



Annual Report

2017 – 2018



home affairs
Department:
Home Affairs
REPUBLIC OF SOUTH AFRICA



We Care!



home affairs

Department:
Home Affairs
REPUBLIC OF SOUTH AFRICA

DEPARTMENT OF HOME AFFAIRS

VOTE NO. 05

ANNUAL REPORT

2017/2018 FINANCIAL YEAR



CONTENTS



PART A: GENERAL INFORMATION	5		
1. DEPARTMENT GENERAL INFORMATION	6		
2. LIST OF ABBREVIATIONS/ACRONYMS	7		
3. FOREWORD BY THE MINISTER	10		
4. DEPUTY MINISTER'S STATEMENT	12		
5. REPORT OF THE ACCOUNTING OFFICER	14		
5.1 OVERVIEW OF THE OPERATIONS OF THE DEPARTMENT	14		
5.2 OVERVIEW OF THE FINANCIAL RESULTS OF THE DEPARTMENT	18		
5.3 UNAUTHORISED EXPENDITURE	21		
5.4 IRREGULAR EXPENDITURE	21		
5.5 FRUITLESS AND WASTEFUL EXPENDITURE	22		
5.6 FUTURE PLANS OF THE DEPARTMENT	22		
5.7 ACTIVITIES DISCONTINUED/TO BE DISCONTINUED	23		
5.8 NEW PROPOSED ACTIVITIES	23		
5.9 SUPPLY CHAIN MANAGEMENT	24		
5.10 GIFTS AND DONATIONS RECEIVED FROM NON-RELATED PARTIES	24		
5.11 EXEMPTIONS AND DEVIATIONS RECEIVED FROM NATIONAL TREASURY	25		
5.12 INVESTIGATIONS	25		
5.13 CONTINGENT LIABILITIES: R2,046 BILLION	26		
5.14 SERVICES RENDERED BY THE DEPARTMENT	29		
5.15 FINANCIAL MANAGEMENT IMPROVEMENTS	30		
		5.16 PERFORMANCE INFORMATION	31
		5.17 EVENTS AFTER THE REPORTING DATE	32
		5.18 APPROVAL AND SIGN OFF	32
		6. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT	33
		7. STRATEGIC OVERVIEW	34
		7.1 VISION	34
		7.2 MISSION	34
		7.3 VALUES	34
		8. LEGISLATIVE AND OTHER MANDATES	34
		8.1 CIVIC SERVICES	34
		8.2 IMMIGRATION SERVICES	35
		8.3 OTHER MANDATES	35
		8.4 ENTITIES REPORTING TO THE MINISTER	36
		9. ORGANISATIONAL STRUCTURE	37
		10. ENTITIES REPORTING TO THE MINISTER	38

PART B: PERFORMANCE INFORMATION	39	PART C: GOVERNANCE	111
1. AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES	40	1. INTRODUCTION	112
2. OVERVIEW OF DEPARTMENTAL PERFORMANCE	40	2. RISK MANAGEMENT	112
2.1 SERVICE DELIVERY ENVIRONMENT	40	3. FRAUD AND CORRUPTION	113
2.2 SERVICE DELIVERY IMPROVEMENT PLAN	40	4. MINIMISING CONFLICT OF INTEREST	114
2.3 ORGANISATIONAL ENVIRONMENT	60	5. CODE OF CONDUCT	114
2.4 KEY POLICY DEVELOPMENTS AND LEGISLATIVE CHANGES	60	6. HEALTH, SAFETY AND ENVIRONMENTAL ISSUES	115
3. STRATEGIC OUTCOME-ORIENTED GOALS	61	7. PORTFOLIO COMMITTEES	115
4. PERFORMANCE INFORMATION BY PROGRAMME	62	8. SCOPA RESOLUTIONS	120
4.1 PROGRAMME 1: ADMINISTRATION	62	9. PRIOR MODIFICATIONS TO AUDIT REPORTS	120
4.2 PROGRAMME 2: CITIZEN AFFAIRS	82	10. INTERNAL CONTROL UNIT	120
4.3 PROGRAMME 3: IMMIGRATION AFFAIRS	91	11. INTERNAL AUDIT AND AUDIT COMMITTEES	120
5. TRANSFER PAYMENTS	108	12. AUDIT COMMITTEE REPORT	123
5.1 TRANSFER PAYMENTS TO PUBLIC ENTITIES	108	PART D: HUMAN RESOURCES MANAGEMENT	125
5.2 TRANSFER PAYMENTS TO ALL ORGANISATIONS OTHER THAN PUBLIC ENTITIES	108	1. INTRODUCTION	126
6. CONDITIONAL GRANTS	109	2. OVERVIEW OF HR MATTERS	126
6.1 CONDITIONAL GRANTS AND EARMARKED FUNDS PAID	109	2.1 HUMAN RESOURCES STRATEGY	126
7. DONOR FUNDS	109	2.2 ORGANISATIONAL DEVELOPMENT	127
7.1 DONOR FUNDS RECEIVED	109	2.3 HUMAN RESOURCES PLANNING	127
8. CAPITAL INVESTMENT	109	2.4 CHANGE MANAGEMENT	127
8.1 CAPITAL INVESTMENT, MAINTENANCE AND ASSET MANAGEMENT PLAN	109	2.5 EMPLOYMENT EQUITY	128



2.6	ACQUISITION	129
2.7	EMPLOYEE PERFORMANCE MANAGEMENT FRAMEWORK	129
2.8	BUILDING LEADERSHIP CAPABILITY AND CAPACITY	130
2.9	LEAVE AND ABSENTEEISM MANAGEMENT	130
2.10	EMPLOYEE WELLNESS PROGRAMMES	130
2.11	RESEARCH, INFORMATION AND KNOWLEDGE MANAGEMENT (RIM)	131
3.	HUMAN RESOURCES OVERSIGHT STATISTICS	132
PART E: FINANCIAL INFORMATION		165
1.	REPORT OF THE AUDITOR-GENERAL	166
2.	ANNUAL FINANCIAL STATEMENTS	173



