	Total individual consultants	Total duration	Total contract value in rand
None			

Table 3.15.4: Analysis of consultant appointments using donor funds, in terms of historically disadvantaged individuals for the period 1 April 2016 to 31 March 2017

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
None			

3.16 SEVERANCE PACKAGES

Table 3.16.1: Granting of employee-initiated severance packages for the period 1 April 2016 to 31 March 2017

Salary band	Number of applications received	Number of applications referred to the Minister of Public Service and Administration	Number of applications supported by Minister of Public Service and Administration	Number of packages approved by department
Lower skilled (levels 1-2)	0	0	0	0
Skilled (levels 3-5)	0	0	0	0
Highly skilled production (levels 6-8)	0	0	0	0
Highly skilled supervision (levels 9-12)	0	0	0	0
Senior management (levels 13-16)	0	0	0	0
Total	0	0	0	0



PART E:

FINANCIAL INFORMATION



1. REPORT OF THE AUDITOR-GENERAL

Report of the auditor-general to Parliament on vote no. 5: Department of Home Affairs

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Department of Home Affairs set out on pages 161 to 235, which comprise the appropriation statement, the statement of financial position as at 31 March 2017, and the statement of financial performance, statement of changes in net assets and cash flow statement and for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion the financial statements present fairly, in all material respects the financial position of the Department of Home Affairs as at 31 March 2017 and its financial performance and cash flows for the year then ended in accordance with Modified Cash Standard (MCS) and the relevant guidance issued by the National Treasury and the requirements of the Public Finance Management Act, 1999 (Act No.1 of 1999) (PFMA).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of my report.
4. I am independent of the department in accordance with the International Ethics Standards Board for Accountants' Code of ethics for professional accountants (IESBA code) together with the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

6. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Restatement of corresponding figures

7. As disclosed in note 32 to the financial statements, the corresponding figures for the 31 March 2016 have been restated as a result of an error in the financial statements of the department at and for the year ended 31 March 2017.

Uncertainty relating to the future outcome of litigation

8. With reference to note 17 to the financial statements, the department is the defendant in various claims against the department. The department is opposing the claims. The ultimate outcome of the matters cannot presently be determined and no provision for any liability that may result has been made in the financial statements.

Irregular expenditure

9. As disclosed in note 23 to the financial statements, the irregular expenditure closing balance of R516 102 000 includes an amount of R146 005 000 incurred in current and prior years that was still under investigation at year end.

Other matter

10. I draw attention to the matter below. My opinion is not modified in respect of this matter.

Unaudited supplementary schedules

11. The supplementary information set out on pages 236 to 246 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion thereon.

Responsibilities of accounting officer for the financial statements

12. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with MCS and the requirements of the PFMA and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
13. In preparing the financial statements, the accounting officer is responsible for assessing the Department of Home Affairs' ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless there is an intention either to liquidate the department or to cease operations, or there is no realistic alternative but to do so.

Auditor-general's responsibilities for the audit of the financial statements

14. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
15. A further description of my responsibilities for the audit of the financial statements is included in the annexure to the auditor's report.

Report on the audit of the annual performance report

Introduction and scope

16. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof I have a responsibility to report material findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.
17. My procedures address the reported performance information, which must be based on the approved performance planning documents of the department. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
18. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programmes presented in the annual performance report of the department for the year ended 31 March 2017.

Programmes	Pages in the annual performance report
Programme 2: Civic Services	78 - 80
Programme 3: Immigration Services	90 - 96

19. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

20. I did not identify any material findings on the usefulness and reliability of the reported performance information for the following programmes:

- Programme 2: Civic Services
- Programme 3: Immigration Services

Additional matter

21. Although I identified no material findings on the usefulness and reliability of the reported performance information for the selected programmes, I draw attention to the following matter.

Achievement of planned targets

22. Refer to the annual performance report on page(s) 57 to 96 for information on the achievement of targets for the year and explanations provided for the under and overachievement of a number of targets.

Report on audit of compliance with legislation

Introduction and scope

23. In accordance with the PAA and the general notice issued in terms thereof I have a responsibility to report material findings on the compliance of the department with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

24. The material findings in respect of the compliance criteria for the applicable subject matters are as follows:

Annual financial statements, performance and annual report

25. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework and supported by full and proper records as required by section 40(1)(a) of the PFMA.

26. Material misstatements of current assets, current liabilities and cash flow identified by the auditors in the submitted financial statement were corrected and, resulting in the financial statements receiving an unqualified audit opinion.

Expenditure management

27. Not all contractual obligations and money owed by the department were settled within 30 days, as required by section 38(1)(f) of the PFMA and treasury regulation 8.2.3.

Other information

28. The Department of Home Affairs' accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report thereon and those selected programmes presented in the annual performance report that have been specifically reported on in the auditor's report.

29. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.

30. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated. I have nothing to report in this regard.

Internal control deficiencies

31. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance thereon. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on compliance with legislation included in this report.

Leadership

Oversight responsibility

32. A lack of effective oversight responsibility regarding the financial reporting and compliance with laws and regulations remains a matter that needs to be addressed by the department. The errors noted in the account balances and the lack of appropriate supporting information are repeat matters in the current year and have been highlighted by both internal and external audit in prior years.

Policies and procedures

33. The internal control processes implemented to compile the revenue and payable amounts for the annual financial statement were not implemented resulting in material errors being identified.

Action plans to address internal control deficiencies

34. Management did not develop, implement and monitor the implementation of action plans to address the internal control deficiencies raised during the audit.

Financial and performance management

Proper record keeping

35. Management has not implemented proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial reporting.

Daily and monthly processing and reconciling of transactions

36. Management did not ensure regular reconciliation on a monthly basis to ensure timeous follow up of reconciling items as well as ensured that the accounting principles applied for the disclosure in the annual financial statements is MCS compliant in all aspects.

Regular, accurate and complete financial and performance reports

37. Management, as first level of assurance providers, has not effectively discharged their duties and responsibilities regarding the validity, accuracy and completeness of financial information prepared for the compilation of the AFS and did not perform a proper analysis for the inter-departmental revenue and payable amount as per the schedules provided to ensure that the amount disclosed is accurate and complete.

Compliance monitoring

38. A lack of effective responsibility regarding financial and compliance with laws and regulations remains a matter that needs to be addressed at the department, the errors noted in account balances are repeat matters, albeit that there have been progress with respect to the management of foreign revenue.

Other reports

39. I draw attention to the following engagements conducted by various parties that had, or could have, an impact on the matters reported in the department's financial statements, reported performance information, compliance with applicable legislation and other related matters. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.

Investigations

40. As disclosed in paragraph 5.12 of the accounting officer's report various investigations are being conducted.

Auditor - General

Pretoria
31 August 2017



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure – Auditor-general’s responsibility for the audit

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements, and the procedures performed on reported performance information for selected programmes and on the department’s compliance with respect to the selected subject matters.

Financial statements

2. In addition to my responsibility for the audit of the financial statements as described in the auditor’s report, I also:
 - identify and assess the risks of material misstatement of the financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the department’s internal control.
 - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the, which constitutes the accounting officer on the 31 March 2017.

- conclude on the appropriateness of the accounting officer’s use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Department of Home Affairs’ ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor’s report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial statements. My conclusions are based on the information available to me at the date of the auditor’s report. However, future events or conditions may cause a department to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also confirm to the accounting officer that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and here applicable, related safeguards.

2. ANNUAL FINANCIAL STATEMENTS



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

ANNUAL FINANCIAL STATEMENTS FOR NATIONAL DEPARTMENT OF HOME AFFAIRS

For the year ended

31 March 2017

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APPROPRIATION STATEMENT for the year ended 31 March 2017

Appropriation per programme									
2016/17								2015/16	
Voted funds and Direct charges	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Programme									
1. Programme 1-Administration	2 387 819	-	(164 985)	2 222 834	2 210 834	12 000	99.5%	1 758 739	1 757 204
2. Programme 2-Citizen Affairs	4 725 520	-	61 650	4 787 170	4 786 988	182	100%	4 858 580	4 856 418
3. Programme 3-Immigration Affairs	1 042 466	-	103 335	1 145 801	1 145 702	99	100%	731 406	729 756
Subtotal	8 155 805	-	-	8 155 805	8 143 524	12 281	99.8%	7 348 725	7 343 378
TOTAL	8 155 805	-	-	8 155 805	8 143 524	12 281	99.8%	7 348 725	7 343 378

	2016/17			2015/16	
	Final Appropriation	Actual Expenditure		Final Appropriation	Actual Expenditure
TOTAL (brought forward)					
Reconciliation with statement of financial performance					
ADD					
Departmental receipts	1 099 536			1 081 258	
Actual amounts per statement of financial performance (total revenue)	9 255 341			8 429 983	
Actual amounts per statement of financial performance (total expenditure)		8 143 524			7 343 378

APPROPRIATION STATEMENT for the year ended 31 March 2017

Appropriation per economic classification									
Economic classification	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	6 327 685	(116 268)	(106 747)	6 104 670	6 104 389	281	100.0%	5 465 872	5 460 541
Compensation of employees	3 069 825	-	-	3 069 825	3 069 768	57	100.0%	2 846 673	2 845 327
Salaries and wages	2 680 089	(2 589)	(73 300)	2 604 200	2 604 200	-	100.0%	2 409 176	2 408 230
Social contributions	389 736	2 589	73 300	465 625	465 568	57	100.0%	437 497	437 097
Goods and services	3 257 860	(116 268)	(106 747)	3 034 845	3 034 621	224	100.0%	2 619 199	2 615 214
Administrative fees	16 842	(8 338)	1 498	10 002	10 002	-	100.0%	17 514	17 357
Advertising	7 438	(1 485)	(211)	5 742	5 742	-	100.0%	14 837	14 836
Minor assets	38 873	(833)	(30 261)	7 779	7 779	-	100.0%	10 597	10 541
Audit costs: External	24 358	6 196	631	31 185	31 185	-	100.0%	28 734	28 734
Bursaries: Employees	1 979	1 036	48	3 063	3 063	-	100.0%	2 197	2 197
Catering: Departmental activities	3 728	974	(2 993)	1 709	1 709	-	100.0%	2 548	2 461
Communication	81 615	16 412	(16 177)	81 850	81 725	125	99.8%	73 350	73 145
Computer services	904 783	(311 893)	(9 503)	583 387	583 387	-	100.0%	465 298	465 297
Consultants: Business and advisory services	43 650	14 449	(18 561)	39 538	39 538	-	100.0%	19 402	19 401
Legal services	7 888	1 847	30 190	39 925	39 925	-	100.0%	54 042	54 042
Contractors	183 061	208 799	(84 004)	307 856	307 856	-	100.0%	168 953	168 945
Agency and support / outsourced services	82 634	9 495	39 907	132 036	132 036	-	100.0%	143 509	143 490
Entertainment	1 260	-	(1 056)	204	204	-	100.0%	358	331
Fleet services	20 102	24 592	60 210	104 904	104 805	99	99.9%	64 983	64 966
Inventory: Clothing material and supplies	26 437	5 616	(14 612)	17 441	17 441	-	100.0%	12 938	12 921
Inventory: Materials and supplies	-	1	(1)	-	-	-	100.0%	-	-
Inventory: Other supplies	-	39	2	41	41	-	100.0%	-	-
Consumable supplies	22 765	6 606	(14 150)	15 221	15 221	-	100.0%	11 039	10 899
Consumable: Stationery, printing and office supplies	812 828	(6 057)	101 757	908 528	908 528	-	100.0%	732 092	732 055

APPROPRIATION STATEMENT for the year ended 31 March 2017

Appropriation per economic classification									
	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Operating leases	239 589	26 099	83 118	348 806	348 806	-	100.0%	340 808	340 706
Property payments	436 677	(67 410)	(179 193)	190 074	190 074	-	100.0%	165 454	165 425
Transport provided: Departmental activity	50 009	(1 651)	(27 323)	21 035	21 035	-	100.0%	63 143	63 143
Travel and subsistence	164 053	(42 410)	(5 011)	116 632	116 632	-	100.0%	173 088	170 207
Training and development	15 239	(4 213)	(8 432)	2 603	2 603	-	100.0%	3 329	3 311
Operating payments	57 433	(471)	(5 428)	51 534	51 534	-	100.0%	37 613	37 548
Venues and facilities	14 477	5 303	(7 079)	12 701	12 701	-	100.0%	12 765	12 650
Rental and hiring	142	1 029	(122)	1 049	1 049	-	100.0%	608	606
Transfers and subsidies	1 817 227	113	(1 687)	1 815 653	1 815 653	-	100.0%	1 666 150	1 666 143
Provinces and municipalities	1 695	(1 102)	325	918	918	-	100.0%	891	890
Municipalities	1 695	(1 102)	325	918	918	-	100.0%	891	890
Municipal bank accounts	1 695	(1 102)	325	918	918	-	100.0%	891	890
Departmental agencies and accounts	1 792 391	16	(2)	1 792 405	1 792 405	-	100.0%	1 644 835	1 644 833
Departmental agencies (non-business entities)	1 792 391	16	(2)	1 792 405	1 792 405	-	100.0%	1 644 835	1 644 833
Households	23 141	1 199	(2 010)	22 330	22 330	-	100.0%	20 424	20 420
Social benefits	17 378	953	(2 007)	16 324	16 324	-	100.0%	19 694	19 692
Other transfers to households	5 763	246	(3)	6 006	6 006	-	100.0%	730	728
Payments for capital assets	10 893	116 155	108 434	235 482	223 482	12 000	94.9%	216 703	216 694
Buildings and other fixed structures	-	22 674	89 954	112 628	112 628	-	100.0%	98 210	98 210
Buildings	-	22 674	89 954	112 628	112 628	-	100.0%	47 005	47 005
Other fixed structures	-	-	-	-	-	-	-	51 205	51 205
Machinery and equipment	10 893	60 139	21 945	92 977	81 574	11 403	87.7%	100 936	100 936
Transport equipment	10 893	(3 513)	(98)	7 282	7 282	-	100.0%	887	887
Other machinery and equipment	-	63 652	22 043	85 695	74 292	11 403	86.7%	83 758	83 758
Software and other Intangible assets	-	33 342	(3 465)	29 877	29 280	597	98.0%	17 557	17 548
Total	8 155 805	-	-	8 155 805	8 143 524	12 281	99.8%	7 348 725	7 343 378

APPROPRIATION STATEMENT for the year ended 31 March 2017

Programme 1: Administration									
	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Sub programme	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Ministry	42 257	600	(5 952)	36 905	36 905	-	100.0%	35 012	33 916
2. Management Support Services	200 894	(247)	(10 169)	190 478	190 478	-	100.0%	133 383	133 191
3. Corporate Services	678 000	21 299	(31 865)	667 434	667 434	-	100.0%	668 274	668 036
4. Transversal Information Technology Management	952 146	(3 923)	(128 365)	819 858	807 858	12 000	98.5%	498 362	498 353
5. Office Accommodation	514 522	(17 729)	11 366	508 159	508 159	-	100.0%	423 708	423 708
Total	2 387 819	-	(164 985)	2 222 834	2 210 834	12 000	99.5%	1 758 739	1 757 204

Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	2 363 977	(105 324)	(257 986)	2 000 667	2 000 667	-	100.0%	1 556 025	1 554 499
Compensation of employees	576 713	-	(95 331)	481 382	481 382	-	100.0%	407 684	407 684
Salaries and wages	523 906	(1 437)	(101 023)	421 446	421 446	-	100.0%	358 871	358 871
Social contributions	52 807	1 437	5 692	59 936	59 936	-	100.0%	48 813	48 813
Goods and services	1 787 264	(105 324)	(162 655)	1 519 285	1 519 285	-	100.0%	1 148 341	1 146 815
Administrative fees	11 186	(5 912)	1 877	7 151	7 151	-	100.0%	10 369	10 416
Advertising	7 366	(2 042)	(145)	5 179	5 179	-	100.0%	8 404	8 404
Minor assets	26 603	2 197	(22 750)	6 050	6 050	-	100.0%	6 486	6 486
Audit costs: External	24 358	6 196	631	31 185	31 185	-	100.0%	28 734	28 734
Bursaries: Employees	1 979	1 036	48	3 063	3 063	-	100.0%	2 197	2 197
Catering: Departmental activities	1 307	1 228	(1 799)	736	736	-	100.0%	716	716
Communication (G&S)	73 057	18 297	(17 044)	74 310	74 310	-	100.0%	71 925	71 925
Computer services	756 000	(280 707)	(111 980)	363 313	363 313	-	100.0%	274 846	274 846

APPROPRIATION STATEMENT for the year ended 31 March 2017

Programme 1: Administration									
Economic classification	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Consultants: Business and advisory services	21 575	12 412	(2 634)	31 353	31 353	-	100.0%	12 189	12 189
Infrastructure and planning services	-	-	-	-	-	-	-	-	-
Legal services	7 888	1 847	30 190	39 925	39 925	-	100.0%	54 042	54 042
Contractors	55 941	195 526	55 000	306 467	306 467	-	100.0%	100 735	100 735
Agency and support / outsourced services	11 868	(930)	1 829	12 767	12 767	-	100.0%	7 678	7 678
Entertainment	460	-	(304)	156	156	-	100.0%	220	220
Fleet services (including government motor transport)	5 683	37 735	11 235	54 653	54 653	-	100.0%	4 331	4 331
Inventory: Clothing material and supplies	500	(178)	248	570	570	-	100.0%	62	62
Inventory: Other supplies	-	43	(2)	41	41	-	100.0%	-	-
Consumable supplies	14 300	8 367	(11 718)	10 949	10 949	-	100.0%	6 879	6 879
Consumable: Stationery, printing and office supplies	8 756	(1 058)	(2 806)	4 892	4 892	-	100.0%	6 146	6 146
Operating leases	225 639	1 911	95 158	322 708	322 708	-	100.0%	323 318	323 318
Property payments	434 403	(66 681)	(179 380)	188 342	188 342	-	100.0%	163 194	163 194
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	68 400	(39 890)	12 382	40 892	40 892	-	100.0%	49 750	48 177
Training and development	14 818	(1 632)	(10 717)	2 469	2 469	-	100.0%	3 264	3 264
Operating payments	5 730	2 752	(3 660)	4 822	4 822	-	100.0%	5 433	5 433
Venues and facilities	9 310	4 084	(6 173)	7 221	7 221	-	100.0%	7 060	7 060
Rental and hiring	137	75	(141)	71	71	-	100.0%	363	363
Transfers and subsidies	12 949	(407)	(5 837)	6 705	6 705	-	100.0%	2 302	2 302