PART A: GENERAL INFORMATION



1. DEPARTMENT GENERAL INFORMATION



PHYSICAL ADDRESS: 230 Johannes Ramokhoase Street
Pretoria Central
0001

POSTAL ADDRESS: Private Bag X114
Pretoria
0001

TELEPHONE NUMBER/S: +27 12 406 2500

WEBSITE ADDRESS: www.dha.gov.za

2. LIST OF ABBREVIATIONS/ACRONYMS

ABET	Adult Basic Education and Training	CPSI	Centre for Public Service Innovation
ABIS	Automated Biometric Identification System	CoE	Compensation of Employees
ABT	Automated Booking Terminal	CoP	Communities of Practice
AIDS	Acquired Immunodeficiency Syndrome	Core	Code of Remuneration
AFIS	Automated Finger Identification System	CRM	Customer Relations Management
AFS	Annual Financial Statements	CSIR	Council for Scientific and Industrial Research
AG	Auditor-General	CTIA	Cape Town International Airport
AGSA	Auditor-General of South Africa	DG	Director-General
APP	Annual Performance Plan	DDG: CS	Deputy Director-General: Civic Services
ASM	Asylum Seeker Management	DDG: HR	Deputy Director-General: Human Resources
ASP	Angolan Special Permit	DDG: IMS	Deputy Director-General: Immigration Services
ARV	Anti-Retroviral	DDG: CC&SS	Deputy Director-General: Counter-Corruption and Security Services
AU	African Union	DDG: IP&S	Deputy Director-General: Institutional Planning and Support
BACM	Biometric Access Control Management	DDG: IS	Deputy Director-General: Information Services
BAS	Basic Accounting System	DDG:HRM&D	Deputy Director-General: Human Resources Management & Development
BMA	Border Management Authority	DHA	Department of Home Affairs
BMI	Body Mass Index	DMP	Disciplinary Management Panel
BMD	Birth Marriage Death	DIRCO	Department of International Relations and Cooperation
BOSS	Back Office Status Services	DMC	Departmental Management Committee Meeting
BQMS	Branch Queue Management System	DoL	Department of Labour
BRICS	Brazil, Russia, India, China and South Africa	DPME	Department of Planning, Monitoring and Evaluation
BRS	Business Requirements Specifications	DPSA	Department of Public Service and Administration
CBD	Central Business District	DPW	Department of Public Works
CBSA	Commonwealth Bank of South Africa	EAP	Employee Assistance Programme
CCSS	Counter-Corruption and Security Services	EDMS	Electronic Document Management System
CD	Chief Director	EEP	Employment Equity Plan
CD:LS	Chief Director: Legal Services	EFT	Electronic Funds Transfer
CD: P&SM	Chief Director: Policy and Strategic Management	EMCS	Enhanced Movement Control System
CFO	Chief Financial Officer		

EOH	Enterprise Outsourced Holdings
EWP	Employee Wellness Programme
EU	European Union
EXCO	Executive Committee
GCIS	Government Communication and Information System
Gems	Government Employees Medical Scheme
GPW	Government Printing Works
GEHS	Government Employees Housing Scheme
HANIS	Home Affairs National Identification System
HACC	Home Affairs Contact Centre
HDI	Historically Disadvantaged Individuals
HID	Home Affairs Identity
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	Interagency 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	Electoral Commission
IGC	Intergovernmental Committee

IMC	InterMinisterial Committee
IMS	Immigration Management Services
IOM	International Organisation for Migration
IRC	Information Resource Centre
IRE	Integrated Receipting Engine
IT	Information Technology
IVR	Interactive Voice Response
JCPS	Justice, Crime Prevention and Security Cluster
KM	Knowledge Management
KPI	Key Performance Indicator
KRA	Key Result Area
KSIA	King Shaka International Airport
KZN	KwaZulu-Natal
LGBTI	Lesbian, Gay, Bisexual, Transgender and Intersex
Logis	Logistical Information System
LR	Labour Relations
LRB	Late Registration of Birth
LSP	Lesotho Special Permit
MCS	Movement Control System
MISS	Minimum Information Security Standards
MMM	Ministerial Management Meeting
MoU	Memorandum of Understanding
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
OAU	Organisation for African Unity
ORTIA	OR Tambo International Airport
OHS	Occupational Health and Safety
OSD	Occupation Specific Dispensation
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
PNR	Passenger name record
POE	Ports of Entry
POS	Point-of-sale
PPP	Public-private partnership
PSB	Per second billing
PSCBC	Public Service Co-ordinating Bargaining Council
PSETA	Public Service Sector Education and Training Authority
PTA (Ltd)	Proprietary Limited
RAF	Request for audit findings
RFA	Request for accreditation
RfQ	Request for qualification
RIM	Research Information Management
RMC	Risk Management Committee
RSA	Republic of South Africa
SADC	Southern Africa Development Community
SAPS	South African Police Service
SARS	South African Revenue Service

SAQA	South African Qualifications Authority
SASBO	South African Society of Bank Officials
SCM	Supply Chain Management
SCOPA	Standing Committee on Public Accounts
SCRA	Standing Committee on Refugee Affairs
SDIP	Service Delivery Improvement Plan
SDLC	System Development Life Cycle
SHE	Safety, Health and Environment
SITA	State Information Technology Agency
SIU	Special Investigating Unit
SHERQ	Safety, Health, Environment, Risk and Quality
SLA	Service Level Agreement
SMS	Senior Management Service
SOPs	Standard Operating Procedures
Stats SA	Statistics South Africa
STI	Sexually transmitted infection
The dti	The Department of Trade and Industry
TFTA	Tripartite Free Trade Area
TRAs	Threat and risk assessments
UAMP	User Asset Management Plan
UNHCR	United Nations High Commission for Refugees
UNODC	United Nations Office for Drugs and Crime
UPS	Uninterrupted Power Supply
VAS	Visa Adjudication System
VFS	Visa Facilitation Services
VoIP	Voice over Internet Protocol
WAIO	Who Am I Online
ZDP	Zimbabwean Dispensation Permit
ZEP	Zimbabwean Exemption Permit

3. FOREWORD BY THE MINISTER



Mr MKN Gigaba

The Department of Home Affairs (DHA) spent 99.9% of its allocated budget over the 2017/18 financial year and achieved 86% of the 28 targets in its annual performance plan (APP). This highlights the department's continued delivery on its core mandate as the trusted guardian of the identity and civic status of all citizens. The responsibility for regulating and managing international migration also rests on our shoulders.