APPROPRIATION STATEMENT for the year ended 31 March 2017

Programme 1: Administration									
Economic classification	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Provinces and municipalities	735	(495)	(133)	107	107	-	100.0%	73	73
Municipalities	735	(495)	(133)	107	107	-	100.0%	73	73
Municipal bank accounts	735	(495)	(133)	107	107	-	100.0%	73	73
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	7	14	(3)	18	18	-	100.0%	-	-
Departmental agencies	7	14	(3)	18	18	-	100.0%	-	-
Households	12 207	74	(5 701)	6 580	6 580	-	100.0%	2 229	2 229
Social benefits	6 680	(133)	(5 699)	848	848	-	100.0%	1 574	1 574
Other transfers to households	5 527	207	(2)	5 732	5 732	-	100.0%	655	655
Payments for capital assets	10 893	105 731	98 838	215 462	203 462	12 000	94.4%	200 412	200 403
Buildings and other fixed structures	-	22 674	89 954	112 628	112 628	-	100.0%	98 210	98 210
Buildings	-	22 674	89 954	112 628	112 628	-	100.0%	47 005	47 005
Other fixed structures	-	-	-	-	-	-	100.0%	51 205	51 205
Machinery and equipment	10 893	51 160	11 179	72 232	61 829	11 403	84.4%	84 645	84 645
Transport equipment	10 893	(3 513)	(98)	7 282	7 282	-	100.0%	887	887
Other machinery and equipment	-	54 673	11 277	65 950	54 547	11 403	82.7%	83 758	83 758
Intangible assets	-	31 897	(2 295)	29 602	29 005	597	98.0%	17 557	17 548
Total	2 387 819	-	(164 985)	2 222 834	2 210 834	12 000	99.5%	1 758 739	1 757 204

APPROPRIATION STATEMENT for the year ended 31 March 2017

Sub programme 1.1: Ministry									
Economic classification	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	42 250	600	(6 122)	36 728	36 728	-	100.0%	34 220	33 124
Compensation of employees	21 913	(259)	122	21 776	21 776	-	100.0%	21 936	21 936
Salaries and wages	19 685	(259)	529	19 955	19 955	-	100.0%	20 054	20 054
Social contributions	2 228	-	(407)	1 821	1 821	-	100.0%	1 882	1 882
Goods and services	20 337	859	(6 244)	14 952	14 952	-	100.0%	12 284	11 188
Administrative fees	358	292	(259)	391	391	-	100.0%	282	282
Minor assets	845	(318)	(527)	-	-	-	-	3	3
Catering: Departmental activities	161	103	(8)	256	256	-	100.0%	132	132
Communication (G&S)	1 225	(352)	346	1 219	1 219	-	100.0%	225	225
Legal services	-	40	200	240	240	-	100.0%	-	-
Contractors	46	(2)	7	51	51	-	100.0%	58	58
Entertainment	87	-	(33)	54	54	-	100.0%	70	70
Fleet services (including government motor transport)	678	(151)	(47)	480	480	-	100.0%	447	447
Inventory: Clothing material and accessories	26	(5)	(21)	-	-	-	100.0%	1	1
Consumable supplies	134	(54)	(60)	20	20	-	100.0%	48	48
Consumable: Stationery, printing and office supplies	528	(235)	(141)	152	152	-	100.0%	272	272
Operating Leases	216	50	(266)	-	-	-	-	136	136
Travel and subsistence	14 716	988	(4 385)	11 319	11 319	-	100.0%	9 859	8 763
Training and development	149	(11)	(94)	44	44	-	100.0%	-	-
Operating payments	529	229	(621)	137	137	-	100.0%	137	137
Venues and facilities	639	285	(335)	589	589	-	100.0%	614	614
Transfers and subsidies	7		-	7	7	-	100.0%	-	-

APPROPRIATION STATEMENT for the year ended 31 March 2017

Sub programme 1.1: Ministry									
2016/17								2015/16	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Departmental agencies and accounts	4	(4)	-	-	-	-	-	-	-
Departmental agencies (non business entities)	4	(4)	-	-	-	-	-	-	-
Households	3	4	-	7	7	-	100.0%	-	-
Social benefits	3	4	-	7	7	-	100.0%	-	-
Payments for capital assets	-	-	170	170	170	-	100.0%	792	792
Machinery and equipment	-	-	170	170	170	-	100.0%	792	792
Other machinery and equipment	-	-	170	170	170	-	100.0%	792	792
Total	42 257	600	(5 952)	36 905	36 905	-	100.0%	35 012	33 916

Sub programme 1.2: Management Support Services									
2016/17								2015/16	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	198 046	(3 734)	(10 466)	183 846	183 846	-	100.0%	132 124	131 932
Compensation of employees	123 490	(296)	15	123 209	123 209	-	100.0%	60 237	60 237
Salaries and wages	114 706	21	(7 273)	107 454	107 454	-	100.0%	53 334	53 334
Social contributions	8 784	(317)	7 288	15 755	15 755	-	100.0%	6 903	6 903
Goods and services	74 556	(3 438)	(10 481)	60 637	60 637	-	100.0%	71 887	71 695
Administrative fees	1 327	(48)	(958)	321	321	-	100.0%	232	232
Advertising	377	(162)	(213)	2	2	-	100.0%	256	256
Minor assets	2 185	(1 053)	(994)	138	138	-	100.0%	40	40
Catering: Departmental activities	534	(55)	(381)	98	98	-	100.0%	182	182
Communication (G&S)	2 436	2 368	(1 411)	3 393	3 393	-	100.0%	206	206
Computer services	2 694	322	(2 936)	80	80	-	100.0%	113	113

APPROPRIATION STATEMENT for the year ended 31 March 2017

Sub programme 1.2: Management Support Services									
Economic classification	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Consultants: Business and advisory services	12 530	(58)	(10 150)	2 322	2 322	-	100.0%	3 853	3 853
Legal services	7 888	40	29 930	37 858	37 858	-	100.0%	53 974	53 974
Contractors	7 537	(3 758)	(3 687)	92	92	-	100.0%	11	11
Agency and support/outsourced services	4 327	(482)	1 247	5 092	5 092	-	100.0%	2 413	2 413
Entertainment	196	-	(150)	46	46	-	100.0%	46	46
Fleet services (including government motor transport)	381	(2 064)	1 821	138	138	-	100.0%	62	62
Inventory: Clothing material and accessories	16	(33)	17	-	-	-	-	6	6
Consumable supplies	306	(53)	(155)	98	98	-	100.0%	98	98
Consumable: Stationery, printing and office supplies	2 524	(161)	(1 713)	650	650	-	100.0%	909	909
Operating Leases	1 231	(5)	(1 224)	2	2	-	100.0%	9	9
Travel and subsistence	20 045	162	(12 744)	7 463	7 463	-	100.0%	6 285	6 093
Training and development	1 479	(150)	(1 051)	278	278	-	100.0%	350	350
Operating payments	1 400	569	(1 170)	799	799	-	100.0%	359	359
Venues and facilities	5 143	1 183	(4 559)	1 767	1 767	-	100.0%	2 483	2 483
Transfers and subsidies	2 848	91	(590)	2 349	2 349	-	100.0%	135	135
Provinces and municipalities	113	5	(114)	4	4	-	100.0%	-	-
Municipalities	113	5	(114)	4	4	-	100.0%	-	-
Municipal bank accounts	113	5	(114)	4	4	-	100.0%	-	-
Departmental agencies and accounts	3	-	(3)	-	-	-	100.0%	-	-
Departmental agencies (non-business entities)	3	-	(3)	-	-	-	100.0%	-	-

APPROPRIATION STATEMENT for the year ended 31 March 2017

Sub programme 1.2: Management Support Services									
2016/17								2015/16	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Households	2 732	86	(473)	2 345	2 345	-	100.0%	135	135
Social benefits	732	(118)	(472)	142	142	-	100.0%	135	135
Other transfers to households	2 000	204	(1)	2 203	2 203	-	100.0%		
Payments for capital assets	-	3 396	887	4 283	4 283	-	100.0%	1 124	1 124
Machinery and equipment	-	3 396	560	3 956	3 956	-	100.0%	1 124	1 124
Transport equipment	-	2 287	(21)	2 266	2 266	-	100.0%		
Other Machinery and equipment	-	1 109	581	1 690	1 690	-	100.0%	1 124	1 124
Software and other intangible assets	-	-	327	327	327	-	100.0%	-	-
Total	200 894	(247)	(10 169)	190 478	190 478	-	100.0%	133 383	133 191

Sub programme 1.3: Corporate Services									
2016/17								2015/16	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	657 253	12 057	(44 256)	625 054	625 054	-	100.0%	568 916	568 678
Compensation of employees	363 535	4 478	(96 420)	271 593	271 593	-	100.0%	268 578	268 578
Salaries and wages	328 831	2 724	(94 335)	237 220	237 220	-	100.0%	235 107	235 107
Social contributions	34 704	1 754	(2 085)	34 373	34 373	-	100.0%	33 471	33 471
Goods and services	293 718	7 579	52 164	353 461	353 461	-	100.0%	300 338	300 100
Administrative fees	9 126	(6 161)	3 435	6 400	6 400	-	100.0%	9 817	9 864
Advertising	6 987	(1 880)	70	5 177	5 177	-	100.0%	8 148	8 148
Minor assets	15 307	(1 471)	(11 677)	2 159	2 159	-	100.0%	2 669	2 669
Audit costs: External	24 241	6 196	748	31 185	31 185	-	100.0%	28 734	28 734
Bursaries: employees	1 979	1 036	48	3 063	3 063	-	100.0%	2 197	2 197

APPROPRIATION STATEMENT for the year ended 31 March 2017

Sub programme 1.3: Corporate Services									
Economic classification	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Catering: Departmental activities	516	1 141	(1 282)	375	375	-	100.0%	351	351
Communication (G&S)	68 695	16 337	(16 975)	68 057	68 057	-	100.0%	70 785	70 785
Computer services	12 801	(4 308)	(558)	7 935	7 935	-	100.0%	7 723	7 723
Consultants: Business and advisory services	6 277	442	(1 710)	5 009	5 009	-	100.0%	3 804	3 804
Contractors	3 009	915	(995)	2 929	2 929	-	100.0%	3 582	3 582
Agency and support/outsourced services	7 541	(453)	(498)	6 590	6 590	-	100.0%	5 265	5 265
Entertainment	120	-	(73)	47	47	-	100.0%	87	87
Fleet services (including government motor transport)	4 624	39 865	9 518	54 007	54 007	-	100.0%	3 797	3 797
Inventory: Clothing material and accessories	458	(140)	252	570	570	-	100.0%	55	55
Inventory: Other supplies	-	43	(2)	41	41	-	100.0%	-	-
Consumable supplies	13 774	7 466	(13 096)	8 144	8 144	-	100.0%	5 896	5 896
Consumable: Stationery, printing and office supplies	5 105	(927)	(421)	3 757	3 757	-	100.0%	4 824	4 824
Operating Leases	1 000	390	(1 256)	134	134	-	100.0%	733	733
Property payments	65 765	(12 114)	64 555	118 206	118 206	-	100.0%	100 818	100 818
Travel and subsistence	28 482	(40 758)	32 884	20 608	20 608	-	100.0%	31 588	31 303
Training and development	10 961	(1 200)	(8 032)	1 729	1 729	-	100.0%	1 877	1 877
Operating payments	3 392	509	(1 258)	2 643	2 643	-	100.0%	3 340	3 340
Venues and facilities	3 421	2 576	(1 359)	4 638	4 638	-	100.0%	3 885	3 885
Rental and hiring	137	75	(154)	58	58	-	100.0%	363	363
Transfers and subsidies	9 854	(498)	(5 198)	4 158	4 158	-	100.0%	1 734	1 734
Provinces and municipalities	622	(500)	(19)	103	103	-	100.0%	73	73
Municipalities	622	(500)	(19)	103	103	-	100.0%	73	73

APPROPRIATION STATEMENT for the year ended 31 March 2017

Sub programme 1.3: Corporate Services									
Economic classification	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Municipal bank accounts	622	(500)	(19)	103	103	-	100.0%	73	73
Departmental agencies and accounts	-	18	-	18	18	-	100.0%	-	-
Departmental agencies (non-business entities)	-	18	-	18	18	-	100.0%	-	-
Households	9 232	(16)	(5 179)	4 037	4 037	-	100.0%	1 661	1 661
Social benefits	5 705	(19)	(5 178)	508	508	-	100.0%	1 006	1 006
Other transfers to households	3 527	3	(1)	3 529	3 529	-	100.0%	655	655
Payments for capital assets	10 893	9 740	17 589	38 222	38 222	-	100.0%	97 624	97 624
Buildings and other fixed structures	-	-	21 023	21 023	21 023	-	100.0%	59 537	59 537
Buildings	-	-	21 023	21 023	21 023	-	100.0%	8 332	8 332
Other fixed structures	-	-	-	-	-	-	100.0%	51 205	51 205
Machinery and equipment	10 893	9 683	(3 395)	17 181	17 181	-	100.0%	38 087	38 087
Transport equipment	10 893	(5 800)	(77)	5 016	5 016	-	100.0%	887	887
Other Machinery and equipment	-	15 483	(3 318)	12 165	12 165	-	100.0%	37 200	37 200
Software and other intangible assets	-	57	(39)	18	18	-	100.0%	-	-
Total	678 000	21 299	(31 865)	667 434	667 434	-	100.0%	668 274	668 036

APPROPRIATION STATEMENT for the year ended 31 March 2017

Sub programme 1.4 Transversal Information Technology Management									
Economic classification	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	951 906	(70 988)	(137 820)	743 098	743 098	-	100.0%	435 994	435 994
Compensation of employees	67 775	(3 923)	952	64 804	64 804	-	100.0%	56 933	56 933
Salaries and wages	60 684	(3 923)	56	56 817	56 817	-	100.0%	50 376	50 376
Social contributions	7 091	-	896	7 987	7 987	-	100.0%	6 557	6 557
Goods and services	884 131	(67 065)	(138 772)	678 294	678 294	-	100.0%	379 061	379 061
Administrative fees	375	5	(341)	39	39	-	100.0%	38	38
Advertising	2	-	(2)	-	-	-	100.0%	-	-
Minor assets	8 266	4 409	(9 564)	3 111	3 111	-	100.0%	3 728	3 728
Audit costs: External	117	-	(117)	-	-	-	100.0%	-	-
Catering: Departmental activities	96	39	(128)	7	7	-	100.0%	51	51
Communication (G&S)	701	(56)	996	1 641	1 641	-	100.0%	709	709
Computer services	740 505	(276 721)	(108 547)	355 237	355 237	-	100.0%	267 010	267 010
Consultants: Business and advisory services	2 768	2 748	2 702	8 218	8 218	-	100.0%	4 532	4 532
Legal services	-	1 767	60	1 827	1 827	-	100.0%	68	68
Contractors	45 349	198 105	59 567	303 021	303 021	-	100.0%	97 084	97 084
Agency and support/outsourced services	-	-	959	959	959	-	100.0%		
Entertainment	57	-	(48)	9	9	-	100.0%	17	17
Fleet services (including government motor transport)	-	85	(57)	28	28	-	100.0%	25	25
Consumable supplies	64	1 008	(589)	483	483	-	100.0%	824	824
Consumable: Stationery, printing and office supplies	599	265	(531)	333	333	-	100.0%	141	141
Operating Leases	21	349	(370)	-	-	-	-	108	108
Property payments	77 309	-	(77 309)	-	-	-	-		

APPROPRIATION STATEMENT for the year ended 31 March 2017

Sub programme 1.4 Transversal Information Technology Management									
2016/17								2015/16	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Travel and subsistence	5 157	(282)	(3 373)	1 502	1 502	-	100.0%	2 018	2 018
Training and development	2 229	(271)	(1 549)	409	409	-	100.0%	1 033	1 033
Operating payments	409	1 445	(611)	1 243	1 243	-	100.0%	1 597	1 597
Venues and facilities	107	40	80	227	227	-	100.0%	78	78
Transfers and subsidies	240	-	(49)	191	191	-	100.0%	433	433
Households	240	-	(49)	191	191	-	100.0%	433	433
Social benefits	240	-	(49)	191	191	-	100.0%	433	433
Payments for capital assets	-	67 065	9 504	76 569	64 569	12 000	84.3%	61 935	61 926
Machinery and equipment	-	36 203	12 128	48 331	36 928	11 403	76.3%	44 378	44 378
Other Machinery and equipment	-	36 203	12 128	48 331	36 928	11 403	76.3%	44 378	44 378
Software and other intangible assets	-	30 862	(2 624)	28 238	27 641	597	97.9%	17 557	17 548
Total	952 146	(3 923)	(128 365)	819 858	807 858	12 000	98.5%	498 362	498 353

Sub programme 1.5: Office Accommodation									
2016/17								2015/16	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	514 522	(43 259)	(59 322)	411 941	411 941	-	100.0%	384 771	384 771
Goods and services	514 522	(43 259)	(59 322)	411 941	411 941	-	100.0%	384 771	384 771
Minor assets	-	630	12	642	642	-	100.0%	46	46
Computer Services	-	-	61	61	61	-	100.0%	-	-
Consultants: Business and advisory services	-	9 280	6 524	15 804	15 804	-	100.0%	-	-

APPROPRIATION STATEMENT for the year ended 31 March 2017

Sub programme 1.5: Office Accommodation									
Economic classification	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Contractors	-	266	108	374	374	-	100.0%		
Agency and support/outsourced services	-	5	121	126	126	-	100.0%		
Consumable supplies	22	-	2 182	2 204	2 204	-	100.0%	13	13
Operating leases	223 171	1 127	98 274	322 572	322 572	-	100.0%	322 332	322 332
Property payments	291 329	(54 567)	(166 626)	70 136	70 136	-	100.0%	62 376	62 376
Training and development	-	-	9	9	9	-	100.0%	4	4
Rental and hiring	-	-	13	13	13	-	100.0%	-	-
Payments for capital assets	-	25 530	70 688	96 218	96 218	-	100.0%	38 937	38 937
Buildings and other fixed structures	-	22 674	68 931	91 605	91 605	-	100.0%	38 673	38 673
Buildings	-	22 674	68 931	91 605	91 605	-	100.0%	38 673	38 673
Machinery and equipment	-	1 878	1 716	3 594	3 594	-	100.0%	264	264
Other Machinery and equipment	-	1 878	1 716	3 594	3 594	-	100.0%	264	264
Software and other intangible assets	-	978	41	1 019	1 019	-	100.0%		
Total	514 522	(17 729)	11 366	508 159	508 159	-	100.0%	423 708	423 708