In discharging this mandate, the DHA makes a critical contribution to a capable state, citizen empowerment, economic development and national security.

By recognising the identity and status of citizens, we ensure that our people are visible and can exercise their civic rights,

access government services and participate in the economy. By registering all citizens, we enable government to draw accurate population information essential for research and planning. Our ability to establish and verify identity supports our country's sophisticated financial system and helps combat fraud. Immigration management helps grow our economy by enabling the entry and stay of tourists, business travellers, skilled workers and investors. The DHA plays an active role in national security by preventing the entry of high-risk persons.

These are just some of the contributions the department makes. We serve many millions of clients – citizens and foreign nationals – annually; and must evolve to serve the nation

effectively in the future. The DHA must become a digital, modern and professional department to more effectively deliver on its mandate to manage the identity and status of citizens and international migrants, including asylum seekers and refugees.

A DHA that is repositioned as a secure, modernised department will enable every organisation to improve access to services, realise large efficiency gains and reduce fraud. An inclusive National Identity System (NIS) will be the backbone of an e-government and a digital economy that will enable inclusive development.

In 2015 we outlined five priority tasks during this term of office:

- Accelerating the modernisation programme to use technology to deliver more efficient, convenient and secure services
- Accelerating the finalisation of the Border Management Authority (BMA)
- Revamping the physical and systems infrastructure of six major commercial land ports of entry
- Adopting a new and more comprehensive international migration policy framework
- Improving frontline service.

Key achievements in these areas in 2017/18 include:

- Rolling out the fully digital processing of smart ID cards and passports to a further five offices, bringing the total to 184 offices. A total of 2 864 111 smart ID cards were issued, with more than 9 million since inception in 2013. Ten ports of entry were equipped to capture biometrics. The Automated Fingerprint Identification System (AFIS) is being replaced by an Automated Biometric Identification System (ABIS) that allows identification and verification by fingerprint, facial and iris recognition, and other means.
- The BMA Bill progressing to the National Council of Provinces (NCoP), having been endorsed by the National Assembly in 2017. The BMA's vision was developed together with a road map specifying the phases and milestones that must be achieved to realise the vision.

- Advertising a request for qualification by bidders in March 2018 for the development of six key land ports through a public-private partnership (PPP); a preferred bidder should be appointed by March 2019.
- Adopting the 2017 White Paper on International Migration by government signals a shift from a compliance-based approach to managing international migration strategically in the interest of South Africa, the region and Africa.

Finally, to improve our frontline service we initiated the Moetapele programme in 2015, which is aimed at building management and leadership skills. In addition, we deploy the Learning Academy staff to combine training with the development or improvement of business processes.

The DHA is modernising while continuing to deliver using legacy systems, unreliable networks and often unsuitable accommodation. This gives rise to service delivery challenges, particularly in high-volume offices. Management monitors this situation and intervenes where necessary. What is important is feedback from the public to inform us of a problem or let us know when officials do exceptional work.

I wish to thank the Director-General and his staff for their professional service to our clients and to our country. We would also like to acknowledge the valuable support and guidance given to us by the Portfolio Committee on Home Affairs.

Mr MKN Gigaba, MP

Minister of Home Affairs

31 May 2018



4. DEPUTY MINISTER'S STATEMENT



Ms F Chohan

Managing asylum seekers and refugees, improving front office services under the banner of the Moetapele flagship project, and Legal Services remain my mandated spheres of responsibility within the Department of Home Affairs (DHA).

We have registered significant improvements during the past year in all three areas.

A key driver of our significant advancement in Asylum Seeker and Refugee Management is the improvements instituted at the Desmond Tutu Refugee Reception Centre in Marabastad. This office receives the bulk of asylum applications. The introduction of the Automated Booking Terminal (ABT), which is integrated with the National Immigration Information System (NIIS),

continues to reduce waiting times and queues, and limits the scope for corrupt activities.

Between 2008 and 2015, South Africa ranked among the highest asylum seeker destinations globally, as this was the mainstay of illegal migrants or persons whose intent it was to remain in the country indefinitely once they had acquired tourist visas.

The asylum machinery at that time was burdened with many inefficiencies and lacked oversight instruments, leading to massive abuse. This was particularly the case at the Port Elizabeth and Cape Town Refugee Reception centres, which were later both shut to newcomers while continuing to process applications already received.

The efficiencies achieved through better governance and strategic interventions have meant that the number of new applicants declined significantly since last year. However, significant

numbers of applications are still rejected as manifestly unfounded, indicating that the notion of the asylum system being a humanitarian and not a migration instrument is still lost on many.

We launched a new, improved refugee travel document in November 2017. The new machine-readable travel document for refugees has been designed and developed using the latest passport production technology and security standards to include a polycarbonate data-page for specialised personalisation. The passport for refugees is fully compliant with United Nations High Commission for Refugees (UNHCR) and International Civil Aviation Authority (ICAO) guidelines.

Security considerations play an ever-increasing role due to the risks of document and identity fraud. The new documents not only increase security and trust among states, but also enhance the level of confidence in users, in this case refugees, who will travel with them. The documents facilitate the safe and regular movement of genuine refugees, which reduces the risk of exploitation, abuse, violence and human trafficking.

We can report progress on two key legislative interventions that will enhance the security of citizens and visitors and improve service delivery.

The Refugees Amendment Bill was approved by Parliament in 2017 and signed into an Act of Parliament by the President on 14 December 2017. Regulations to the Act have been published for comment. The new legislation enables flexibility in the appointment of members of the Refugee Appeals Authority and the Standing Committee on Refugee Affairs. The members of both bodies may now sit individually in determining appeal and review cases. This will facilitate our plans to reduce the backlogs of the Refugee Appeal Board in conjunction with the UNHCR.

The Border Management Authority (BMA) Bill has been approved by the National Assembly and is in line with the National Council of Provinces (NCoP). Its progress through Parliament has been inordinately delayed. A resolution is required to ensure that the border is secured without the wasteful expenditure of the current so-called cooperative regime, which leaves the country's borders vulnerable. The BMA Bill aims to address the lack of synergy and optimise

border management, which will in turn drive economic development while securing the country's borders from the illicit movement of persons, goods, weapons, minerals, wildlife and narcotics.