APPROPRIATION STATEMENT for the year ended 31 March 2017

Programme 2: Citizen Affairs									
2016/17								2015/16	
Sub programme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Citizen Affairs Management	31 391	(7 289)	6 677	30 779	30 779	-	100.0%	39 752	39 475
2. Status Services	915 517	(1 693)	115 770	1 029 594	1 029 412	182	100.0%	809 750	809 191
3. Identification Services	284 473	(7 733)	(136 620)	140 120	140 120	-	100.0%	214 432	213 867
4. Access to Services	-	-	-	-	-	-	-	71 430	70 753
5. Service Delivery to Provinces	1 701 758	16 715	75 823	1 794 296	1 794 296	-	100.0%	2 078 400	2 078 316
6. Film and Publication Board	-	-	-	-	-	-	-	-	-
7. Independent Electoral Commission	1 657 901	-	-	1 657 901	1 657 901	-	100.0%	1 517 104	1 517 104
8. Represented Political Parties' Fund	134 480	-	-	134 480	134 480	-	100.0%	127 712	127 712
Total for sub programmes	4 725 520	-	61 650	4 787 170	4 786 988	182	100.0%	4 858 580	4 856 418
Programme 2: Citizen Affairs									
2016/17								2015/16	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	2 922 932	(1 770)	47 318	2 968 480	2 968 298	182	100.0%	3 182 013	3 179 855
Compensation of employees	1 825 284	-	54 663	1 879 947	1 879 890	57	100.0%	2 129 287	2 128 009
Salaries and wages	1 540 570	-	37 263	1 577 833	1 577 833	-	100.0%	1 785 282	1 784 404
Social contributions	284 714	-	17 400	302 114	302 057	57	100.0%	344 005	343 605
Goods and services	1 097 648	(1 770)	(7 345)	1 088 533	1 088 408	125	100.0%	1 052 726	1 051 846
Administrative fees	2 089	(450)	(412)	1 227	1 227	-	100.0%	2 061	1 982
Advertising	72	20	(65)	27	27	-	100.0%	2 480	2 479
Minor assets	8 742	(2 098)	(5 928)	716	716	-	100.0%	3 207	3 163
Catering: Departmental activities	1 412	(153)	(428)	831	831	-	100.0%	1 533	1 497

APPROPRIATION STATEMENT for the year ended 31 March 2017

Programme 2: Citizen Affairs									
Economic classification	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Communication	5 266	(1 116)	2 075	6 225	6 100	125	98.0%	1 284	1 142
Computer services	39 415	(21 883)	(17 532)	-	-	-	-	29 432	29 431
Consultants: Business and advisory services	32	3 505	(34)	3 503	3 503	-	100.0%	125	124
Contractors	89 216	11 450	(100 169)	497	497	-	100.0%	52 730	52 726
Agency and support / outsourced services	14 278	9 995	(14 243)	10 030	10 030	-	100.0%	38 427	38 427
Entertainment	110	-	(83)	27	27	-	100.0%	84	73
Fleet services (including government motor transport)	12 600	(14 114)	49 816	48 302	48 302	-	100.0%	59 320	59 303
Inventory: Clothing material and supplies	11 451	8 410	(11 055)	8 806	8 806	-	100.0%	8 092	8 081
Inventory: Materials and supplies	-	1	(1)	-	-	-	-	-	-
Inventory: Other supplies	-	(4)	4	-	-	-	-	-	-
Consumable supplies	7 625	(1 968)	(2 048)	3 609	3 609	-	100.0%	3 918	3 873
Consumable: Stationery, printing and office supplies	798 842	(1 772)	104 045	901 115	901 115	-	100.0%	723 495	723 458
Operating leases	11 747	23 861	(10 071)	25 537	25 537	-	100.0%	16 513	16 443
Property payments	2 122	(639)	(1 100)	383	383	-	100.0%	1 577	1 564
Travel and subsistence	41 381	(10 752)	(750)	29 879	29 879	-	100.0%	73 352	73 027
Training and development	209	(192)	56	73	73	-	100.0%	47	42
Operating payments	47 719	(4 067)	850	44 502	44 502	-	100.0%	30 665	30 658
Venues and facilities	3 315	(758)	(291)	2 266	2 266	-	100.0%	4 344	4 314
Rental and hiring	5	954	19	978	978	-	100.0%	40	39
Transfers and subsidies	1 802 588	325	4 707	1 807 620	1 807 620	-	100.0%	1 662 714	1 662 710
Provinces and municipalities	960	(607)	458	811	811	-	100.0%	817	817

APPROPRIATION STATEMENT for the year ended 31 March 2017

Programme 2: Citizen Affairs									
Economic classification	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Municipalities	960	(607)	458	811	811	-	100.0%	817	817
Municipal bank accounts	960	(607)	458	811	811	-	100.0%	817	817
Departmental agencies and accounts	1 792 381	2	2	1 792 385	1 792 385	-	100.0%	1 644 827	1 644 827
Departmental agencies (non-business entities)	1 792 381	2	2	1 792 385	1 792 385	-	100.0%	1 644 827	1 644 827
Households	9 247	930	4 247	14 424	14 424	-	100.0%	17 070	17 066
Social benefits	9 135	891	4 248	14 274	14 274	-	100.0%	16 995	16 993
Other transfers to households	112	39	(1)	150	150	-	100.0%	75	73
Payments for capital assets	-	1 445	9 625	11 070	11 070	-	100.0%	13 853	13 853
Machinery and equipment	-	1 445	9 350	10 795	10 795	-	100.0%	13 853	13 853
Other machinery and equipment	-	1 445	9 350	10 795	10 795	-	100.0%	13 853	13 853
Software and other intangible assets	-	-	275	275	275	-	100.0%	-	-
Total	4 725 520	-	61 650	4 787 170	4 786 988	182	100.0%	4 858 580	4 856 418

Sub Programme 2.1: Citizen Affairs Management									
Economic classification	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	31 351	(7 317)	6 260	30 294	30 294	-	100.0%	39 250	38 974
Compensation of employees	28 553	3 505	(5 907)	26 151	26 151	-	100.0%	25 487	25 474
Salaries and wages	26 678	3 505	(5 197)	24 986	24 986	-	100.0%	23 407	23 394
Social contributions	1 875	-	(710)	1 165	1 165	-	100.0%	2 080	2 080
Goods and services	2 798	(10 822)	12 167	4 143	4 143	-	100.0%	13 763	13 500

APPROPRIATION STATEMENT for the year ended 31 March 2017

Sub Programme 2.1: Citizen Affairs Management									
Economic classification	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Administrative fees	70	(144)	195	121	121	-	100.0%	268	268
Advertising	68	-	(68)	-	-	-	100.0%	2 469	2 468
Minor assets	27	-	(27)	-	-	-	100.0%	54	54
Catering: Departmental activities	27	(8)	(19)	-	-	-	-	40	18
Communication (G&S)	31	(30)	170	171	171	-	100.0%	87	-
Computer services	-	275	(275)	-	-	-	-	-	-
Consultants: Business and advisory services	29	-	(29)	-	-	-	-	125	124
Contractors	7	13	92	112	112	-	100.0%	197	197
Entertainment	2	-	-	2	2	-	100.0%	21	14
Fleet services (including government motor transport)	14	(8 828)	8 860	46	46	-	100.0%	61	61
Inventory: Clothing material and supplies	14	5	(19)	-	-	-	-	-	-
Consumable supplies	8	17	(7)	18	18	-	100.0%	57	36
Consumable: Stationery, printing and office supplies	65	(188)	197	74	74	-	100.0%	218	212
Operating leases	48	1	(49)	-	-	-	-	111	83
Property payments	8	(257)	291	42	42	-	100.0%	30	20
Travel and subsistence	2 083	(341)	763	2 505	2 505	-	100.0%	8 402	8 322
Training and development	24	(27)	76	73	73	-	100.0%	-	-
Operating payments	60	(52)	38	46	46	-	100.0%	98	98
Venues and facilities	213	(1 258)	1 978	933	933	-	100.0%	1 525	1 525
Transfers and subsidies	40	2	-	42	42	-	100.0%	1	-
Households	40	2	-	42	42	-	100.0%	1	-
Social benefits	40	2	-	42	42	-	100.0%	1	-

APPROPRIATION STATEMENT for the year ended 31 March 2017

Sub Programme 2.1: Citizen Affairs Management									
Economic classification	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Payments for capital assets	-	26	417	443	443	-	100.0%	501	501
Machinery and equipment	-	26	142	168	168	-	100.0%	501	501
Other machinery and equipment	-	26	142	168	168	-	100.0%	501	501
Software and other intangible assets	-	-	275	275	275	-	100.0%	-	-
Total	31 391	(7 289)	6 677	30 779	30 779	-	100.0%	39 752	39 475

Sub Programme 2.2: Status Services									
Economic classification	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	915 212	(1 893)	114 020	1 027 339	1 027 157	182	100.0%	809 440	808 881
Compensation of employees	76 361	(2 577)	6 445	80 229	80 172	57	99.9%	72 891	72 475
Salaries and wages	58 443	(2 577)	11 119	66 985	66 985	-	100.0%	60 337	59 921
Social contributions	17 918	-	(4 674)	13 244	13 187	57	99.6%	12 554	12 554
Goods and services	838 851	684	107 575	947 110	946 985	125	100.0%	736 549	736 406
Administrative fees	66	6	(39)	33	33	-	100.0%	22	11
Minor assets	140	71	246	457	457	-	100.0%	-	-
Catering: Departmental activities	3	33	(36)	-	-	-	-	-	-
Communication(G&S)	111	(44)	552	619	494	125	79.8%	41	25
Computer services	-	(10 000)	10 000	-	-	-	-	-	-
Consultants: Business and advisory services	-	3 505	(2)	3 503	3 503	-	100.0%	-	-
Contractors	-	61	-	61	61	-	100.0%	3	-

APPROPRIATION STATEMENT for the year ended 31 March 2017

Sub Programme 2.2: Status Services									
Economic classification	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Agency and support / outsourced services	14 127	10 000	(14 127)	10 000	10 000	-	100.0%	-	-
Entertainment	13	-	(6)	7	7	-	-	9	7
Fleet services	50	40	(43)	47	47	-	100.0%	36	22
Inventory: Clothing material and supplies	14	-	(14)	-	-	-	-	13	13
Consumable supplies	59	31	(20)	70	70	-	100.0%	53	40
Consumable: Stationery, printing and office supplies	780 449	252	109 458	890 159	890 159	-	100.0%	710 533	710 533
Operating leases	172	7	(157)	22	22	-	100.0%	-	-
Travel and subsistence	1 412	(887)	81	606	606	-	100.0%	624	541
Training and development	-	(15)	15	-	-	-	-	12	11
Operating payments	42 235	(2 866)	1 668	41 037	41 037	-	100.0%	25 203	25 203
Venues and facilities	-	490	(1)	489	489	-	100.0%	-	-
Transfers and subsidies	305	24	75	404	404	-	100.0%	91	91
Provinces and municipalities	-	1	(1)	-	-	-	-	-	-
Municipalities	-	1	(1)	-	-	-	-	-	-
Municipal bank accounts	-	1	(1)	-	-	-	-	-	-
Households	305	23	76	404	404	-	100.0%	91	91
Social benefits	305	23	76	404	404	-	100.0%	91	91
Payments for capital assets	-	176	1 675	1 851	1 851	-	100.0%	219	219
Machinery and equipment	-	176	1 675	1 851	1 851	-	100.0%	219	219
Other machinery and equipment	-	176	1 675	1 851	1 851	-	100.0%	219	219
Total	915 517	(1 693)	115 770	1 029 594	1 029 412	182	100.0%	809 750	809 191

APPROPRIATION STATEMENT for the year ended 31 March 2017

Sub Programme 2.3: Identification Services									
Economic classification	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	284 330	(8 423)	(137 361)	138 546	138 546	-	100.0%	212 886	212 321
Compensation of employees	135 094	(8 318)	4 669	131 445	131 445	-	100.0%	123 047	122 631
Salaries and wages	113 099	(8 318)	5 146	109 927	109 927	-	100.0%	102 809	102 393
Social contributions	21 995	-	(477)	21 518	21 518	-	100.0%	20 238	20 238
Goods and services	149 236	(105)	(142 030)	7 101	7 101	-	100.0%	89 839	89 690
Administrative fees	181	(48)	(59)	74	74	-	100.0%	152	152
Advertising	-	-	-	-	-	-	-	7	7
Minor assets	3 608	(57)	(3 517)	34	34	-	100.0%	616	582
Catering: Departmental activities	14	-	(14)	-	-	-	-	6	-
Communication (G&S)	273	32	(46)	259	259	-	100.0%	24	3
Computer services	39 399	(12 138)	(27 261)	-	-	-	-	29 429	29 429
Contractors	88 654	12 144	(100 794)	4	4	-	100.0%	51 203	51 203
Entertainment	9	-	(8)	1	1	-	100.0%	5	5
Fleet services	3 432	1 353	(2 531)	2 254	2 254	-	100.0%	1 000	1 000
Inventory: Clothing material and supplies	206	2	(186)	22	22	-	100.0%	50	48
Consumable supplies	52	14	(18)	48	48	-	100.0%	37	33
Consumable: Stationery, printing and office supplies	4 183	(159)	(2 422)	1 602	1 602	-	100.0%	1 217	1 217
Operating leases	1 049	137	(1 186)	-	-	-	-	506	506
Travel and subsistence	7 092	(1 622)	(3 237)	2 233	2 233	-	100.0%	5 474	5 393
Training and development	164	(150)	(14)	-	-	-	-	12	11
Operating payments	281	15	(97)	199	199	-	100.0%	101	101
Venues and facilities	639	372	(640)	371	371	-	100.0%	-	-
Transfers and subsidies	143	356	52	551	551	-	100.0%	639	639
Households	143	356	52	551	551	-	100.0%	639	639

APPROPRIATION STATEMENT for the year ended 31 March 2017

Sub Programme 2.3: Identification Services									
2016/17								2015/16	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Social benefits	143	356	52	551	551	-	100.0%	639	639
Payments for capital assets	-	334	689	1 023	1 023	-	100.0%	907	907
Machinery and equipment	-	334	689	1 023	1 023	-	100.0%	907	907
Other machinery and equipment	-	334	689	1 023	1 023	-	100.0%	907	907
Total	284 473	(7 733)	(136 620)	140 120	140 120	-	100.0%	214 432	213 867

Sub Programme:2.4 Access to Services									
2016/17								2015/16	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	-	-	-	-	-	-	-	71 016	70 340
Compensation of employees	-	-	-	-	-	-	-	23 465	23 049
Salaries and wages	-	-	-	-	-	-	-	19 532	19 516
Social contributions	-	-	-	-	-	-	-	3 933	3 533
Goods and services	-	-	-	-	-	-	-	47 551	47 291
Administrative fees	-	-	-	-	-	-	-	292	236
Advertising	-	-	-	-	-	-	-	-	-
Minor assets	-	-	-	-	-	-	-	7	6
Catering: Departmental activities	-	-	-	-	-	-	-	4	-
Communication (G&S)	-	-	-	-	-	-	-	9	-
Computer services	-	-	-	-	-	-	-	-	-
Consultants: Business and advisory services	-	-	-	-	-	-	-	-	-
Contractors	-	-	-	-	-	-	-	164	163

APPROPRIATION STATEMENT for the year ended 31 March 2017

Sub Programme:2.4 Access to Services									
Economic classification	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Agency and support / outsourced services	-	-	-	-	-	-	-	38 350	38 350
Entertainment	-	-	-	-	-	-	-	10	8
Fleet services	-	-	-	-	-	-	-	6	3
Inventory: Clothing material and supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	-	-	-	-	-	-	-	28	21
Consumable: Stationery, printing and office supplies	-	-	-	-	-	-	-	347	317
Operating leases	-	-	-	-	-	-	-	42	-
Travel and subsistence	-	-	-	-	-	-	-	8 083	8 002
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	-	-	-	-	-	-	-	121	121
Venues and facilities	-	-	-	-	-	-	-	88	64
Transfers and subsidies	-	-	-	-	-	-	-	24	23
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	24	23
Social benefits	-	-	-	-	-	-	-	24	23
Payments for capital assets	-	-	-	-	-	-	-	390	390
Machinery and equipment	-	-	-	-	-	-	-	390	390
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	-	-	-	-	390	390
Total	-	-	-	-	-	-	-	71 430	70 753

APPROPRIATION STATEMENT for the year ended 31 March 2017

Sub Programme 2.5 Service Delivery to Provinces									
Economic classification	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	1 692 039	15 863	64 399	1 772 301	1 772 301	-	100.0%	2 049 421	2 049 339
Compensation of employees	1 585 276	7 390	49 456	1 642 122	1 642 122	-	100.0%	1 884 397	1 884 380
Salaries and wages	1 342 350	7 390	26 195	1 375 935	1 375 935	-	100.0%	1 579 197	1 579 180
Social contributions	242 926	-	23 261	266 187	266 187	-	100.0%	305 200	305 200
Goods and services	106 763	8 473	14 943	130 179	130 179	-	100.0%	165 024	164 959
Administrative fees	1 772	(264)	(509)	999	999	-	100.0%	1 327	1 315
Advertising	4	20	3	27	27	-	100.0%	4	4
Minor assets	4 967	(2 112)	(2 630)	225	225	-	100.0%	2 530	2 521
Catering: Departmental activities	1 368	(178)	(359)	831	831	-	100.0%	1 483	1 479
Communication (G&S)	4 851	(1 074)	1 399	5 176	5 176	-	100.0%	1 123	1 114
Computer services	16	(20)	4	-	-	-	-	3	2
Consultants: Business and advisory services	3	-	(3)	-	-	-	-	-	-
Contractors	555	(768)	533	320	320	-	100.0%	1 163	1 163
Agency and support / outsourced services	151	(5)	(116)	30	30	-	100.0%	77	77
Entertainment	86	-	(69)	17	17	-	100.0%	39	39
Fleet services	9 104	(6 679)	43 530	45 955	45 955	-	100.0%	58 217	58 217
Inventory: Clothing material and accessories	11 217	8 403	(10 836)	8 784	8 784	-	100.0%	8 029	8 020
Inventory: Materials and supplies	-	1	(1)	-	-	-	-	-	-
Inventory: Other supplies	-	(4)	4	-	-	-	-	-	-
Consumable supplies	7 506	(2 030)	(2 003)	3 473	3 473	-	100.0%	3 743	3 743
Consumable: Stationery, printing and office supplies	14 145	(1 677)	(3 188)	9 280	9 280	-	100.0%	11 180	11 179
Operating leases	10 478	23 716	(8 679)	25 515	25 515	-	100.0%	15 854	15 854