Our legal department augmented its legal capacity and expertise within the two main business units to focus on risk and litigation management. To this end, since December 2017 the department has appointed two Senior Legal Administration Officers.

We have continued our Moetapele (leadership) programme aimed at strengthening services at front offices countrywide. This has entailed intensive training and encouraging leaders and staff to strengthen relationships with clients and go beyond the call of duty. At many offices countrywide, staff have participated in after hours and Saturday community campaigns to strengthen service delivery. The re-introduction of new mobile units, the acquisition of improved technological systems and infrastructural improvements at offices, enable Home Affairs officials to do their jobs better. We are required to consolidate our achievements while energetically addressing challenges that result in client dissatisfaction.

We have bolstered our Moetapele campaign by rolling out good citizenship programmes in many parts of the country in recent years. These programmes grow stronger with the passage of time and take different forms in different communities, focusing variously on women and youth empowerment, the disability sector, farm workers and learners. They are aimed at promoting good citizenship, a responsible citizenry, national identity and human rights.

The #MeToo global movement has given a voice to many victims of sexual harassment and abuse. As many women suffer double or triple oppression, we have focused much of our work on women's rights. One such programme hosted by the ministry focused on the cycle of violence in intimate relationships. This programme ran in the Overberg region of the Western Cape and drew 200 participants from towns and farms.

We have addressed the subject of civil marriages for Muslim women at numerous locations across the country, reaching hundreds of women. As agents of social change women

were urged to ensure that their marriages are registered at the DHA. This is to address the injustices women face when they are left without legal protection upon divorce or death of their spouse. The department has facilitated the training of Imams who are now authorised to conduct civil marriages as certified marriage officers, while also solemnising marriages in accordance with Islamic tradition.

The message from the Minister and the contents of the annual report reflect progress on several fronts. We have achieved 86% of our targets for 2017/18, a figure that has been achieved due to the hard work and dedication of our officials who have had to find new and innovative ways to achieve their annual targets despite dwindling resources.

As we move forward, we must be guided by the words of our late President Nelson Mandela: "A winner is a dreamer who never gives up."

All the leaders and staff of the DHA must continue to dream of a department that improves until it not only optimally services the public, but also takes its rightful place as the centre of a more capable and developed state machinery.

Ms F Chohan, MP

Deputy Minister of Home Affairs

31 May 2018

5. REPORT OF THE ACCOUNTING OFFICER



Mr M Apleni

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 have been confirmed, such as birth, marriage 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 some of its services.

The Immigration Affairs branch determines the status and identity of foreigners, facilitates the movement of people through ports of entry, regulates immigration by 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. Furthermore, the branch

is responsible for managing a holding facility (Lindela) for illegal immigrants awaiting deportation after confirmation by their countries of origin.

Regarding services rendered abroad, the department was represented at 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 Home Affairs activities where the department has no representation. DIRCO also collects revenue at the missions on behalf of the department in an agent/principal relationship and deposits money directly into the National Revenue Fund (NRF). In addition, for the collection of visa and permit applications, the department sourced Visa Facilitation Services (VFS) in some countries abroad, as well as within South Africa. The costs of foreign operations are covered by a baseline transfer to DIRCO.

The Minister of Home Affairs oversees 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 to discharge its mandate regarding the Immigration Act and the Refugees Act.

The department also receives funds on behalf of the Independent Electoral Commission for Representative Political Parties Fund. There are two entities that report to the Ministry: the Independent Electoral Commission (IEC) and the Government Printing Works (GPW).

5.1.2 Results

The department's progress must be assessed in terms of its predetermined strategic objectives, which were aligned to its mandate and national priorities.

During the 2017/18 financial year, the department achieved 86% of its set targets, which is a 2% improvement from the achievement of 84% in the previous year. In part, this was due to improved and more realistic planning; stringent monitoring processes ensuring that targets were properly costed, evidence-based and funded; and that all levels of the organisation were involved in developing and monitoring the APP. Internal Audit also played a significant role in the planning and monitoring processes to ensure that information submitted by various units was accurate and supported by adequate evidence.

Table 1: APP TARGETS ACHIEVED IN THE 2017/18 FINANCIAL YEAR

PROGRAMME	TARGETS	ACHIEVED	NOT ACHIEVED
ADMINISTRATION	13	11 (85%)	2 (15%)
CITIZEN AFFAIRS	5	4 (80%)	1 (20%)
IMMIGRATION AFFAIRS	10	9 (90%)	1 (10%)
PROGRAMMES COMBINED	28	24 (86%)	4 (14%)

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 providing information and communication technology (ICT) infrastructure, accommodation and transport, and keeping records. In addition, large transversal IT systems reside under this programme, which explains why its budget is relatively large, and it is responsible for implementing key systems in the department's modernisation programme such as finalising the WAIO scope and building ABIS and the NIS.

An important advance over the period under review was the appointment of a service provider to develop the ABIS, as the current HANIS is nearing the end of its life. It is envisaged that the system will go live during the 2018/19 financial year. The department received funding of R264 million from the South African Police Service during the current year, and will receive additional funding of R156 million over the next two financial years from the Department of Justice and Constitutional Development, to develop and maintain the system. This is a significant milestone for government departments working together to achieve integrated systems in the public sector and eliminate a silo approach. The ABIS will interface online, in real time with other systems of criminal justice institutions and entities, which will also enhance cooperation and information sharing between the law enforcement agencies.

At policy level, in March 2017, Cabinet approved the business case for repositioning the DHA as a modern, secure department. A discussion paper was gazetted for input in May 2017 and a series of public engagements were held. The outcomes have informed the drafting of a White Paper to be submitted to Cabinet for approval by December 2018, and the Home Affairs Bill that will be submitted to the Minister by March 2019. The automated processes for births, marriages and deaths has been developed and the modules will be rolled out in

the 2018/19 financial year. The department will be completing the whole WAIO scope in the 2019/20 financial year, with live capture for asylum seeker and refugee processes as well as trusted traveller systems at our ports of entry.

Furthermore, the African continent, through the African Union (AU), has recognised the importance of civil registration, vital statistics (births, marriages and deaths) and issuing proof of identity to ensure that as a continent, we know our citizens. To deliver on this task, African countries also need the support of IT systems. The ID4Africa was established in support of this initiative, to assist governments to discharge their responsibility of civil registration and vital statistics. In this context, we are honoured to host the next ID4Africa annual meeting in 2019.