APPROPRIATION STATEMENT for the year ended 31 March 2017

Sub Programme 2.5 Service Delivery to Provinces									
Economic classification	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Property payments	2 114	(382)	(1 391)	341	341	-	100.0%	1 547	1 544
Travel and subsistence	30 794	(7 902)	1 643	24 535	24 535	-	100.0%	50 769	50 769
Training and development	21	-	(21)	-	-	-	-	23	20
Operating payments	5 143	(1 164)	(759)	3 220	3 220	-	100.0%	5 142	5 135
Venues and facilities	2 463	(362)	(1 628)	473	473	-	100.0%	2 731	2 725
Rental and hiring	5	954	19	978	978	-	100.0%	40	39
Transfers and subsidies	9 719	(57)	4 580	14 242	14 242	-	100.0%	17 143	17 141
Provinces and municipalities	960	(608)	459	811	811	-	100.0%	817	817
Municipalities	960	(608)	459	811	811	-	100.0%	817	817
Municipal bank accounts	960	(608)	459	811	811	-	100.0%	817	817
Departmental agencies and accounts	-	2	2	4	4	-	100.0%	11	11
Departmental agencies	-	2	2	4	4	-	100.0%	11	11
Households	8 759	549	4 119	13 427	13 427	-	100.0%	16 315	16 313
Social benefits	8 647	510	4 120	13 277	13 277	-	100.0%	16 240	16 240
Other transfers to households	112	39	(1)	150	150	-	100.0%	75	73
Payments for capital assets	-	909	6 844	7 753	7 753	-	100.0%	11 836	11 836
Machinery and equipment	-	909	6 844	7 753	7 753	-	100.0%	11 836	11 836
Other machinery and equipment	-	909	6 844	7 753	7 753	-	100.0%	11 836	11 836
Total	1 701 758	16 715	75 823	1 794 296	1 794 296	-	100.0%	2 078 400	2 078 316

APPROPRIATION STATEMENT for the year ended 31 March 2017

Sub Programme 2. 6: Independent Electoral Commission									
2016/17								2015/16	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers and subsidies	1 657 901	-	-	1 657 901	1 657 901	-	100.0%	1 517 104	1 517 104
Departmental agencies and accounts	1 657 901	-	-	1 657 901	1 657 901	-	100.0%	1 517 104	1 517 104
Departmental agencies (non-business entities)	1 657 901	-	-	1 657 901	1 657 901	-	100.0%	1 517 104	1 517 104
Total	1 657 901	-	-	1 657 901	1 657 901	-	100.0%	1 517 104	1 517 104

Sub Programme 2.7: Represented Political Parties' Fund									
2016/17								2015/16	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers and subsidies	134 480	-	-	134 480	134 480	-	100.0%	127 712	127 712
Departmental agencies and accounts	134 480	-	-	134 480	134 480	-	100.0%	127 712	127 712
Departmental agencies (non-business entities)	134 480	-	-	134 480	134 480	-	100.0%	127 712	127 712
Total	134 480	-	-	134 480	134 480	-	100.0%	127 712	127 712

APPROPRIATION STATEMENT for the year ended 31 March 2017

Sub Programme 2.8 Film and Publication Board									
2016/17								2015/16	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers and subsidies	-	-	-	-	-	-	-		
Departmental agencies and accounts	-	-	-	-	-	-	-		
Departmental agencies (non-business entities)	-	-	-	-	-	-	-		
Total	-	-	-	-	-	-	-		

Programme 3: Immigration Affairs									
2016/17								2015/16	
Sub programme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Immigration Affairs Management	37 930	19 901	(50 562)	7 269	7 269	-	100.0%	33 559	32 619
2. Admission Services	592 172	(21 029)	192 626	763 769	763 670	99	100.0%	407 328	407 101
3. Immigration Services	203 029	(805)	46 975	249 199	249 199	-	100.0%	228 089	227 956
4. Asylum Seekers	209 335	1 933	(85 704)	125 564	125 564	-	100.0%	62 430	62 080
Total for sub programmes	1 042 466	-	103 335	1 145 801	1 145 702	99	100.0%	731 406	729 756

APPROPRIATION STATEMENT for the year ended 31 March 2017

Programme 3: Immigration Affairs									
Economic classification	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	1 040 776	(9 174)	103 921	1 135 523	1 135 424	99	100.0%	727 834	726 187
Compensation of employees	667 828	-	40 668	708 496	708 496	-	100.0%	309 702	309 634
Salaries and wages	615 613	(1 152)	(9 540)	604 921	604 921	-	100.0%	265 023	264 955
Social contributions	52 215	1 152	50 208	103 575	103 575	-	100.0%	44 679	44 679
Goods and services	372 948	(9 174)	63 253	427 027	426 928	99	100.0%	418 132	416 553
Administrative fees	3 567	(1 976)	33	1 624	1 624	-	100.0%	5 084	4 959
Advertising	-	537	(1)	536	536	-	100.0%	3 953	3 953
Minor assets	3 528	(932)	(1 583)	1 013	1 013	-	100.0%	904	892
Audit costs: External	-	-	-	-	-	-	100.0%	-	-
Catering: Departmental activities	1 009	(101)	(766)	142	142	-	100.0%	299	248
Communication (G&S)	3 292	(769)	(1 208)	1 315	1 315	-	100.0%	141	78
Computer services	109 368	(9 303)	120 009	220 074	220 074	-	100.0%	161 020	161 020
Consultants: Business and advisory services	22 043	(1 468)	(15 893)	4 682	4 682	-	100.0%	7 088	7 088
Contractors	37 904	1 823	(38 835)	892	892	-	100.0%	15 488	15 484
Agency and support / outsourced services	56 488	430	52 321	109 239	109 239	-	100.0%	97 404	97 385
Entertainment	690	-	(669)	21	21	-	100.0%	54	38
Fleet services	1 819	971	(841)	1 949	1 850	99	94.9%	1 332	1 332
Inventory: Clothing material and accessories	14 486	(2 616)	(3 805)	8 065	8 065	-	100.0%	4 784	4 778
Consumable supplies	840	207	(384)	663	663	-	100.0%	242	147
Consumable: Stationery, printing and office supplies	5 230	(3 227)	518	2 521	2 521	-	100.0%	2 451	2 451
Operating leases	2 203	327	(1 969)	561	561	-	100.0%	977	945
Property payments	152	(90)	1 287	1 349	1 349	-	100.0%	683	667

APPROPRIATION STATEMENT for the year ended 31 March 2017

Programme 3: Immigration Affairs									
Economic classification	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transport provided: Departmental activity	50 009	(1 651)	(27 323)	21 035	21 035	-	100.0%	63 143	63 143
Travel and subsistence	54 272	8 232	(16 643)	45 861	45 861	-	100.0%	49 986	49 003
Training and development	212	(2 389)	2 238	61	61	-	100.0%	18	5
Operating payments	3 984	844	(2 618)	2 210	2 210	-	100.0%	1 515	1 457
Venues and facilities	1 852	1 977	(615)	3 214	3 214	-	100.0%	1 361	1 276
Rental and hiring	-	-	-	-	-	-	100.0%	205	204
Transfers and subsidies	1 690	195	(557)	1 328	1 328	-	100.0%	1 134	1 131
Provinces and municipalities	-	-	-	-	-	-	100.0%	1	-
Municipalities	-	-	-	-	-	-	100.0%	1	-
Municipal bank accounts	-	-	-	-	-	-	100.0%	1	-
Departmental agencies and accounts	3	-	(1)	2	2	-	100.0%	8	6
Departmental agencies	3	-	(1)	2	2	-	100.0%	8	6
Households	1 687	195	(556)	1 326	1 326	-	100.0%	1 125	1 125
Social benefits	1 563	195	(556)	1 202	1 202	-	100.0%	1 125	1 125
Other transfers to households	124	-	-	124	124	-	100.0%	-	-
Payments for capital assets	-	8 979	29	8 950	8 950	-	100.0%	2 438	2 438
Machinery and equipment	-	7 534	1 416	8 950	8 950	-	100.0%	2 438	2 438
Transport equipment	-	-	-	-	-	-	100.0%	-	-
Other machinery and equipment	-	7 534	1 416	8 950	8 950	-	100.0%	2 438	2 438
Software and other intangible assets	-	1 445	(1 445)	-	-	-	100.0%	-	-
Total	1 042 466	-	103 335	1 145 801	1 145 702	99	100.0%	731 406	729 756

APPROPRIATION STATEMENT for the year ended 31 March 2017

Sub programme 3.1: Immigration Affairs Management									
Economic classification	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	36 906	20 698	(50 436)	7 168	7 168	-	100.0%	32 929	31 989
Compensation of employees	21 504	22 949	(39 706)	4 747	4 747	-	100.0%	21 171	21 154
Salaries and wages	21 110	22 949	(39 614)	4 445	4 445	-	100.0%	20 057	20 040
Social contributions	394	-	(92)	302	302	-	100.0%	1 114	1 114
Goods and services	15 402	(2 251)	(10 730)	2 421	2 421	-	100.0%	11 758	10 835
Administrative fees	1 952	(2 700)	775	27	27	-	100.0%	3 572	3 572
Advertising	-	537	(1)	536	536	-	100.0%	-	-
Minor assets	571	30	(601)	-	-	-	100.0%	153	150
Catering: Departmental activities	298	47	(308)	37	37	-	100.0%	124	96
Communication (G&S)	259	-	(162)	97	97	-	100.0%	66	3
Computer services	-	-	-	-	-	-	-	444	444
Contractors	59	28	(60)	27	27	-	100.0%	12	12
Entertainment	16	-	(13)	3	3	-	100.0%	18	12
Fleet services	303	-	(299)	4	4	-	100.0%	357	357
Inventory: Clothing material and supplies	2 376	-	(2 376)	-	-	-	100.0%	71	70
Consumable supplies	96	3	(93)	6	6	-	100.0%	46	27
Consumable: Stationery, printing and office supplies	836	73	(822)	87	87	-	100.0%	527	527
Operating leases	397	-	(397)	-	-	-	100.0%	106	106
Property payments	152	-	(152)	-	-	-	100.0%	400	385
Travel and subsistence	5 912	203	(4 756)	1 359	1 359	-	100.0%	3 673	2 906
Training and development	78	-	(78)	-	-	-	100.0%	6	5
Operating payments	1 009	6	(1 004)	11	11	-	100.0%	968	968
Venues and facilities	1 088	(478)	(383)	227	227	-	100.0%	1 010	991
Rental and hiring	-	-	-	-	-	-	100.0%	205	204

APPROPRIATION STATEMENT for the year ended 31 March 2017

Sub programme 3.1: Immigration Affairs Management									
2016/17								2015/16	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers and subsidies	1 024	(797)	(195)	32	32	-	100.0%	92	92
Households	1 024	(797)	(195)	32	32	-	100.0%	92	92
Social benefits	1 024	(797)	(195)	32	32	-	100.0%	92	92
Payments for capital assets	-	-	69	69	69	-	100.0%	538	538
Machinery and equipment	-	-	69	69	69	-	100.0%	538	538
Other machinery and equipment	-	-	69	69	69	-	100.0%	538	538
Total	37 930	19 901	(50 562)	7 269	7 269	-	100.0%	33 559	32 619

Sub programme 3.2: Admission Services									
2016/17								2015/16	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	591 685	(28 995)	192 254	754 944	754 845	99	100.0%	405 293	405 066
Compensation of employees	467 862	(19 701)	46 055	494 216	494 216	-	100.0%	203 741	203 724
Salaries and wages	436 466	(20 853)	2 816	418 429	418 429	-	100.0%	172 049	172 032
Social contributions	31 396	1 152	43 239	75 787	75 787	-	100.0%	31 692	31 692
Goods and services	123 823	(9 294)	146 199	260 728	260 629	99	100.0%	201 552	201 342
Administrative fees	793	307	75	1 175	1 175	-	100.0%	1 162	1 162
Advertising	-	-	-	-	-	-	-	3 901	3 901
Minor assets	694	(673)	989	1 010	1 010	-	100.0%	746	738
Catering: Departmental activities	101	(95)	(2)	4	4	-	100.0%	25	25
Communication (G&S)	406	(760)	986	632	632	-	100.0%	-	-
Computer services	86 993	(10 419)	139 987	216 561	216 561	-	100.0%	151 497	151 497
Consultants: Business and advisory services	209	-	(209)	-	-	-	-	-	-

APPROPRIATION STATEMENT for the year ended 31 March 2017

Sub programme 3.2: Admission Services									
Economic classification	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Contractors	6	98	(8)	96	96	-	100.0%	4	-
Entertainment	11	-	(8)	3	3	-	100.0%	17	10
Fleet services	723	(58)	(21)	644	545	99	84.6%	337	337
Inventory: Clothing material and supplies	973	(232)	(739)	2	2	-	100.0%	30	25
Consumable supplies	150	(11)	145	284	284	-	100.0%	171	110
Consumable: Stationery, printing and office supplies	1 103	(2 070)	2 495	1 528	1 528	-	100.0%	1 154	1 154
Operating leases	862	382	(1 195)	49	49	-	100.0%	89	89
Transport provided: departmental activity	-	2	(2)	-	-	-	-	-	-
Travel and subsistence	29 087	4 492	4 353	37 932	37 932	-	100.0%	42 056	41 984
Training and development	-	(52)	98	46	46	-	100.0%	-	-
Operating payments	1 696	6	(1 110)	592	592	-	100.0%	310	310
Venues and facilities	16	(211)	365	170	170	-	100.0%	53	-
Transfers and subsidies	487	916	(338)	1 065	1 065	-	100.0%	786	786
Departmental agencies and accounts	2	-	-	2	2	-	100.0%	6	6
Departmental agencies(non-business entities)	2	-	-	2	2	-	100.0%	6	6
Households	485	916	(338)	1 063	1 063	-	100.0%	780	780
Social benefits	485	916	(338)	1 063	1 063	-	100.0%	780	780
Payments for capital assets	-	7 050	710	7 760	7 760	-	100.0%	1 249	1 249
Machinery and equipment	-	6 613	1 147	7 760	7 760	-	100.0%	1 249	1 249
Other machinery and equipment	-	6 613	1 147	7 760	7 760	-	100.0%	1 249	1 249
Software and other intangible assets	-	437	(437)	-	-	-	-	-	-
Total	592 172	(21 029)	192 626	763 769	763 670	99	100.0%	407 328	407 101

APPROPRIATION STATEMENT for the year ended 31 March 2017

Sub programme 3.3: Immigration Services									
Economic classification	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	203 029	(1 109)	46 934	248 854	248 854	-	100.0%	227 757	227 625
Compensation of employees	67 964	(829)	31 766	98 901	98 901	-	100.0%	58 186	58 169
Salaries and wages	64 425	(829)	25 061	88 657	88 657	-	100.0%	49 459	49 442
Social contributions	3 539	-	6 705	10 244	10 244	-	100.0%	8 727	8 727
Goods and services	135 065	(280)	15 168	149 953	149 953	-	100.0%	169 571	169 456
Administrative fees	387	334	(436)	285	285	-	100.0%	229	160
Minor assets	934	16	(947)	3	3	-	100.0%	2	1
Catering: Departmental activities	221	3	(195)	29	29	-	100.0%	18	18
Communication (G&S)	1 946	-	(1 527)	419	419	-	100.0%	71	71
Computer services	699	1 675	384	2 758	2 758	-	100.0%	565	565
Contractors	-	48	(9)	39	39	-	100.0%	-	-
Agency and support / outsourced services	56 488	-	52 751	109 239	109 239	-	100.0%	97 404	97 385
Entertainment	627	-	(619)	8	8	-	100.0%	6	6
Fleet services	495	1 021	(226)	1 290	1 290	-	100.0%	624	624
Inventory: Clothing material and supplies	11 137	(2 377)	(698)	8 062	8 062	-	100.0%	4 683	4 683
Consumable supplies	518	22	(450)	90	90	-	100.0%	3	3
Consumable: Stationery, printing and office supplies	1 883	(259)	(1 379)	245	245	-	100.0%	205	205
Operating leases	493	(169)	(357)	(33)	(33)	-	100.0%	450	450
Transport provided: Departmental activity	50 009	(1 653)	(27 321)	21 035	21 035	-	100.0%	63 143	63 143
Travel and subsistence	8 457	2 518	(5 969)	5 006	5 006	-	100.0%	2 078	2 053
Training and development	-	(2 353)	2 353	-	-	-	100.0%	-	-
Operating payments	740	972	(234)	1 478	1 478	-	100.0%	38	38
Venues and facilities	31	(78)	47	-	-	-	100.0%	52	51

APPROPRIATION STATEMENT for the year ended 31 March 2017

Sub programme 3.3: Immigration Services									
2016/17								2015/16	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers and subsidies	-	24	-	24	24	-	100.0%	111	110
Provinces and municipalities	-	-	-	-	-	-	100.0%	1	-
Municipalities	-	-	-	-	-	-	100.0%	1	-
Municipal bank accounts	-	-	-	-	-	-	100.0%	1	-
Households	-	24	-	24	24	-	100.0%	110	110
Social benefits	-	24	-	24	24	-	100.0%	110	110
Payments for capital assets	-	280	41	321	321	-	100.0%	221	221
Machinery and equipment	-	280	41	321	321	-	100.0%	221	221
Other machinery and equipment	-	280	41	321	321	-	100.0%	221	221
Total	203 029	(805)	46 975	249 199	249 199	-	100.0%	228 089	227 956