Two targets were not achieved under this programme:

- The Enhanced Movement Control System (EMCS), with a full biometric scope. This was piloted at only one port of entry due to delays in fixing the bugs encountered in the early release enhancement for the system. The delay had a negative impact on the development of specifications for an integrated EMCS with full biometric capabilities, which is a complex undertaking considering the number of interfaces to be built with a variety of existing systems.
- The 70% of reported misconduct cases submitted to presiding officers for their consideration. This can be attributed to the detailed process with various steps that must be adhered to as the risk of non-compliance with those procedures can lead to the loss of cases on technical grounds. The department also has limited human resource capacity in this area.

Programme 2: Citizen Affairs covers the activities of the Civic Affairs branch at national and provincial levels. This involves providing and managing the identity and status services for citizens, permanent residents and persons accorded refugee status. Clients must be serviced at over 700 sites, which include local and mobile offices, health facilities and bank branches. Table 2 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	772 035 births were registered within 30 calendar days of birth
3 million smart ID cards issued to citizens aged 16 years and older	2,86 million smart ID cards issued to citizens aged 16 years and older
90% of machine-readable passports (live capture process) issued within 13 working days for applications collected and processed within the RSA	97,11% of machine-readable passports (live capture process) issued within 13 working days: 850 977 of 876 284 passports issued

During 2017/18, the department missed the target for smart ID cards issued by 136 000; however, considering that 127 000 cards had already been received by the GPW, the shortfall on the target is 9 000 cards. The reasons for the decrease may relate to the reduction of working days from six to five days per week due to a dispute between labour and the department on the determination of working hours. The matter is still under consideration by the department. Network downtimes also contributed to the inability to capture applications due to non availability of the systems. However, the matter is being resolved by the department working together with the State Information Technology Agency (SITA).

Over 97% of new passports issued through a fully digital process were delivered within 13 days, which exceeded the target by 7,1%. The 13 days norm for issuing a passport for an application done through eHomeAffairs is calculated from the date of completion of the application, when applicants present themselves at the office to capture fingerprints and photos. Whereas, for other passports, the calculation is based on the date of application. As reported in the previous year, for birth registration 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. The report has been finalised and is currently being processed within the department to ensure its implementation. The department is pleased that citizens are responding positively to the campaign to register children within 30 days of birth, as shown by the achievement of the current target. However, as registration of birth is the only entry to the population register, strategies will continue to be developed and implemented to ensure 100% registration of births occurred.

Programme 3: Immigration Affairs is responsible for implementing immigration legislation, managing the immigration system, functions at ports of entry, the immigration inspectorate and deportations, the visa and permitting regime, processing asylum seekers and refugees, and managing a holding facility (Lindela) for illegal immigrants awaiting deportation after confirmation by their countries of origin. During 2017/18, a court judgement by the Constitutional Court compelled the department to bring every illegal immigrant before the court within 48 hours of detention to confirm the continuous detention of the immigrant. To deal with the lack of resources within the branch, the department, which is now located in the Justice, Crime Prevention and Security Cluster, approached the Criminal Assets Recovery Account for funding. In October 2017, Cabinet approved R70 million, which is used on a draw down basis. In this regard, the department has submitted a business plan with the following projects: case management system (R10 million), biometric system at ports of entry (R13 million), refurbishment of refugee reception centres (R19 million) and deportation vehicles (R28 million). These projects will be rolled out in the 2018/19 financial year.

Furthermore, the branch is responsible for facilitating the movement of people in and out of the country, and for administering the movement control system (MCS) and the advance passenger processing system on a 24-hour basis through a control operational centre. In this regard, there is ongoing liaison with other countries and international and multilateral bodies. During 2017/18, the branch achieved its set targets despite capacity constraints.

As reported in the previous year, Cabinet approved the White Paper on International Migration. Immigration and Refugee bills were recently approved by the Minister of Home Affairs for submission to Cabinet and Parliament, after consultation with relevant stakeholders, including the public. These developments provide South Africa with a new policy paradigm shift that will enable the country and the department to respond to challenges while harnessing immigration for economic development and national security.

Regarding the development of six key land ports through a PPP, approval was received from the National Treasury for the request for qualification by bidders, which was advertised in March 2018. It is envisaged that a preferred bidder will be appointed by March 2019. Significant progress was made with the preparatory work for the establishment of the BMA. In June 2017, the National Assembly passed the BMA Bill and referred it to the NCoP for processing. It is envisaged that the legislative process, including the enactment of the Act, will be finalised during the 2018/19 financial year. ABMA Blue Print (2032) and Road Map (2017-2032) were finalised together with a BMA 2019/20 MTEF submission.

In 2017/18, the DHA achieved 86% of the targets set out in its APP, which were approved by Parliament along with the budget. This is an improvement of 2% compared to the 2016/17 financial year. The following figure provides a comparative analysis of the performance of the department against the set targets over a period of five years – 2013/14 to 2017/18.