Sub programme 3.4: Asylum Seekers									
2016/17								2015/16	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	209 156	232	(84 831)	124 557	124 557	-	100.0%	61 855	61 507
Compensation of employees	110 498	(2 419)	2 553	110 632	110 632	-	100.0%	26 604	26 587
Salaries and wages	93 612	(2 419)	2 197	93 390	93 390	-	100.0%	23 458	23 441
Social contributions	16 886	-	356	17 242	17 242	-	100.0%	3 146	3 146
Goods and services	98 658	2 651	(87 384)	13 925	13 925	-	100.0%	35 251	34 920
Administrative fees	435	83	(381)	137	137	-	100.0%	121	65
Advertising	-	-	-	-	-	-	-	52	52
Minor assets	1 329	(305)	(1 024)	-	-	-	100.0%	3	3
Catering: Departmental activities	389	(56)	(261)	72	72	-	100.0%	132	109
Communication (G&S)	681	(9)	(505)	167	167	-	100.0%	4	4

APPROPRIATION STATEMENT for the year ended 31 March 2017

Sub programme 3.4:Asylum Seekers									
Economic classification	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Computer services	21 676	(559)	(20 362)	755	755	-	100.0%	8 514	8 514
Consultants: Business and advisory services	21 834	(1 468)	(15 684)	4 682	4 682	-	100.0%	7 088	7 088
Contractors	37 839	1 649	(38 758)	730	730	-	100.0%	15 472	15 472
Agency and support / outsourced services	-	430	(430)	-	-	-	100.0%	-	-
Entertainment	36	-	(29)	7	7	-	100.0%	13	10
Fleet services	298	8	(295)	11	11	-	100.0%	14	14
Inventory: clothing material and accessories	-	(7)	8	1	1	-	-	-	-
Consumable supplies	76	193	14	283	283	-	100.0%	22	7
Consumable: Stationery, printing and office supplies	1 408	(971)	224	661	661	-	100.0%	565	565
Operating leases	451	114	20	545	545	-	100.0%	332	300
Property payments	-	(90)	1 439	1 349	1 349	-	100.0%	283	282
Travel and subsistence	10 816	1 019	(10 271)	1 564	1 564	-	100.0%	2 179	2 060
Training and development	134	16	(135)	15	15	-	100.0%	12	-
Operating payments	539	(140)	(270)	129	129	-	100.0%	199	141
Venues and facilities	717	2 744	(644)	2 817	2 817	-	100.0%	246	234
Transfers and subsidies	179	52	(24)	207	207	-	100.0%	145	143
Departmental agencies and accounts	1	-	(1)	-	-	-	100.0%	2	-
Departmental agencies	1	-	(1)	-	-	-	100.0%	2	-
Households	178	52	(23)	207	207	-	100.0%	143	143
Social benefits	54	52	(23)	83	83	-	100.0%	143	143
Other transfers to households	124	-	-	124	124	-	-	-	-
Payments for capital assets	-	1 649	(849)	800	800	-	100.0%	430	430

APPROPRIATION STATEMENT for the year ended 31 March 2017

Sub programme 3.4:Asylum Seekers									
2016/17								2015/16	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Machinery and equipment	-	641	159	800	800	-	100.0%	430	430
Other machinery and equipment	-	641	159	800	800	-	100.0%	430	430
Software and other intangible assets	-	1 008	(1008)	-	-	-	-	-	-
Total	209 335	1 933	(85 704)	125 564	125 564	-	100.0%	62 430	62 080

NOTES TO THE APPROPRIATION STATEMENT for the year ended 31 March 2017

1. Detail of transfers and subsidies as per Appropriation Act (after Virement):

Detail of these transactions can be viewed in the note on Transfers and subsidies, disclosure notes and Annexure 1 (A-B) to the Annual Financial Statements.

2. Detail of specifically and exclusively appropriated amounts voted (after Virement):

Detail of these transactions can be viewed in note 1 (Annual Appropriation) to the Annual Financial Statements.

3. Detail on payments for financial assets

Detail of these transactions per programme can be viewed in the note on Payments for financial assets to the Annual Financial Statements.

4. Explanations of material variances from Amounts Voted (after Virement):

4.1 Per programme	Final Appropriation	Actual Expenditure	Variance R'000	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
Administration	2 222 834	2 210 834	12 000	99%
Citizen Affairs	4 787 170	4 786 988	182	100%
Immigration Affairs	1 145 801	1 145 702	99	100%

Administration

99% spending for Programme 1: Administration: During the year under review, the Department has underspent its allocation by 0.15 % (R12 million). The bulk of the under spending is as a result of delays in the implementation of VOIP and video conferencing. The Department was, during the Adjusted Estimates of National Expenditure process in September 2016, allocated an amount of R12 million by the National Treasury for the installation of VOIP and Video conferencing Project (VC) systems, of which approval was only granted on the 4th of October 2016. Due to numerous challenges such as specifications not being clear, service providers quoting for different models, capacity concerns of service providers, the final decisions could not be taken. Due to these delays the decision to award was only made on the 28 February 2017, whereby orders were issued on that date. Furthermore service providers had advised that most of the equipment is imported and therefore could not be delivered before 31 March 2017.

The Department has however in April 2017 requested approval to National Treasury for funds to be rolled over in the 2017/18 financial year as the R12 million was a once off allocation and could not be spent by 31 March 2017.

Citizen Affairs

100% spending for Programme 2: Citizen Affairs: The spending in programme two is in line with the linear projection.

Immigration affairs

100% spending for Programme 3: The spending in programme three is in line with the linear projection.

4.2 Per economic classification	Final Appropriation	Actual Expenditure	Variance R'000	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
Current payments				
Compensation of employees	3 069 825	3 069 768	57	100%
Goods and services	3 034 845	3 034 621	224	100%
Transfers and subsidies				
Provinces and municipalities	918	918	-	100%
Departmental agencies and accounts	1 792 405	1 792 405	-	100%
Households	22 330	22 330	-	100%
Payments for capital assets				
Buildings and other fixed structures	112 628	112 628	-	100%
Machinery and equipment	92 977	81 574	11 403	88%
Intangible assets	29 877	29 280	597	98%

The under spending under Machinery and Equipment is due to the delay in the implementation of VOIP and video conferencing. The Department has however in April 2017 requested approval to National Treasury for funds (R12 million) to be rolled over in the 2017/18 financial year.

STATEMENT OF FINANCIAL PERFORMANCE for the year ended 31 March 2017

	Note	2016/17 R'000	2015/16 R'000		Note	2016/17 R'000	2015/16 R'000
REVENUE				Reconciliation of Net Surplus/(Deficit) for the year			
Annual appropriation	1	8 155 805	7 348 725	Voted funds		12 281	5 347
Departmental revenue	2	1 099 536	1 081 258	Annual appropriation		12 281	5 347
TOTAL REVENUE		9 255 341	8 429 983	Departmental revenue and NRF Receipts	13	1 099 536	1 081 258
EXPENDITURE				SURPLUS/(DEFICIT) FOR THE YEAR			
Current expenditure						1 111 817	1 086 605
Compensation of employees	3	3 069 768	2 845 327				
Goods and services	4	3 034 621	2 615 214				
Total current expenditure		6 104 389	5 460 541				
Transfers and subsidies							
Transfers and subsidies	5	1 815 653	1 666 143				
Total transfers and subsidies		1 815 653	1 666 143				
Expenditure for capital assets							
Tangible assets	6	194 202	199 146				
Intangible assets	6	29 280	17 548				
Total expenditure for capital assets		223 482	216 694				
TOTAL EXPENDITURE		8 143 524	7 343 378				
SURPLUS/(DEFICIT) FOR THE YEAR		1 111 817	1 086 605				

STATEMENT OF FINANCIAL POSITION for the year ended 31 March 2017

	<i>Note</i>	2016/17 R'000	2015/16 R'000		<i>Note</i>	2016/17 R'000	2015/16 R'000
ASSETS				Represented by:			
Current assets		2 889 297	3 233 965	Recoverable revenue		2 371	2 009
Unauthorised expenditure	7	-	1 088 221	TOTAL		2 371	2 009
Cash and cash equivalents	8	1 141 850	506 914				
Prepayments and advances	9	2 707	2 913				
Receivables	10	1 744 740	1 635 917				
Non-current assets		32 283	31 215				
Receivables	10	32 283	31 215				
TOTAL ASSETS		2 921 580	3 265 180				
LIABILITIES							
Current liabilities		2 919 209	3 263 171				
Voted funds to be surrendered to the Revenue Fund	11	12 149	5 215				
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	12	2 847 930	2 957 456				
Bank overdraft	13	-	286 223				
Payables	14	59 130	14 277				
TOTAL LIABILITIES		2 919 209	3 263 171				
NET ASSETS		2 371	2 009				

STATEMENT OF CHANGES IN NET ASSETS for the year ended 31 March 2017

	<i>Note</i>	2016/17 R'000	2015/16 R'000
Recoverable revenue			
Opening balance		2 009	2 327
Transfers:		362	(318)
Debts recovered (included in departmental receipts)		362	(318)
Debt Raised		-	-
Closing balance		2 371	2 009
TOTAL		2 371	2 009

CASH FLOW STATEMENT for the year ended 31 March 2017

	<i>Note</i>	2016/17 R'000	2015/16 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		8 953 496	8 095 697
Annual appropriated funds received	1.1	8 155 805	7 348 725
Departmental revenue received	2	797 075	718 534
Interest received	2.3	616	28 438
Net (increase)/decrease in working capital		1 066 341	8 739
Surrendered to Revenue Fund		(958 574)	(865 881)
Current payments		(6 104 389)	(5 460 541)
Transfers and subsidies paid		(1 815 653)	(1 666 143)
Net cash flow available from operating activities	15	1 141 221	111 871
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	6	(223 482)	(216 694)
Proceeds from sale of capital assets	2.4	3 058	229
Net cash flows from investing activities		(220 424)	(216 465)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		362	(318)
Increase/(decrease) in non-current payables		-	-
Net cash flows from financing activities		362	(318)
Net increase/(decrease) in cash and cash equivalents		921 159	(104 912)
Cash and cash equivalents at beginning of period		220 691	325 603
Unrealised gains and losses within cash and cash equivalents		-	-
Cash and cash equivalents at end of period	16	1 141 850	220 691

ACCOUNTING POLICIES for the year ended 31 March 2017

Summary of significant accounting policies	
<p>The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. Management has concluded that the financial statements present fairly the department's primary and secondary information.</p> <p>The historical cost convention has been used, except where otherwise indicated. Management has used assessments and estimates in preparing the annual financial statements. These are based on the best information available at the time of preparation. Where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the financial statements and to comply with the statutory requirements of the Public Finance Management Act (PFMA), Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the PFMA and the annual Division of Revenue Act.</p>	
1	<p>Basis of preparation</p> <p>The financial statements have been prepared in accordance with the Modified Cash Standard.</p>
2	<p>Going concern</p> <p>The financial statements have been prepared on a going concern basis.</p>
3	<p>Presentation currency</p> <p>Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.</p>
4	<p>Rounding</p> <p>Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).</p>
5	<p>Foreign currency translation</p> <p>Cash flows arising from foreign currency transactions are translated into South African Rand using the spot exchange rates prevailing at the date of payment / receipt.</p>

6	Comparative information
6.1	<p>Prior period comparative information</p> <p>Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.</p>
6.2	<p>Current year comparison with budget</p> <p>A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.</p>
7	Revenue
7.1	<p>Appropriated funds</p> <p>Appropriated funds comprises of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation).</p> <p>Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective.</p> <p>The net amount of any appropriated funds due to / from the relevant revenue fund at the reporting date is recognised as a payable / receivable in the statement of financial position.</p>
7.2	<p>Departmental revenue</p> <p>Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise.</p> <p>Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.</p> <p>Due to the accounting policy change with effect from 2015/16 NT has to manually update the Foreign Revenue figures on the Cash Flow Statement to reflect Non-Cash Items.</p>

ACCOUNTING POLICIES for the year ended 31 March 2017

7.3	Accrued departmental revenue Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when: <ul style="list-style-type: none"> it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and the amount of revenue can be measured reliably. The accrued revenue is measured at the fair value of the consideration receivable. Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents.
8	Expenditure
8.1	Compensation of employees
8.1.1	Salaries and wages Salaries and wages are recognised in the statement of financial performance on the date of payment.
8.1.2	Social contributions Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment. Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.
8.2	Other expenditure Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.

8.3	Accruals and payables not recognised Accruals and payables not recognised are recorded in the notes to the financial statements when the goods are received or, in the case of services, when they are rendered to the department or in the case of transfers and subsidies when they are due and payable. Accruals and payables not recognised are measured at cost.
8.4	Leases
8.4.1	Operating leases Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment. The operating lease commitments are recorded in the notes to the financial statements.
8.4.2	Finance leases Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment. The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions. Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of: <ul style="list-style-type: none"> cost, being the fair value of the asset; or the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.
9	Aid Assistance
9.1	Aid assistance received Aid assistance received in cash is recognised in the statement of financial performance when received. In-kind aid assistance is recorded in the notes to the financial statements on the date of receipt and is measured at fair value. Aid assistance not spent for the intended purpose and any unutilised funds from aid assistance that are required to be refunded to the donor are recognised as a payable in the statement of financial position.

ACCOUNTING POLICIES for the year ended 31 March 2017

9.2	Aid assistance paid Aid assistance paid is recognised in the statement of financial performance on the date of payment. Aid assistance payments made prior to the receipt of funds are recognised as a receivable in the statement of financial position.
10	Cash and cash equivalents Cash and cash equivalents are stated at cost in the statement of financial position. Bank overdrafts are shown separately on the face of the statement of financial position as a current liability. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.
11	Prepayments and advances Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash. Prepayments and advances are initially and subsequently measured at cost. <Indicate when prepayments are expensed and under what circumstances.>
12	Loans and receivables Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off. Write-offs are made according to the department's write-off policy.
13	Investments Investments are recognised in the statement of financial position at cost.
14	Financial assets
14.1	Financial assets (not covered elsewhere) A financial asset is recognised initially at cost plus transaction costs that are directly attributable to the acquisition or issue of the financial asset. At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written-off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.

14.2	Impairment of financial assets Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.
15	Payables Loans and payables are recognised in the statement of financial position at cost.
16	Capital Assets
16.1	Immovable capital assets Immovable capital assets are initially recorded in the notes to the financial statements at cost. Immovable capital assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition. Where the cost of immovable capital assets cannot be determined reliably, the immovable capital assets are measured at fair value for recording in the asset register. Immovable capital assets are subsequently carried at cost and are not subject to depreciation or impairment. Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the immovable asset is recorded by another department in which case the completed project costs are transferred to that department.

ACCOUNTING POLICIES for the year ended 31 March 2017

16.2	<p>Movable capital assets</p> <p>Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition.</p> <p>Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1.</p> <p>All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the movable asset is recorded by another department/entity in which case the completed project costs are transferred to that department.</p>
16.3	<p>Intangible assets</p> <p>Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition.</p> <p>Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project.</p> <p>Where the cost of intangible assets cannot be determined reliably, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1.</p> <p>All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the intangible asset is recorded by another department/entity in which case the completed project costs are transferred to that department.</p>

17	<p>Provisions and Contingents</p>
17.1	<p>Provisions</p> <p>Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.</p>
17.2	<p>Contingent liabilities</p> <p>Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.</p>
17.3	<p>Contingent assets</p> <p>Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.</p>
17.4	<p>Commitments</p> <p>Commitments (other than for transfers and subsidies) are recorded at cost in the notes to the financial statements when there is a contractual arrangement or an approval by management in a manner that raises a valid expectation that the department will discharge its responsibilities thereby incurring future expenditure that will result in the outflow of cash.</p>

ACCOUNTING POLICIES for the year ended 31 March 2017

<p>18</p>	<p>Unauthorised expenditure</p> <p>Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either:</p> <ul style="list-style-type: none"> • approved by Parliament or the Provincial Legislature with funding and the related funds are received; or • approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or • transferred to receivables for recovery. <p>Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.</p>	<p>21</p>	<p>Changes in accounting policies, accounting estimates and errors</p> <p>Changes in accounting policies that are effected by management have been applied retrospectively in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the change in policy. In such instances the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.</p> <p>Changes in accounting estimates are applied prospectively in accordance with MCS requirements.</p> <p>Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.</p>
<p>19</p>	<p>Fruitless and wasteful expenditure</p> <p>Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and or wasteful expenditure incurred.</p> <p>Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables for recovery.</p> <p>Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.</p>	<p>22</p>	<p>Events after the reporting date</p> <p>Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.</p>
<p>20</p>	<p>Irregular expenditure</p> <p>Irregular expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the value of the irregular expenditure incurred unless it is impracticable to determine, in which case reasons therefor are provided in the note.</p> <p>Irregular expenditure is removed from the note when it is either condoned by the relevant authority, transferred to receivables for recovery or not condoned and is not recoverable.</p> <p>Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.</p>		



ACCOUNTING POLICIES for the year ended 31 March 2017

<p>23</p>	<p>Principal-Agent arrangements</p> <p>The department is a party to a principal-agent arrangement with DIRCO (agent) for the rendering of its services at its missions. In terms of this arrangement the department is the principal and is responsible for providing the approved tariffs for immigration and civic services rendered abroad and for providing the required face value forms. All related revenues, expenditures, assets and liabilities have been recognised or recorded in terms of the relevant policies listed herein.</p> <p>The department is a party to a principal-agent arrangement with Visa Facilitation Services (VFS) (agent) for the collection of Visa applications and distribution of the Visa to successful applicants both locally and abroad. In terms of the arrangement, the department is the principal and is responsible for the adjudication of all applications received through VFS. All related revenues, expenditures, assets and liabilities have been recognised or recorded in terms of the relevant policies listed herein.</p> <p>Additional disclosures have been provided in the notes to the financial statements where appropriate.</p>	<p>27</p>	<p>Related party transactions</p> <p>A related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party. Related party transactions within the Minister/MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length.</p> <p>Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the department. The number of individuals and their full compensation is recorded in the notes to the financial statements.</p>
<p>24</p>	<p>Departures from the MCS requirements</p> <p>There is no departure from MCS in the current financial year.</p>	<p>28</p>	<p>Inventories (Effective from date determined in a Treasury Instruction)</p> <p>At the date of acquisition, inventories are recorded at cost price in the statement of financial performance.</p> <p>Where inventories are acquired as part of a non-exchange transaction, the cost of inventory is its fair value at the date of acquisition.</p> <p>Inventories are subsequently measured at the lower of cost and net realisable value or the lower of cost and current replacement value.</p> <p>Subsequent measurement of the cost of inventory is determined on the weighted average basis.</p>
<p>25</p>	<p>Capitalisation reserve</p> <p>The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the National/Provincial Revenue Fund when the underlying asset is disposed and the related funds are received.</p>	<p>29</p>	<p>Public-Private Partnerships</p> <p>Public Private Partnerships are accounted for based on the nature and or the substance of the partnership. The transaction is accounted for in accordance with the relevant accounting policies.</p> <p>A summary of the significant terms of the PPP agreement, the parties to the agreement, and the date of commencement thereof together with the description and nature of the concession fees received, the unitary fees paid, rights and obligations of the department are recorded in the notes to the financial statements.</p>
<p>26</p>	<p>Recoverable revenue</p> <p>Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.</p>	<p>30</p>	<p>Employee benefits</p> <p>The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is disclosed in the Employee benefits note.</p>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2017

1. Annual Appropriation

1.1 Annual Appropriation

Included are funds appropriated in terms of the Appropriation Act (and the Adjustments Appropriation Act) for National Departments (Voted funds)

	2016/17			2015/16	
	Final Appropriation	Actual Funds Received	Funds not requested/not received	Final Appropriation	Appropriation received
	R'000	R'000	R'000	R'000	R'000
Administration	2 222 833	2 222 833	-	1 758 739	1 758 739
Citizen Affairs	4 787 170	4 787 170	-	4 858 580	4 858 580
Immigration Affairs	1 145 802	1 145 802	-	731 406	731 406
Total	8 155 805	8 155 805	-	7 348 725	7 348 725

2. Departmental revenue

	Note	2016/17 R'000	2015/16 R'000
Sales of goods and services other than capital assets	2.1	1 074 164	1 025 381
Fines, penalties and forfeits	2.2	10 271	15 314
Interest, dividends and rent on land	2.3	616	28 438
Sales of capital assets	2.4	3 058	229
Transactions in financial assets and liabilities	2.5	10 265	11 896
Transfer received	2.6	1 162	-
Total revenue collected		1 099 536	1 081 258
Departmental revenue collected		1 099 536	1 081 258

In terms of the agent-principal agreement between the Department and DIRCO, the foreign revenue collected during the year is paid over directly to NRF and does not pass the Department's bank accounts, which necessitate National Treasury to manually update the Cash Flow Statement to reflect the Foreign revenue as Non-Cash Items. DIRCO collected foreign revenue amounting to R298 million (R332 million 2015/16) of which R201 million (R209 million 2015/16) was paid over to NRF. The difference between collected and paid over amounts to R97 million (R121 million) which is recognised as a Receivable.

2.1 Sales of goods and services other than capital assets

	Note	2016/17 R'000	2015/16 R'000
Sales of goods and services produced by the department	2	1 074 147	1 025 366
Sales by market establishment		-	2 692
Administrative fees		1 074 113	1 022 674
Other sales		34	-
Sales of scrap, waste and other used current goods		17	15
Total		1 074 164	1 025 381

2.2 Fines, penalties and forfeits

	Note	2016/17 R'000	2015/16 R'000
Fines	2	2 716	7 699
Penalties		7 555	7 580
Forfeits		-	35
Total		10 271	15 314

2.3 Interest, dividends and rent on land

	Note	2016/17 R'000	2015/16 R'000
Interest	2	616	28 438
Total		616	28 438

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2017

2.4 Sale of capital assets

	Note	2016/17	2015/16
	2	R'000	R'000
Tangible assets		3 058	229
Machinery and equipment	27	3 058	229
Total		3 058	229

2.5 Transactions in financial assets and liabilities

	Note	2016/17	2015/16
	2	R'000	R'000
Loans and advances		-	-
Receivables		5 302	4 723
Other Receipts including Recoverable Revenue		4 963	7 173
Total		10 265	11 896

2.6 Transfer received

	Note	2016/17	2015/16
	2	R'000	R'000
Public corporations and private enterprises		1 162	-
Total		1 162	-

'Transfer Received' represents the Cash donations received by the department during the financial year. These donations are listed in Annexure 1C.

3. Compensation of employees

3.1 Salaries and Wages

	Note	2016/17	2015/16
		R'000	R'000
Basic salary		2 151 397	2 003 430
Performance award		8 556	11 035
Service Based		3 491	2 111
Compensative/circumstantial		61 418	63 113
Periodic payments		-	18
Other non-pensionable allowances		379 339	328 523
Total		2 604 201	2 408 230

'Compensative/ circumstantial' represents the overtime payment, periodic payment, acting allowances and internship allowances.

'Other non-pensionable allowances' are inclusive of Housing allowance, Non-pensionable allowances and foreign allowances for deployed officials.

3.2 Social contributions

	Note	2016/17	2015/16
		R'000	R'000
Employer contributions			
Pension		276 018	258 307
Medical		188 847	178 123
Bargaining council		702	667
Total		465 567	437 097
Total compensation of employees		3 069 768	2 845 327
Average number of employees		9 792	9 741

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2017

The increase in the total compensation of employees to R3 billion in 2016/17 (R2,8 billion 2015/16) can be attributed to cost of living adjustment, medical aid benefits to employee's increases and housing allowances.

4. Goods and services

	Note	2016/17 R'000	2015/16 R'000
Administrative fees		10 003	17 356
Advertising		5 741	14 836
Minor assets	4.1	7 779	10 541
Bursaries (employees)		3 063	2 197
Catering		1 709	2 460
Communication		81 726	73 143
Computer services	4.2	583 387	465 298
Consultants: Business and advisory services		39 533	19 404
Legal services		39 926	54 042
Contractors		307 855	168 948
Agency and support / outsourced services		132 034	143 491
Entertainment		201	331
Audit cost – external	4.3	31 185	28 733
Fleet services		104 805	64 972
Inventory	4.4	17 440	12 919
Consumables	4.5	923 797	742 951
Operating leases		348 806	340 703
Property payments	4.6	190 076	165 424
Rental and hiring		1 049	606
Transport provided as part of the departmental activities		21 035	63 143
Travel and subsistence	4.7	116 632	170 207
Venues and facilities		12 703	12 651
Training and development		2 601	3 312
Other operating expenditure	4.8	51 535	37 546
Total		3 034 621	2 615 214

4.1 Minor assets

	Note	2016/17 R'000	2015/16 R'000
Tangible assets	4	7 779	10 541
Machinery and equipment		7 779	10 541
Total		7 779	10 541

4.2 Computer services

	Note	2016/17 R'000	2015/16 R'000
SITA computer services	4	194 436	147 288
External computer service providers		388 951	318 010
Total		583 387	465 298

4.3 Audit cost – External

	Note	2016/17 R'000	2015/16 R'000
Regularity audits	4	31 185	28 733
Total		31 185	28 733

4.4 Inventory

	Note	2016/17 R'000	2015/16 R'000
Clothing material and accessories	4	17 440	12 919
Total		17 440	12 919

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2017

4.5 Consumables

	<i>Note</i>	2016/17	2015/16
	4	R'000	R'000
Consumable supplies		15 268	10 896
Uniform and clothing		-	12
Household supplies		5 291	3 684
Building material and supplies		5	5 222
Communication accessories		3	-
IT consumables		289	961
Other consumables		9 680	1 017
Stationery, printing and office supplies		908 529	732 055
Total		923 797	742 951

'Other consumables expenditure' represents materials, accessories and security access expenditure.

4.6 Property payments

	<i>Note</i>	2016/17	2015/16
	4	R'000	R'000
Municipal services		4	4
Property management fees		73 301	55 487
Property maintenance and repairs		11 260	11 161
Other		105 511	98 772
Total		190 076	165 424

'Other' represents gardening, cleaning and security and safeguarding expenditure.

4.7 Travel and subsistence

	<i>Note</i>	2016/17	2015/16
	4	R'000	R'000
Local		107 981	164 173
Foreign		8 651	6 034
Total		116 632	170 207

4.8 Other operating expenditure

	<i>Note</i>	2016/17	2015/16
	4	R'000	R'000
Professional bodies, membership and subscription fees		100	81
Resettlement costs		1 592	3 441
Other		49 843	34 024
Total		51 535	37 546

'Other operating expenditure' represents Courier services, printing and storage costs.

5. Transfers and subsidies

		2016/17	2015/16
		R'000	R'000
	<i>Note</i>		
Provinces and municipalities		918	890
Departmental agencies and accounts	<i>Annex 1A</i>	1 792 405	1 644 833
Households	<i>Annex 1B</i>	22 330	20 420
Total		1 815 653	1 666 143

The increase in the expenditure under departmental agencies and accounts represents an increase in the budget allocation for both IEC & Represented Political Parties Fund Entities.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2017

6. Expenditure for capital assets

	Note	2016/17 R'000	2015/16 R'000
Tangible assets		194 202	199 146
Buildings and other fixed structures	29	112 628	98 210
Machinery and equipment	27	81 574	100 936
Intangible assets		29 280	17 548
Software	28	29 280	17 548
Total		223 482	216 694

Included in the Machinery & equipment is the finance lease expenditure for Cell phones & Modems and Photocopiers.

6.1 Analysis of funds utilised to acquire capital assets – 2016/17

	Voted funds R'000	Aid assistance R'000	Total R'000
Tangible assets	194 202	-	194 202
Buildings and other fixed structures	112 628	-	112 628
Machinery and equipment	81 574	-	81 574
Intangible assets	29 280	-	29 280
Software	29 280	-	29 280
Total	223 482	-	223 482

6.2 Analysis of funds utilised to acquire capital assets – 2015/16

	Voted funds R'000	Aid assistance R'000	Total R'000
Tangible assets	199 146	-	199 146
Buildings and other fixed structures	97 407	-	97 407
Machinery and equipment	101 739	-	101 739
Intangible assets	17 548	-	17 548
Software	17 548	-	17 548
Total	216 694	-	216 694

6.3 Finance lease expenditure included in Expenditure for capital assets

	Note	2016/2017 R'000	2015/16 R'000
Tangible assets			
Machinery and equipment		14 114	20 587
Total		14 114	20 587

Finance lease expenditure represents expenditure for Cell phones, Modems and Photocopiers.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2017

7. Unauthorised expenditure

7.1 Reconciliation of unauthorised expenditure

	<i>Note</i>	2016/17	2015/16
		R'000	R'000
Opening balance		1 088 221	1 088 221
Prior period error		-	-
As restated		1 088 221	1 088 221
Less: Amounts approved by Parliament/ Legislature with funding		(1 088 221)	-
Closing balance		-	1 088 221

The Department did not incur Unauthorised expenditure during the 2016/17 financial year, and the previous year's balance of R1 billion was approved by Parliament as a direct charge to the National Revenue Fund as per Finance Bill promulgated. The funds were received into the department's bank account during 2016/17 financial year and the Unauthorised expenditure account was cleared to zero.

7.2 Analysis of unauthorised expenditure awaiting authorisation per economic classification

	2016/17	2015/16
	R'000	R'000
Capital	-	-
Current	-	1 088 221
Total	-	1 088 221

7.3 Analysis of unauthorised expenditure awaiting authorisation per type

	2016/17	2015/16
	R'000	R'000
Unauthorised expenditure relating to overspending of the vote or a main division within a vote	-	1 088 221
Total	-	1 088 221

8. Cash and cash equivalents

	<i>Note</i>	2016/17	2015/16
		R'000	R'000
Consolidated Paymaster General Account	32	1 139 346	504 412
Cash on hand		2 504	2 502
Total		1 141 850	506 914

The department received the R1 billion for Unauthorised expenditure from NRF; the funds were received into the department's bank account and cleared the bank overdraft.

The Consolidated Paymaster General account also included the ICA bank account balances, of which during the audit in 2016/17 the opening balances had to be restated in order to address the prior year audit findings. The prior year balance of R 616 million had to be reduced by R109 million in order to correct the ICA balance for 2015/16 hence the decrease to R 504 million. As at 31 March 2017, R441 million was transferred to NRF, payable amounting to R 69 million was paid to DIRCO and R 8 million refunded back to the foreign nationals. The balance that remains for ICA of R 2, 1 million is recognised as a liability as cheques have been issued to foreign nationals to that value and was not yet cashed by the end of 2016/17.

9. Prepayments and advances

	<i>Note</i>	2016/17	2015/16
		R'000	R'000
Travel and subsistence		2 707	2 913
Total		2 707	2 913

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2017

10. Receivables

	Note	2016/17			2015/16		
		Current R'000	Non-current R'000	Total R'000	Current R'000	Non-current R'000	Total R'000
Claims recoverable	10.1	1 738 233	843	1 739 076	1 632 040	177	1 632 217
Recoverable expenditure	10.2	3 121	21 002	24 123	2 244	20 994	23 238
Staff debt	10.3	2 594	10 107	12 701	1 633	9 706	11 339
Other debtors	10.4	792	331	1 123	-	338	338
Total		1 744 740	32 283	1 777 023	1 635 917	31 215	1 667 132

Included in the claims recoverable balance of R1, 7 billion is a receivable amount of R1, 728 billion relating to DIRCO. The balance is split between a confirmed amount of R652 million and an unconfirmed amount of R1 075 billion as disclosed in annexure 4. The unconfirmed amount relates to adjustments passed by DIRCO for which no supporting documentation was received by DHA. DHA is in the process of following up the supporting documents with DIRCO.

The 'Claims recoverable' balance is inclusive of the foreign revenue that DIRCO has not yet paid to NRF. The amount for this financial year is R97 million (R 121 million 2015/16).

During the 2016/17 audit the prior year balances have been restated to correct the prior period error.

In the current year the DIRCO payable balance of R367 million has been waived as per the set-off agreement between the two departments.

10.1 Claims recoverable

	Note	2016/17 R'000	2015/16 R'000
National departments	10 and Annex 4	1 729 182	1 632 907
Provincial departments		210	310
Public entities		9 684	-
Total		1 739 076	1 632 217

10.2 Recoverable expenditure (disallowance accounts)

	Note	2016/17 R'000	2015/16 R'000
Disallowance Payment Fraud	10	13 490	13 490
Disallowance Damages and Losses		10 483	9 734
Sal: Deduction Disallowance Account		4	-
Sal: Reversal Account		146	-
Sal: Pension		-	14
Total		24 123	23 238

'Disallowance Payment Fraud' and 'Disallowance Damages and Losses' represent transactions where expenses incurred or losses cannot be declared as a legitimate charge against the voted funds. The transactions in the Disallowance Payment Fraud represent four (4) cases of payments that the department have declared as fraudulent payments. The investigation into one (1) case has been concluded and the investigations in the other three (3) cases are still on-going. The amounts in the Disallowance accounts forms part of impaired receivables, it will be written off once department has funds available to do so.

10.3 Staff debt

	Note	2016/17 R'000	2015/16 R'000
Sal: Tax Debt	10	31	69
Debt Account		12 670	11 270
Total		12 701	11 339

10.4 Other debtors

	Note	2016/17 R'000	2015/16 R'000
Financial Assistance	10	331	338
Sal: GEHS REFUND CONTROL ACC:CL		792	-
Total		1 123	338

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2017

'Financial Assistance' is a control account that controls amounts paid to South African citizens from Home Affairs (facilitated by DIRCO) who are distressed and receive financial assistance abroad. SAL: GEHS Refund Control account is a new account with a balance of R792 k which is linked to the housing allowances effective from 2015/16.

10.5 Impairment of receivables

	Note	2016/17 R'000	2015/16 R'000
Estimate of impairment of receivables		27 651	24 622
Total		27 651	24 622

The impairment of accounts receivable is based on the receivables listed under note 10.

11. Voted funds to be surrendered to the Revenue Fund

	Note	2016/17 R'000	2015/16 R'000
Opening balance		5 215	242
Prior period error	11.2	-	-
As restated		5 215	242
Transfer from statement of financial performance (as restated)		12 281	5 347
Paid during the year		(5 347)	(374)
Closing balance		12 149	5 215

During the 2015/16 audit the Department restated the Opening balance from R 374k to R 242k. The difference of R132k relates to ICA Bank charges

12. Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund

	Note	2016/17 R'000	2015/16 R'000
Opening balance		2 957 456	3 194 822
Change in Accounting Policy			
Prior period error	12.1	-	(243 735)
As restated		2 957 456	2 951 087
Transfer from Statement of Financial Performance (as restated)		1 099 536	1 081 258
Own revenue included in appropriation		-	-
Transfers to payables		(54 736)	-
Paid during the year		(1 154 326)	(1 074 889)
Closing balance		2 847 930	2 957 456

12.1 Prior period error

Nature of prior period error	(131 764)
Prior year restatement of the receivable amount & NRF payable corresponding taking into account	(131 764)
Set off of Dirco receivable/ DHA payable & correcting other previous payments	
Relating to 2015/16	(111 971)
2015/16 restating the balance between revenue collected & paid over to NRF by Dirco	(1 983)
ICA Bank balance restatement	(109 988)
Total	(243 735)

During the current year, the prior year balances have been revised to correct the balances that were restated as a result of a change in accounting policy in 2015/16. The ICA balance was also revised to correct the balance as at 2015/16.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2017

13. Bank Overdraft

	Note	2016/17	2015/16
		R'000	R'000
Consolidated Paymaster General Account		-	286 223
Total		-	286 223

The bank overdraft was cleared by the cash injection for the Unauthorised expenditure, funds were received from NRF.

During the current year, the correction of ICA balances under the Departmental NRF Payable note 12, necessitated that the amounts that represented payable to DIRCO and repatriation refunds to the foreign nationals be recognized under clearing account because they are not payable to NRF. The balance of R 2 million is due to refunds paid out to foreign nationals and not yet cashed as at 31 March 2017.

During the current year, DIRCO paid an amount of R 41 million in respect of the prior year's revenue. This is the revenue that was restated into the NRF payable as per accounting policy change in 2015/16.