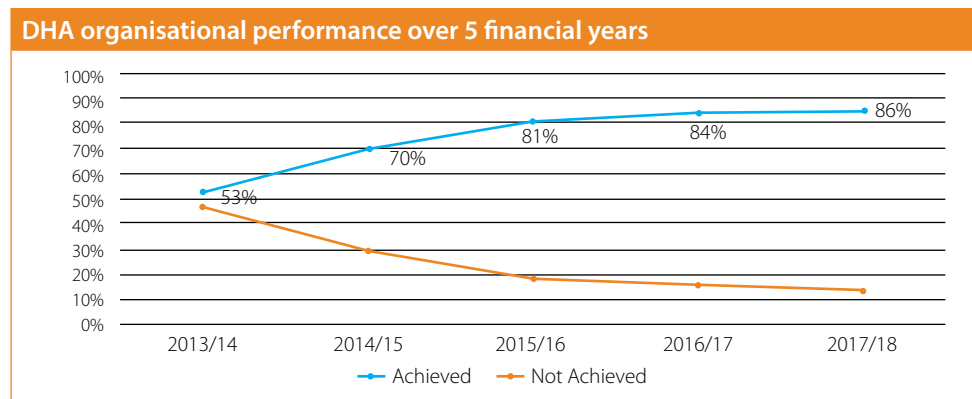


Figure 1: COMPARATIVE ANALYSIS OF APP TARGETS ACHIEVED OVER THE LAST FIVE FINANCIAL YEARS

The improved performance, in part, reflects the continued efforts to improve planning, monitoring and alignment with budgeting. It is the result of more effective planning and budgeting processes, as well as the development of coherent objectives based on a sound understanding of the mandate of the department and a common vision of where it is headed. The department implemented processes to ensure that the priorities set are funded and evidence-based. It also introduced good governance practices such as the formation of a key performance indicator panel for quality assurance, which ensured that indicator description sheets complied with the specific, measurable, achievable, realistic, time-bound (SMART) principles, and designed reporting templates. The auditing of quarterly performance information reports has greatly assisted in this regard. Another reason for the improved performance is the increased use of modern digital technology, combined with the use of operations management, to continually monitor production and improve processes. In a nutshell, positive trends in the department are supported by stronger governance, accountability and controls, whose efficacy is evidenced in the attainment of an unqualified audit opinion for the 2016/17 financial year, reinforced by the reliability and usefulness of our performance information.

There is constant improvement in the performance of the department in respect of financial management evidenced by the improved audit outcome. In this regard, the AGSA issued the Department for the financial year under review. The figure below indicates the improved audit outcomes over the past four financial years of the current administration.

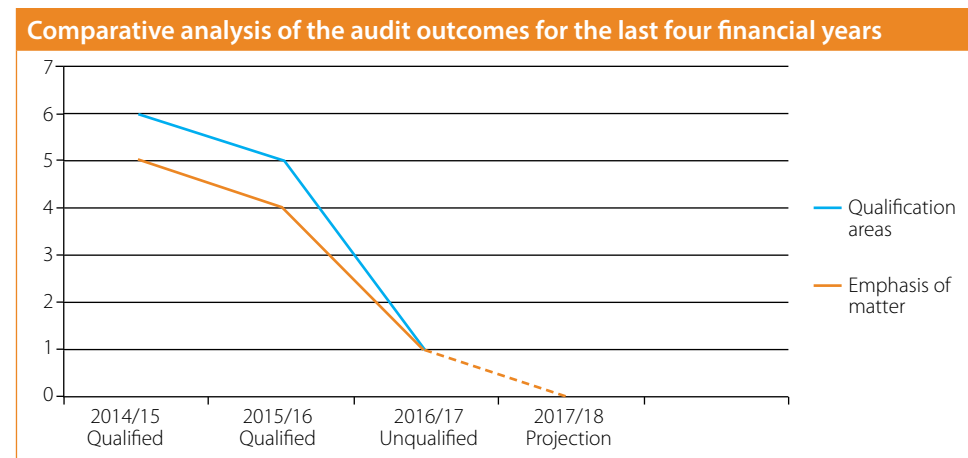



Figure 2: COMPARATIVE ANALYSIS OF THE AUDIT OUTCOMES FOR THE LAST FOUR FINANCIAL YEARS

5.1.3 Challenges

Network connectivity

In the last few years, the department implemented a modernisation programme, which included initiating the transformation toward a paperless environment. This was realised by, among other things, automating processes and capturing citizens' information using the live capture systems. The department's products such as the smart ID cards and passport are now applied for online through the eHomeAffairs portal accessible on the departmental website. The department is also responsible for facilitating the movement of travellers in and out of the country using the EMCS, which is currently hosted on the South African Revenue Service's (SARS) Network. The modernisation programme depends on a reliable and uninterrupted network infrastructure. A daunting challenge had been that system downtimes are high. This frustrates clients as these services cannot be sourced anywhere else. The department can only source network services from SITA as it is classified as mandatory services. To find a lasting solution to this challenge, the department is finalising a trilateral agreement with SITA



and a service provider appointed by SITA to manage the current service network providers as an interim solution and to develop a new network architecture appropriate for the requirements of the DHA.

Long queues

During the latter part of the financial year, the department experienced long queues from high client volumes caused by unpredictable walk-ins, the discontinuation of Saturday working hours, inadequate leadership and front office space, unstable systems (networks and applications), inefficient workflow processes and uncoordinated communication strategies. This led to unsatisfied clients and contributed to negative publicity, which dented the department's image. In this regard, the department developed a "War-on-Queues" strategy with clear deliverables and time frames. The impact of implementing the strategy will be assessed in the following financial year.

Provision of office accommodation

The department uses physical office infrastructure as the main delivery channel for 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 is inadequate considering that the department provides civic services to all SA citizens, permanent residence holders and refugees. Therefore, the footprint of the department 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 in the quest to improve service delivery and broaden access to services, particularly for people in rural and remote communities. This hampers the department's drive to increase the roll out of smart ID cards, with only 184 offices automated and thus capacitated to process applications and issue smart ID cards and passports. Some of the remaining offices, which are not automated, cannot be reconfigured, or it would prove expensive to do so, to provide the requisite infrastructure for the new system of smart ID cards and passports.

Furthermore, the department occupies buildings sourced from private owners on a month-to-month basis, as lease agreements have not been signed by the DPW as a lessee. This has resulted in the department being unable to include a value of lease commitments in this

regard, as shown in Disclosure Note 20 to the Annual Financial Statements (AFS). Expired leases not disclosed on the operating lease note amount to R87 million.

Human resources capacity constraints

As reported in the last financial year, the department has constantly been faced with the challenge of a reduction in the Compensation of Employees (COE) budget due to fiscal constraints, which resulted in critical positions not being filled, including at managerial levels. In this regard, 145 positions that were vacated in February and March 2018 could not be advertised to cater for a shortfall of R39 million in the ceiling of the 2018/19 financial year, it would have overspent on its COE budget. This has left the department with severe staff shortages in various critical areas of operations such as the Inspectorate, IT, front offices and Legal Services. These shortages are beginning to have an impact on management positions, which is detrimental as this trend may take the department to the so-called "days of Horror Affairs". This matter has been brought to the attention of the Portfolio Committee on Home Affairs, which is currently engaging the National Treasury on the issue.