14. Payables – current

	Note	2016/17	2015/16
		R'000	R'000
Amounts owing to other entities		-	100
Clearing accounts	14.1	56 644	12 281
Other payables	14.2	2 486	1 896
Total		59 130	14 277

14.1 Clearing accounts

	Note	2016/17	2015/16
		R'000	R'000
Sal: Income Tax	14	865	859
Sal: Pension Fund		4	-
Sal: Insurance Deductions: CL		104	-
Sal: Reversal Control		-	194
Sal: Finance Other Institutions		-	2
Sal: Medical Aid: CL		211	-
Pension Recoverable Account		97	-
REPATRIATION FOREIGN DEP DIRCO:CL		53 190	11 226
REPATRIATION FORGN DEP DIRCO:CL (ICA Related)		2 173	-
Total		56 644	12 281

14.2 Other payables

	Note	2016/17	2015/16
		R'000	R'000
Debt Receivable Interest	14	2 486	1 896
Total		2 486	1 896

15. Net cash flow available from operating activities

	Note	2016/17	2015/16
		R'000	R'000
Net surplus/(deficit) as per Statement of Financial Performance		1 111 817	1 086 605
Add back non cash/cash movements not deemed operating activities		29 404	(974 734)
(Increase)/decrease in receivables – current		(109 891)	(113 120)
(Increase)/decrease in prepayments and advances		206	(2 825)
Increase/(decrease) in payables – current		(9 883)	9
Increase/(decrease) in other current assets		1 088 221	-
Proceeds from sale of capital assets		(3 058)	(229)
Expenditure on capital assets		223 482	216 694
Surrenders to Revenue Fund		(1 159 673)	(1 075 263)
Net cash flow generated by operating activities		1 141 221	111 871

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2017

In terms of the agent-principal agreement between the Department and DIRCO, the foreign revenue collected during the year is paid over directly to NRF and does not pass the Department's bank accounts, which necessitate National Treasury to manually update the Cash Flow Statement to reflect the revenue as Non- Cash Items. DIRCO collected foreign revenue amounting to R298 million (R332 million 2015/16) of which R201 million (R209 million) was paid over to NRF. The difference between collected and paid over amounts to R97 million (R121 million) which is recognised as a Receivable.

'Surrenders to Revenue Fund' amount will therefore not equal the 'Surrendered to Revenue Fund' on the Cash Flow Statement.

16. Reconciliation of cash and cash equivalents for cash flow purposes

	<i>Note</i>	2016/17	2015/16
		R'000	R'000
Consolidated Paymaster General account		1 139 346	218 189
Cash on hand		2 504	2 502
Total		1 141 850	220 691

The bank overdraft of the prior year was cleared by the cash injection for the Unauthorised expenditure, funds were received from NRF during 2016/17 financial year.

During the current year, the Consolidated Paymaster General account had amounts that related to ICA that were revised in order to correct the closing balance of 2015/16. The prior year balance of R616 million had to be reduced by R109 million in order to correct the ICA balance for 2015/16, hence the decrease to R504 million as per note 8., Due to the bank overdraft in the prior year of R286 million, the balance of R504 million is reduced to R 218 million.

17. Contingent liabilities and contingent assets

17.1 Contingent liabilities

Liable to	Nature	<i>Note</i>	2016/17	2015/16
			R'000	R'000
Motor vehicle guarantees	Employees	<i>Annex 2</i>		
Housing loan guarantees	Employees	<i>Annex 2</i>	143	143
Claims against the department		<i>Annex 3</i>	1 989 267	1 106 437
Intergovernmental payables (unconfirmed balances)		<i>Annex 5</i>	-	269 985
Other		<i>Annex 3</i>	85 717	1 504
Total			2 075 127	1 378 069

During the current year the Intergovernmental payables (unconfirmed balances) balance of R 269 million has been derecognised in 2016/17 as a result of the waiver of R367 million on the payable to DIRCO.

Included in the 'Claims against the department' balance are legal claims against the department and labour related matters which were restated with a R5 mil amount in the prior year.

Contingent other:

Included in the amount are 3rd party disputes that were unresolved by 31 March 2017.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2017

17.2 Contingent assets

Note	2016/17 R'000	2015/16 R'000
Incapacity Leave and Ill health Retirement(PILIR)	409	1 980
Possible recovery of the theft of state funds- Cell-phone usage exceeded allowable limits	5 485	5 485
Total	5 894	7 465

The contingent asset relating to Incapacity leave has decreased from R 1, 9 million in 2015/16 to R 409 k in 2016/17 due to PILLIR cases that were finalized during 2016/17. In January 2016, the new sick leave cycle commenced which reduced the usage of incapacity leave.

The matter of cell phone limit being exceeded is being handled by the Legal unit and it is now with the State Attorney to pursue it further with Vodacom.

18. Commitments

Note	2016/17 R'000	2015/16 R'000
Current expenditure		
Approved and contracted	4 242 192	4 772 220
Approved but not yet contracted	-	175 743
	4 242 192	4 947 963
Capital expenditure		
Approved and contracted	43 062	17 085
Approved but not yet contracted	-	-
	43 062	17 085
Total Commitments	4 285 254	4 965 048

19. Accruals and payables not recognised

19.1 Accruals

	2016/17 R'000			2015/16 R'000
Listed by economic classification	30 Days	30+ Days	Total	Total
Goods and services	193 946	19 685	213 631	360 580
Capital assets	1 140	400	1 540	3 571
Total	195 086	20 085	215 171	364 151

Note	2016/17 R'000	2015/16 R'000
Listed by Programme level		
Programme 1: Administration	80 198	126 891
Programme 2: Citizen Affairs	100 836	86 421
Programme 3: Immigration Affairs	34 137	150 839
Total	215 171	364 151

The accruals have decreased to R215 million as compared to R364 million in 2015/16 due to stricter financial management processes around payments.

During the current year, in order to address prior year findings the accruals balance that related to confirmed DIRCO balances of R90 million has been derecognized to account for the waiver of R 367 million that was due to DIRCO.

19.2 Payables not recognised

	2016/17 R'000			2015/16 R'000
Listed by economic classification	30 Days	30+ Days	Total	Total
Goods and services	158 781	11 136	169 917	407 554
Capital assets	1 150	3	1 153	45 470
Total	159 931	11 139	171 070	453 024

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2017

	<i>Note</i>	2016/17	2015/16
		R'000	R'000
Listed by programme level			
Programme 1: Administration		97 721	163 874
Programme 2: Citizen Affairs		72 054	111 260
Programme 3: Immigration Affairs		1 295	177 890
Total		<u>171 070</u>	<u>453 024</u>

	<i>Note</i>	2016/17	2015/16
		R'000	R'000
Included in the above totals are the following:			
Confirmed balances with other departments	<i>Annex 5</i>	97 877	211 243
Confirmed balances with other government entities	<i>Annex 5</i>	205 959	215 228
Total		<u>303 836</u>	<u>426 471</u>

The Confirmed amounts relating to DIRCO have been de-recognised to take into account the waiver of R367 million.

20. Employee benefits

	<i>Note</i>	2016/17	2015/16
		R'000	R'000
Leave entitlement		106 015	94 861
Service bonus (Thirteenth cheque)		92 758	87 632
Performance awards		16	89
Capped leave commitments		116 844	118 603
Other		3 871	25 147
Total		<u>319 504</u>	<u>326 332</u>

'Other' includes: accruals & provisions, T&S, Overtime, Acting, and Accruals for recognition of improved qualifications.

The decrease in Other to R3, 8 million in 2016/17 as compared to prior year of R25 million is attributed to stringent budget measures in 2016/17 on Compensation of Employees. .

21. Lease commitments

21.1 Operating leases expenditure

	Buildings and other fixed structures	Machinery and equipment	Total
2016/17			
Not later than 1 year	297 219	33 176	330 395
Later than 1 year and not later than 5 years	289 265	25 226	314 491
Later than five years	2 619	-	2 619
Total lease commitments	<u>589 103</u>	<u>58 402</u>	<u>647 505</u>

	Buildings and other fixed structures	Machinery and equipment	Total
2015/16			
Not later than 1 year	278 176	24 098	302 274
Later than 1 year and not later than 5 years	293 483	28 246	321 729
Later than five years	11 364	-	11 364
Total lease commitments	<u>583 023</u>	<u>52 344</u>	<u>635 367</u>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2017

21.2 Finance leases expenditure**

	Machinery and equipment	Total
	R'000	R'000
2016/17		
Not later than 1 year	6 913	6 913
Later than 1 year and not later than 5 years	2 834	2 834
Later than five years	-	-
Total lease commitments	9 747	9 747
	Machinery and equipment	Total
	R'000	R'000
2015/16		
Not later than 1 year	15 057	15 057
Later than 1 year and not later than 5 years	6 328	6 328
Later than five years	-	-
Total lease commitments	21 385	21 385

**This note excludes leases relating to public private partnership as they are separately disclosed in note no. 35.

The Finance lease commitments include Cell phones, Modems and Photocopiers.

22. Accrued departmental revenue

	Note	2016/17	2015/16
		R'000	R'000
Sales of goods and services other than capital assets		-	-
Fines, penalties and forfeits		112 098	93 474
Interest, dividends and rent on land			
Transfers received		-	-
Other		47 861	53 949
Total		159 959	147 423

Other accrued departmental revenue relates to the settlement agreement of the Gijima matter with a cost value of R 80 million. This amount was set aside as a credit for DHA against which DHA would off-set services performed by Gijima upon request as per the Settlement Agreement. The balance remaining as at 31 March 2017 is R 47 million.

22.1 Analysis of accrued departmental revenue

	Note	2016/17	2015/16
		R'000	R'000
Opening balance		147 423	588 604
Less: amounts received		(16 359)	(588 604)
Add: amounts recognised		28 895	147 423
Closing balance		159 959	147 423

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2017

23. Irregular expenditure

23.1 Reconciliation of irregular expenditure

	Note	2016/17 R'000	2015/16 R'000
Opening balance		381 489	355 517
Prior period error		-	14 898
As restated		381 489	370 415
Add: Irregular expenditure – relating to prior year		70 581	-
Add: Irregular expenditure – relating to current year		75 424	14 254
Less: Prior year amounts condoned		(11 184)	(892)
Less: Current year amounts condoned		(208)	(2 288)
Closing balance		516 102	381 489

Analysis of awaiting condonation per age classification

Current year	75 216	11 966
Prior years	440 886	369 523
Total	516 102	381 489

The opening balance of R381 million includes SITA procurement that was done on behalf of DHA that is awaiting condonation.

The amount of R70 million was as a result of an investigation in the 2015/16 financial year and relates to the security tender. The R75 million relating to the current year also forms part of the security tender.

The prior period error of R14 million is explained in note 23.5.

23.2 Details of irregular expenditure – current year

Incident	Disciplinary steps taken/ criminal proceedings	2016/17 R'000
Toilet hire without approval & workshop	LCC has recommended to condone	207
Security Tender	Escalated to NT	74 973
NT Transversal contract for toilet paper not used	Pending investigation	69
SCM processes not followed	Pending investigation	175
Total		75 424

The cases are being followed up by the SCM unit and have been referred to the Loss Control Committee of the department for adjudication.

23.3 Details of irregular expenditure condoned

Incident	Condoned by (condoning authority)	2016/17 R'000
Old cases of 2011/12 (No prior approval)		25
Vaccines where one quote was used		263
Toilet hire without approval after contract		208
BEC process not followed		5 231
PPPR process not followed		409
SCM processes not followed		256
HRSC matter		5 000
Total		11 392

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2017

23.4 Details of irregular expenditures under investigation (not included in the main note)

Incident	2016/17 R'000
2014/15, 2015/16 and 2016/17	2 558
Obtained service without approval, less than 3 quotes	72
NT Transversal contract not used for procurement of toilet paper	1 351
Total	3 981

23.5 Prior period error

	Note	2015/16 R'000
Nature of prior period error		14 898
Prior year restatement (2011) non-compliance erroneously disclosed as irregular expenditure		(8 007)
Security contract (SCM processes not followed)		22 905
		70 581
Relating to 2015/2016		70 581
Total prior period errors		85 479

During the year 2009/10, there was irregular expenditure amounting to R22.905 million. R8 million of the irregular expenditure has been removed as supporting documents have been submitted to the auditors. The difference is still being investigated.

24. Fruitless and wasteful expenditure

24.1 Reconciliation of fruitless and wasteful expenditure

	Note	2016/17 R'000	2015/16 R'000
Opening balance		1 078	336 012
Prior period error		-	(8)
As restated		1 078	336 004
Fruitless and wasteful expenditure – relating to prior year		40	33
Fruitless and wasteful expenditure – relating to current year		201	99
Less: Amounts resolved		(799)	(335 042)
Less: Amounts transferred to receivables for recovery		(26)	(16)
Closing balance		494	1 078

The current year Fruitless & Wasteful expenditure is explained in note 24.3

24.2 Analysis of awaiting resolution per economic classification

	2016/17 R'000	2015/16 R'000
Current	494	1 078
Capital	-	-
Transfers and subsidies	-	-
Total	494	1 078

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2017

24.3 Analysis of Current year's fruitless and wasteful expenditure

Incident	Disciplinary steps taken/criminal proceedings	2016/17 R'000
Interest charged	Finalised by Loss Control Committee as resolved	16
No Shows	Awaiting Loss Control Committee adjudication	47
Leased Vehicle (GGS212G) never collected from Gfleet	Awaiting Loss Control Committee adjudication	138
Total		201

24.4 Prior period error

	Note	2015/16 R'000
Nature of prior period error		(8)
Relating to 2014/2015 & older [affecting the opening balance]		(8)
Relating to 2015/16		40
Cases that were under investigation in 2015/16 that have been confirmed as fruitless		40
Total prior period errors		32

24.5 Details of fruitless and wasteful expenditures under investigation (not included in the main note)

Incident	2016/2017 R'000
2016/17	
Failure to cancel contract	3
No shows	52
Interest	19
Total	74

25. Related party relationships

1. Independent Electoral Commission: The Independent Electoral Commission is a Chapter 9 institution that reports directly to Parliament and only receives their budget allocation through the DHA Vote. The Independent Electoral Commission manages the national, provincial and municipal elections.
2. Government Printing Works: For the provision of security printing services to the departmental including the stationery and printing on the goods and services.

26. Key management personnel

	No. of Individuals	2016/17 R'000	2015/16 R'000
Political office bearers (provide detail below)	2	4 211	4 229
Officials:			
Level 15 to 16	13	16 613	16 456
Level 14 (incl. CFO if at a lower level)	35	36 248	44 349
Total		57 072	65 034

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2017

27. Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing Balance R'000
MACHINERY AND EQUIPMENT	1 346 027	-	30 075	30 139	1 345 963
Transport assets	205 488	-	1 361	15 334	191 515
Computer equipment	846 896	-	18 701	9 327	856 270
Furniture and office equipment	146 566	-	4 859	3 637	147 788
Other machinery and equipment	147 077	-	5 154	1 841	150 390
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	1 346 027	-	30 075	30 139	1 345 963

Movable Tangible Capital Assets under investigation

	Number	Value R'000
Included in the above total of the movable tangible capital assets per the asset register are assets that are under investigation:	3 032	10 836

Machinery and equipment

27.1 Additions

ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017

	Cash R'000	Non- cash** R'000	(Capital Work in Progress current costs and finance lease payments) R'000	Received current, not paid (Paid current year, received prior year) R'000	Total R'000
MACHINERY AND EQUIPMENT	81 574	3 850	(14 114)	(41 235)	30 075
Transport assets	7 281	460	-	(6 380)	1 361
Computer equipment	46 543	1 807	-	(29 649)	18 701
Furniture and office equipment	7 077	1 108	-	(3 326)	4 859
Other machinery and equipment	20 673	475	(14 114)	(1 880)	5 154
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	81 574	3 850	(14 114)	(41 235)	30 075

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2017

27.2 Disposals

DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017

	Sold for cash R'000	Non-cash disposal R'000	Total disposals R'000	Cash Received Actual R'000
MACHINERY AND EQUIPMENT	27 750	2 389	30 139	3 058
Transport assets	14 167	1 167	15 334	
Computer equipment	9 074	253	9 327	
Furniture and office equipment	3 591	46	3 637	
Other machinery and equipment	918	923	1 841	3 058
TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS	27 750	2 389	30 139	3 058

27.3 Movement for 2015/16

MOVEMENT IN TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2016

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing Balance R'000
MACHINERY AND EQUIPMENT	1 262 229	-	121 584	37 786	1 346 027
Transport assets	208 061	-	7 267	9 840	205 488
Computer equipment	797 257	-	69 336	19 697	846 896
Furniture and office equipment	132 114	-	19 396	4 944	146 566
Other machinery and equipment	124 797	-	25 585	3 305	147 077
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	1 262 229	-	121 584	37 786	1 346 027

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2017

27.4 Minor assets

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2017

	Machinery and equipment R'000	Total R'000
Opening balance	202 000	202 000
Value adjustments	-	-
Additions	5 851	5 851
Disposals	9 623	9 623
TOTAL MINOR ASSETS	198 228	198 228

Minor assets

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2016

	Machinery and equipment R'000	Total R'000
Opening balance	200 609	200 609
Prior Period error	231	231
Additions	13 293	13 293
Disposals	12 133	12 133
TOTAL MINOR ASSETS	202 000	202 000

Number of R1 minor assets

Number of minor assets at cost

TOTAL NUMBER OF MINOR ASSETS

Machinery and equipment	Total
140 018	140 018
-	-
140 018	140 018

27.4.1 Prior period error

Note	2016/2017 R'000
	231

Nature of prior period error

Relating to 2014/2015 [affecting the opening balance]

Library books not previously disclosed

231

231

Total prior period errors

231

28. Intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing Balance R'000
SOFTWARE	481 299	-	28 305	5 855	503 749
TOTAL INTANGIBLE CAPITAL ASSETS	481 299	-	28 305	5 855	503 749

Prior year balances restated to correct opening balances due to invoices that were incorrectly captured.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2017

28.1 Additions

ADDITIONS TO INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017

	Cash R'000	Non- Cash R'000	(Develop- ment work in progress – current costs) R'000	Received current year, not paid (Paid current year, received prior year) R'000	Total R'000
SOFTWARE	29 280	-	-	(975)	28 305
TOTAL ADDITIONS TO INTANGIBLE CAPITAL ASSETS	29 280	-	-	(975)	28 305

28.2 Disposals

DISPOSALS OF INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017

	Sold for cash R'000	Non-cash disposal R'000	Total disposals R'000	Cash Received Actual R'000
SOFTWARE	-	5 855	5 855	-
TOTAL DISPOSALS OF INTANGIBLE CAPITAL ASSETS	-	5 855	5 855	-

28.3 Movement for 2015/16

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2015

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing Balance R'000
SOFTWARE	459 021	905	21 373	-	481 299
TOTAL INTANGIBLE CAPITAL ASSETS	459 021	905	21 373	-	481 299

Prior year balances restated to correct opening balances due to invoices that were incorrectly captured.