5.2 OVERVIEW OF THE FINANCIAL RESULTS OF THE DEPARTMENT

5.2.1 Departmental revenue

During the year under review, the department received an initial budget allocation of R7,056 billion as voted funds. However, during the Adjustment Estimates of National Expenditure (AENE), additional funding of R1,347 billion (R1,071 billion for self-financing, R264 million for the development of the Automated Biometric Identification System (ABIS) and R12 million for the roll-over funds for the implementation of VOIP/Video conferencing) was allocated to the department. It is important to report that an amount of R100 million was initially taken from the department's vote as it was deemed by National Treasury as potential under spending. However, after a submission made by the department to the Standing Committee on Appropriation, the funds were returned as these funds were earmarked for the implementation of the WAIO project. A self-financing mechanism was 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, such as smart ID cards for first time applicants and elderly citizens above 60 years, infrastructure for the implementation of the WAIO project, fees for cash in transit and printing costs for enabling documents. However, the

funds are only transferred around February of each year once the Appropriation Bill has been enacted. As explained above, the Department received funding to the value of R264 million from the South African Police Service (SAPS) for the development and maintenance of the ABIS. The R12 million is in respect of the roll-over of funds from 2015/16 for the installation of voice over internet protocol and video conferencing systems, which had been installed in all Provinces, Head Office and Parliamentary office.

Table 3: ANNUAL APPROPRIATION: R8,402 BILLION

BASELINE ALLOCATION BY THE NATIONAL TREASURY	2017/18 R'000	2016/17 R'000
Baseline amount	7 055 539	7 141 556
Home Affairs functions	5 614 423	5 446 099
Electoral Commission	1 299 912	1 586 561
Represented Political Parties Fund	141 204	134 480
Additional funds	1 346 800	988 665
Home Affairs functions	1 346 800	917 325
Electoral Commission	-	71 340
Final appropriation	8 402 339	8 155 805

Table 4: DEPARTMENTAL REVENUE of R1,159 billion

Departmental receipts	2017/18			2016/17		
	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	1 053 601	1 134 430	80 827	935 912	1 074 164	138 252
Fines, penalties and forfeits	6 884	15 375	8 490	16 070	10 271	(5 799)
Interest, dividends and rent on land	266	538	272	315	616	301
Transfer received	5 832	-	(5 832)	-	1 162	1 162
Sale of capital assets	2 325	-	(2 325)	2 264	3 058	794
Financial transactions in assets and liabilities	8 129	8 935	806	7 764	10 265	2 501
Total	1 077 037	1 159 278	82 238	962 325	1 099 536	137 211

The budget allocation for 2017/18 shows a marginal increase of 3% compared to the previous financial year. The increase is mainly due to the additional funding of R1,347 billion compared to the R917 million for 2016/17. However, without the SAPS and rollover funds (R8,402-R276 000=R8,126 million), the department's budget would have decreased by 0,36 % (R8,126-R8,155= -R29 000). Therefore, in real terms, the 2017/18 budget did not even catered for the rise in the inflation rate since the previous year, while the demand for DHA services are increasing based on the growth in the population as well as the number of foreign nationals in the country. Despite these challenges, the department continued to improve the management of its budget, as it underspent its allocation by only 0,01%.



During 2017/18, revenue collected increased by 5,4% against the previous year and by 7,63% against the budgeted amount. Departmental revenue is derived from services rendered to citizens and foreign visitors according to approved tariffs. Services to citizens range from issuing birth certificates to ID documents and passports. Services provided to foreigners include issuing visas, permits and permanent residence certificates. The department imposes section 50(3) and 50(4) fines on conveyors where a transgression 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.

The DHA collected R311 million from the agent/principal relationship between it and DIRCO; R88 million was deposited directly to the NRF and a balance of R223 million has been recorded as a receivable on the statement of performance. Furthermore, R40 million was paid in respect of previous years.

5.2.2 Virements

During 2017/18, the department shifted funds between programmes/economic classifications in line with the Public Finance Management Act (PFMA). The set threshold of 8% was not exceeded. The funds were then used in accordance with the table below.

Table 5: PROGRAMME FUNDING

	Programmes			
	Administration	Citizen Affairs	Immigration Affairs	Total
	R'000	R'000	R'000	R'000
Economic classification				
Compensation of employees	(132 300)	85 985	40 709	(5 606)
Goods and services	(215 110)	123 900	(66 654)	(157 864)
Interest and rent on land	-	-	-	-
Transfers and subsidies	(1 472)	11 784	311	10 623
Payment for capital assets	134 091	14 844	3 912	152 847
Payment for financial assets	-	-	-	-
Total	(214 791)	236 513	(21 722)	-

5.2.3 Programme expenditure

Table 6: PROGRAMME EXPENDITURE

Programme name	2017/18			2016/17		
	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	2 516 426	2 516 219	207	2 222 834	2 210 834	12 000
Programme 2: Citizen Affairs	4 687 193	4 686 985	208	4 787 170	4 786 988	182
Programme 3: Immigration Affairs	1 198 720	1 198 475	245	1 145 801	1 145 702	99
Total	8 402 339	8 401 679	660	8 155 805	8 143 524	12 281

The department used 99,99% of the budget allocated for the 2017/18 financial year, including funds allocated during the adjustment estimates. This shows continued improvements in expenditure management, and is supported by an improvement in payments within 30 days and the correlation between the achievements of set targets, as the department has achieved an overall rating of 86%.

5.2.4 Rollover

As the department spent 99,99% of its allocation, there will be no rollover of funds.

5.2.5 Lease payments

The department hires photocopiers and cellphones through finance lease, as well as a forklift through an operating lease arrangement. The lease agreements for office accommodation are managed by the DPW and future commitments are disclosed in the notes to the AFS. However, during 2017/18, lease commitments in respect of private leases, which are on a month-to-month basis, had not been included in the lease commitments as a period of commitment cannot be ascertained, as per the directive from the National Treasury.

5.3 UNAUTHORISED EXPENDITURE

The department did not incur any unauthorised expenditure during the year under review.

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 investigate; it recommended a full-scale forensic audit into the awarding of this tender. The department appointed a firm of external forensic auditors and a report, which indicated some irregularities during the evaluation of the tender, was issued. The department has finalised the investigation with the recommendation that four employees be charged with misconduct. The Labour Relations unit is instituting disciplinary action against the implicated employees. The contract also expired in April 2017; hence, an additional R31,5 million inclusive of accrual has been recorded in the 2017/18 financial year as disclosed in note 23 to the AFS.