28.3.1 Prior period error

	Note	2015/16 R'000
Nature of prior period error		
Relating to 2014/15		905
Additions restated		905
Relating to 2015/16		2 917
Additions restated		2 917
Total prior period errors		3 822

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2017

29. Immovable Tangible Capital Assets

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017

	Opening balance R'000	Value adjust- ments	Additions R'000	Disposals R'000	Closing Balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	247 799	-	109 126	-	356 925
Dwellings	-	-	-	-	-
Non-residential buildings	247 799	-	109 126	-	356 925
Other fixed structures	-	-	-	-	-
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	247 799	-	109 126	-	356 925

29.1 Additions

ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017

	Cash R'000	Non- cash R'000	(Capital Work in Progress current costs and finance lease payments) R'000	Received current, not paid (Paid current year, received prior year) R'000	Total R'000
BUILDING AND OTHER FIXED STRUCTURES	112 627	-	(5 800)	2 299	109 126
Dwellings	-	-	-	-	-
Non-residential buildings	112 627	-	(5 800)	2 299	109 126
Other fixed structures	-	-	-	-	-
TOTAL ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS	112 627	-	(5 800)	2 299	109 126

Refurbishment at Beit-Bridge POE was not completed as at 31 March 2017.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2017

29.3 Movement for 2015/16

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2016

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing Balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	149 588	-	98 211	-	247 799
Dwellings	-	-	-	-	-
Non-residential buildings	149 588	-	98 211	-	247 799
Other fixed structures	-	-	-	-	-
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	149 588	-	98 211	-	247 799

The Department of International Relations and Cooperation (DIRCO) has the mandate to conduct and coordinate South Africa's international relations in support of its foreign policy objectives inter alia through the coordination of the activities performed by its diplomatic and consular missions abroad. The department does not have the capacity to provide its international services without the assistance of the missions. DIRCO executes the receipt of cash from third parties at the missions abroad on behalf of the department and surrenders all monies directly to the National Revenue Fund. This arrangement was approved by the National Treasury in a letter dated 20 March 2014. In terms of this arrangement, DIRCO fulfils the role of an agent. The terms and conditions of the arrangement is set out in a Memorandum of Understanding (MOU) concluded between the two departments. No fees are payable to DIRCO in terms of this MOU for services rendered by DIRCO on the department's behalf. A risk for the department is that errors and omissions in the DIRCO collection and payment processes will impact on audit outcomes of the department. This risk will be mitigated by a policy on the management of departmental face value forms at mission level and quarterly joint forum meetings between the two departments.

The Department has contracted Visa Facilitation Services (VFS) to provide it with Visa Facilitation Services internally as well as abroad. VFS collects applications on behalf of the department and charges clients for this administrative services. The department does not pay VFS any fees. The terms and conditions are set out in contract. There are no significant risks involved in the contract.

30. Principal-agent arrangements

30.1 Department acting as the principal

	Fee paid 2016/17 R'000	2015/16 R'000
--	------------------------------	------------------

Include a list of the entities acting as agents for the department and the fee paid as compensation to the agent

	-	-
Total	-	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2017

31. Changes in accounting policies

In the previous financial years, the Department was granted a departure from the Modified Cash Standard with regards to the recognition of amounts collected by DIRCO on behalf of DHA. The accounting policy stated the following:

“Foreign revenue is collected by the Department of International Relations and Cooperation (DIRCO) on behalf of the department. This revenue is only recognised in the statement of financial performance when the following conditions are met:

- *Complete, accurate and valid supporting documentation for the transactions is obtained from DIRCO, and*
- *Cash relating to verified supporting documents is received by the department*

A payable is recognised where cash is received from DIRCO without the corresponding supporting documents, documents have not been validated for accuracy and completeness; or where cash received has not been allocated to the respective accounts...

A receivable is recognised to the extent to an amount due to the department from DIRCO, evidenced by valid, complete and accurate supporting documentation, but for which no cash has been received. The receivable is disclosed as Accrued Departmental Revenue in Note 22, the details of which will be in Annexure 4.

In terms of the departure, revenue is not recognised on the date cash is received, but only when the conditions set out in the departure are met. The reason for the departure is to allow for a verification process between cash received at our foreign missions by DIRCO against supporting documents.”

The Department has changed its policy to comply with the Modified Cash Standard as follows:

“Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise. Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position”

32. Prior period errors

32.1 Correction of prior period errors

Irregular expenditure

Relating to 2014/15 & older affecting the opening balance

Prior year restatement (2011) non-compliance erroneously disclosed as irregular
Security contract (SCM processes not followed)

(8 007)
22 905

Relating to 2015/16

Security contract (SCM processes not followed)

70 581

Net effect

85 479

Fruitless and Wasteful Expenditure 24.4

Relating to 2014/2015[affecting the opening balance

No shows that were previously not included in the balance

Two Irregular cases erroneously included as Fruitless

2015/16 cases that were still unconfirmed and were not included in balance

Net effect

6
(14)
40
32

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2017

Intangible assets 28.3.1

Relating to 2014/15[affecting the opening balance]
Restating unverified assets

905

Relating to 2015/16

Additions restated

2 916

Net effect

3 821

Minor assets

Relating to 2014/2015

Library books not previously disclosed

231

Net effect

231

Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund 23.5

Prior year restatement & set off of Dirco receivable/
DHA payable

(131 764)

2015/16 restatement of revenue

(1 983)

ICA Bank balance restatement

(109 988)

Net effect

(243 735)

Statement of Financial Performance

Surplus/(Deficit) for the year

(1 983)

Net effect

(1 983)

Statement of Financial Position

Cash And cash equivalents

(109 988)

Receivables

(120 538)

Departmental Revenue to be surrendered to Revenue Fund

(243 735)

Net effect

(474 261)

Cash flow statement

Cash and cash equivalents at beginning of period-

ICA restatement

(109 988)

Net effect

(109 988)

Departmental Revenue

Note 2

Sales of goods and services other than capital
assets

1 983

Net effect

1 983

Net cash flow available from operating activities

Note 15

(Increase)/decrease in receivables – current

1 983

Net effect

1 983

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2017

Reconciliation of cash and cash equivalents for cash flow purposes *Note 16*

Consolidated Paymaster General account-ICA	109 988
Bank balance-	
Net effect	109 988

Contingent liabilities *Note 17.1*

Intergovernmental payables (unconfirmed balances)-Dirco payable restatement	32 619
Labor related cases	5 387
Net effect	38 006



ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2017

33. STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES

NAME OF MUNICIPALITY	GRANT ALLOCATION			TRANSFER			Re-allocations by National Treasury or National Department
	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	
	R'000	R'000	R'000		R'000	R'000	
Various municipalities: Vehicle Licences	-	-	-	-	918	-	-
TOTAL	-	-	-	-	918	-	-

ANNEXURE 1A

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENT/ AGENCY/ ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2015/16
	Adjusted Appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Appropriation Ac
	R'000	R'000	R'000	R'000	R'000	%	R'000
Independent Electoral Commission	1 792 381	-	-	1 792 381	1 792 381	100.0%	1 644 816
Communication Licences (Radio and TV)	24	-	-	24	24	100.0%	17
TOTAL	1 792 405	-	-	1 792 405	1 792 405	100.0%	1 644 833

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2017

ANNEXURE 1B STATEMENT OF TRANSFERS TO HOUSEHOLDS

HOUSEHOLDS	TRANSFER ALLOCATION				EXPENDITURE		2015/16
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
H/H Emp: S/Ben : Leave Gratuity	17 378		(1 054)	16 324	16 324	100.0%	19 692
H/H Claims Against State	5 763		243	6 006	6 006	100.0%	728
TOTAL	23 141		(811)	22 330	22 330		20 420

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2017

ANNEXURE 1C STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2016/2017	2015/16
		R'000	R'000
Received in cash			
TELKOM	Cash prizes to five winners of the Mkhaya Migrants Awards	-	500
ABSA/FNB/STD BANK	Sponsorship for launching of e-channel for 4 banks (ABSA, FNB, STD) of R280 k each bank	840	-
SABRIC	Sabric to fund Dept IT for the development of non-biometric service as requested by the banking industry	322	-
Subtotal		1 162	500
Received in kind			
Budda Light International Organisation	Wheel Chairs	-	37
JICA(Japan International Cooperation	Sponsored workshop in Ethiopia	-	16
Telkom	Sponsored Telkom Business innovation tour	-	76
PROCTER & GAMBLE	Pampers gift packs donated for LRB promotion	-	17
Gemalto	Attend Gemalto identity conference	50	-
SANLAM	Venue and catering for conference	50	-
OLD MUTUAL	Old Mutual partnered with department for staff excellence awards	250	-
Gemalto	Sponsorship in the form of goodies bags & wines for 2016 Mkhaya mi	19	-
Visa facilitation Services (VFS)	Media engagement luncheon	10	-
SHOPRITE	Shoprite sponsored mass marriage event with refreshments	1	-
ARC-TEC	Furniture, toys and decorations	7	-
ALFRED NZO DISTRICT MUNICIPALITY	Radio slot at Alfred Nzo radio station for preparations for the local municipality elections	3	-
UMZIMVUBU LOCAL MUNICIPALITY	Provision of venue for the meeting for Umzimvubu stake holders meeting	-	-

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2017

International Organisation for Migration (IOM)	International travel to Berlin, Germany to attend a global Migration data analysis Conference	50	-
Airport Company SA (ACSA)	Sponsored accommodation for deployed officials at ORTIA	3 187	-
United Nations High Commission for Refugees (UNHCR)	IT Equipment	226	-
International Atomic Energy Agency	Sponsored technical visit for detection of Nuclear material	-	17
Western Cape Dept of Economic Development	Document scanner	5	-
UNODC	Sponsored International trip to Accra, Ghana for workshop on prevention and combatting smuggling of immigrants	29	-
UNODC	Sponsored venue at Sharoton Hotel for TIP Data system training	11	-
Subtotal		3 898	163
TOTAL		5 060	663

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2017

ANNEXURE 1J

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE AND REMISSIONS, REFUNDS AND PAYMENTS MADE AS AN ACT OF GRANCE

NATURE OF GIFT, DONATION OR SPONSORSHIP (Group major categories but list material items including name of organisation)	2016/17	2015/16
	R'000	R'000
Made in kind		
Waiving of fees(revenue) for ID, Temporary ID Certificates, Birth certificates, Marriage & Death certificates for residents of Imizamo Yethu Informal settlement who were affected by fire on the 10th March 2017	427	-
Waiving of fees(revenue) for ID, Temporary ID Certificates, Birth certificates, Marriage & Death certificates for residents of Browns Farm & Vygleskraal Informal settlement who were affected by fire on the 12th December 2016	40	-
Waiving of fees(revenue) for ID, Temporary ID Certificates, Birth certificates, Marriage & Death certificates for residents of Talana Informal settlement in Tzaneen who were affected by fire on the 18th March 2017	12	-
Waiving of fees (revenue) for ID, Temporary ID Certificates, Birth certificates, Marriage & Death certificates for residents of Jumpers Informal settlement who were affected by fire on 14 November 2015 and submission approved on 6 April 2016.	4	-
Waiving of fees (revenue) for ID, Temporary ID Certificates, Birth certificates, Marriage & Death certificates for residents of Plastic view Informal settlement who were affected by fire on 02 July 2016.	10	-
Waiving of fees (revenue) for ID, Temporary ID Certificates, Birth certificates, Marriage & Death certificates for residents of Winnie Mandela informal settlement who were affected by tornado on 25 August 2016.	10	-
Waiving of fees (revenue) for ID, Temporary ID Certificates, Birth certificates, Marriage & Death certificates for residents of Mangolongolo Informal settlement who were affected by fire in August 2016.	10	-
Waiving of fees (revenue) for ID, Temporary ID Certificates, Birth certificates, Marriage & Death certificates for residents of Alexandra township who were affected by floods on 26 July 2016.	41	-
Waiving of fees(revenue) for ID, Temporary ID Certificates, Birth certificates, Marriage & Death certificates for residents of Uitsig Informal settlement who were affected by fire on the 25 December 2015	19	-
Waiving of funds for fourteen (14) Birth certificates for fire victims living at St Francis Bay, who were affected on the 17/10/2016, 23/10/2016 & 24/10/2016.	-	-
TOTAL	573	-

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2017

ANNEXURE 2

STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2017 – LOCAL

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2016	Guarantees draw downs during the year	Guarantees repayments/ cancelled/ reduced/ released during the year	Revaluations	Closing balance 31 March 2017	Guaranteed interest for year ended 31 March 2017	Realised losses not recoverable i.e. claims paid out
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
	Motor vehicles	-	-	-	-	-	-	-	-
STANNIC		-	-	-	-	-	-	-	-
	Subtotal	-	-	-	-	-	-	-	-
	Housing								
ABSA BANK		107	107	-	-	-	107	-	-
NEDCOR		25	25	-	-	-	25	-	-
STANDARD BANK		11	11	-	-	-	11	-	-
	Subtotal	143	143				143		
	TOTAL	143	143				143		

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2017

ANNEXURE 3 STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2017

Nature of Liability	Opening Balance	Liabilities	Liabilities paid/	Liabilities	Closing
	1 April 2016	incurred during the year	cancelled/reduced during the year	recoverable (Provide details hereunder)	Balance 31 March 2017
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Litigation and Legal Enquiries	1 061 534	874 140	9 488	-	1 926 186
Claims against the department: Labour matters	44 897	18 550	366	-	63 081
Subtotal	1 106 431	892 690	9 854	-	1 989 267
Other					
Penalty Interest claimed by Wes Bank	21	-	-	-	21
Billing Dispute: G-Fleet	1 455	-	1 455	-	-
Penalty Interest claimed by Atlantis	4	-	-	-	4
Third party claim: Dept of Police, Roads and Transport	23	-	-	-	23
Vstorm Solution	1	-	-	-	1
Billing dispute: Vehicle storage fees	-	535	-	-	535
Skynet billing dispute	-	127	-	-	127
IBM (Software licences claim against dept)	-	85 000	-	-	85 000
3rd Party collision claim WC	6	-	-	-	6
Subtotal	1 510	85 662	1 455	-	85 717
TOTAL	1 107 941	978 352	11 309	-	2 074 984

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2017

ANNEXURE 4 CLAIMS RECOVERABLE

Government Entity			Unconfirmed balance outstanding		Total		Cash in transit at year end 2015/16	
	31/03/2017	31/03/2016	31/03/2017	31/03/2016	31/03/2017	31/03/2016	Receipt date up to six (6) working days after year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
Department								
National Departments; Salary Recoverable	-	10	944	1 348	944	1 358	-	-
Provincial Department: Salary Recoverable	-	64	210	247	210	311	-	-
Department of International Relations and Cooperation	652 329	672 714	1 075 907	957 833	1 728 236	1 630 547	-	-
Public Entities	9 684	-	-	-	9 684	-	-	-
TOTAL	662 013	672 788	1 077 061	959 428	1 739 074	1 632 216	-	-

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2017

ANNEXURE 5 INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL		Cash in transit at year end 2015/16 *	
	31/03/2017	31/03/2016	31/03/2017	31/03/2016	31/03/2017	31/03/2016	Payment date up to six (6) working days before year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		
DEPARTMENTS								
Current								
Department :International Relations and Cooperation	-	119 009	-	269 985	-	388 994	-	-
Department of Justice and Constitutional Development	29 019	8 122	-	-	29 019	8 122	-	-
National Department: Public Works	66 057	83 778	-	-	66 057	83 778	-	-
Department: Public Enterprise	-	-	-	-	-	-	-	-
Department of Health	-	19	-	-	-	19	-	-
Department Public Service Administration	1 140	2 950	-	-	1 140	2 950	-	-
Limpopo Provincial Government	-	2	-	-	-	2	-	-
Department of Kwa-Zulu Natal	-	-	-	-	-	-	-	-
Department of Public Works Eastern Cape	-	-	-	-	-	-	-	-
Gauteng Provincial Department	1 647	738	-	-	1 647	738	-	-
Department of Defence	-	2	-	-	-	2	-	-
National Prosecuting Authority	-	6	-	-	-	6	-	-
Gauteng Provincial Treasury	-	22	-	-	-	22	-	-
Eastern Cape Economic Affairs and Tourism	-	36	-	-	-	36	-	-
North West Department of Community and Safety	-	2	-	-	-	2	-	-
Department of Transport	-	82	-	-	-	82	-	-
The Presidency	7	-	-	-	7	-	-	-

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2017

	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL		Cash in transit at year end 2015/16 *	
	31/03/2017	31/03/2016	31/03/2017	31/03/2016	31/03/2017	31/03/2016	Payment date up to six (6) working days before year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
GOVERNMENT ENTITY								
Government Communication & Inf	7	-	-	-	7	-	-	-
Subtotal	97 877	214 768	-	269 985	97 877	484 753	-	-
Total Departments	97 877	214 768	-	269 985	97 877	484 753	-	-
OTHER GOVERNMENT ENTITY								
Current								
TELKOM	3 543	4 868	-	-	3 543	4 868	-	-
Sa Post Office Limited	-	3	-	-	-	3	-	-
SA Qualification Authority (SAQA)	43	112	-	-	43	112	-	-
State Information Technology (SITA)	30 929	45 385	-	-	30 929	45 385	-	-
SA Revenue Services	6 195	5 592	-	-	6 195	5 592	-	-
GPW	160 529	152 170	-	-	160 529	152 170	-	-
City of Tshwane	9	144	-	-	9	144	-	-
PRASA	-	2 792	-	-	-	2 792	-	-
SANRAL	-	11	-	-	-	11	-	-
AUDITOR-GENERAL	3 607	4 151	-	-	3 607	4 151	-	-
SSA/ INTELLIGENCE ACADEMY	1 104	-	-	-	1 104	-	-	-
Subtotal	205 959	215 228	-	-	205 959	215 228	-	-
Total Other Government Entities	205 959	215 228	-	-	205 959	215 228	-	-
TOTAL	303 836	429 996	-	269 985	303 836	699 981	-	-

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2017

ANNEXURE 6: INVENTORIES

Inventory [Per major category]	Note	2016/17		2015/16	
		Quantity	R'000	Quantity	R'000
Opening balance		118 270	11 353	1 000 139	56 390
Add/(Less): Adjustments to prior year balance		-	83	-	939
Add: Additions/Purchases - Cash		97 109	36 838	22 736	32 624
Add: Additions - Non-cash		126 130	-	14 687	-
(Less): Disposals		-	-	(8 522)	(14 185)
(Less): Issues		(338 615)	(68 528)	(283 632)	(74 466)
Add/(Less): Adjustments		525 917	441	(627 138)	(3 565)
Add/(less) Weighted Ave Price Variance		-	32 148	-	13 616
Closing balance		528 811	12 335	118 270	11 353

NOTES



Handwriting practice lines consisting of multiple horizontal green lines.







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