Furthermore, an amount of R1,365 million in respect of the procurement of toiletries was outside the transversal contract, RT14-2016, as the department was only informed of its existence late. The department also incurred an additional amount of R0,597 million in respect of three quotations, which were not obtained (R0,183 million), use of supplier outside of contractual period (R0,358 million) and non-compliance with SCM delegations (R0,56 million). Considering that the irregular expenditure for security and toiletries is in respect of the previous years, the department has improved in managing its procurement processes.

The department incurred R5,694 million in the current financial year, of which the major portion relates to splitting quotations for cleaning services to the value of R5 million.

The department approved the condonement of irregular expenditure (R1,708 million) in respect of both current and previous financial years. The irregular expenditure was due to non-adherence to the certain SCM prescripts after consideration by the Loss Control Committee. Furthermore, R42 million in respect of acting allowances over 12 months and overtime in excess of 30% of salaries was incurred without prior approval during the periods 2009-2012, after establishing that overtime was worked due to capacity constraints and certain factors beyond the department's control such as elections, World Cup Soccer and officials acting in high posts longer than the regulated period because of staff capacity issues. The DG has condoned the irregular expenditure subsequent to the AFS submission.

With regard to old balances, the department has approached the National Treasury to determine the relevant authority to deal with these cases, in particular the Who Am I Online (WAIO) and security tender with a total of R477 million. It was resolved that the National Treasury is the relevant authority. The department has already submitted a request for condonation.

5.5 FRUITLESS AND WASTEFUL EXPENDITURE

A total of R46 000 (against R201 000 for 2016/17) was recorded as fruitless and wasteful expenditure in the current financial year, mainly due to staff "no shows" and interest paid on late payments. No shows occur when officials fail to make use of a booking without a valid reason or, at times, where circumstances are beyond their control. 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

The repositioning programme will enable the department 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. In May 2017, a discussion paper was gazetted for input, a series of public engagements was held and the outcomes informed the drafting of a White Paper to be submitted to Cabinet for approval by December 2018 and the Home Affairs Bill to the Minister by March 2019.

A comprehensive, secure NIS will be at the heart of the department's new operating model. As a stepping stone to developing the NIS, the department has appointed a service provider to develop ABIS, with the capability of integrating and interfacing with current criminal justice systems. Furthermore, the department will be left with two modules (trusted traveller, and asylum and refugees) to complete the scope of WAIO during the 2018/19 financial year. Therefore, the completion of the WAIO scope will coincide with the envisaged go-live of the NIS.

With regard to NIS, the department has appointed the Council for Scientific and Industrial Research (CSIR) to develop specifications, which will be concluded during the 2018/19 financial year. This will be followed by the process of appointing a service provider.

As reported in the previous year, the Cabinet approved the White Paper on International Migration. Subsequently, the Minister has approved the Immigration and Refugee bills for submission to Cabinet and Parliament after consultation with relevant stakeholders, including the public. This provides South Africa with a new policy paradigm shift that will enable the country and the department to respond to current challenges and harness immigration for economic development, while not ignoring security imperatives.

With regard to the development of the six most important land ports through a public-private partnership (PPP), approval was granted by National Treasury for the request for qualification by bidders, which was advertised in March 2018. It is envisaged to appoint a preferred bidder by March 2019.

Significant progress has been made in establishing the BMA. The Bill was passed by the National Assembly in June 2017 and referred to the NCoP for processing. The legislative process, including the enactment of the Act, was envisaged for finalisation during the 2018/19 financial year.

Recently in Rwanda, South Africa and 43 other African states signed the Kigali declaration, which signalled movement toward a free trade area envisioned in the African Continental Free Trade Area. This is to enable free movement of people while encouraging trade and investment across our borders. Accordingly, innovations we make in our biometrics and identity systems will support these regional efforts to build policy and systems vital for free movement across secure borders. By digitally transforming the border, we will drive the AU agenda of deepening African economic integration, promoting agricultural development, food security, industrialisation and economic transformation, and improving security.

5.7 ACTIVITIES DISCONTINUED/TO BE DISCONTINUED

Operational elements of the Chief Directorate: Port Control are envisaged to be relocated to the BMA once it has been established, as the frontline management and facilitation of the movement of people will be the responsibility of the new BMA.

Furthermore, DIRCO collects revenue and deposits it into the NRF on an agency/principal relationship. However, the department is still accountable for any error or omission although it has 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 and it is envisaged that the bill will be finalized during the 2018/19 financial year.

The department also undertook a process to replace the green barcoded ID books with a smart ID card in July 2013, in a phased-in approach; the cards were only issued to 16-year olds (first-time applicants) and those 60 years and older. However, since the live capture system could not be implemented in all DHA offices due to the lack of infrastructure and

resources, this resulted in other first-time applicants continuing to apply and receive green barcoded IDs. This hampered the intended security imperatives and benefits of the new card system as the department continues to issue two types of identity. It also extends the completion date for totally replacing the green barcoded ID books. In order to systemically achieve this goal, the department intends to discontinue issuing green barcoded ID books from 2019/20 financial year, as during the next financial year, the department will increase its footprint by deploying mobile units with the live capture capability, increase the roll out to bank branches and add more offices. However, the green barcoded ID book will remain valid to those citizens who are in possession of the book.

5.8 NEW PROPOSED ACTIVITIES

5.8.1 Border Management Authority

As reported in the past financial years, the department was given the responsibility of establishing a BMA, which will be responsible for the execution of border law enforcement functions in the border environment. Its function will be to ensure oversight, control and effective integrated frontline border management. The BMA will enable integrated operations within a strong legal framework. During 2017/18, the BMA Bill was passed by the National Assembly and referred to the NCoP. It is envisaged that the Bill will be finalised during the next financial year, including its enactment, for the latest.

5.8.2 Asylum seeker processing centres

As reported in the previous year, the department engaged in a process of developing an asylum seeker processing centre near the Lebombo border post through a PPP process. A feasibility report was submitted to the National Treasury for TAI approval.

5.8.3 Development of six key ports of entry

The department registered a PPP with the National Treasury to redevelop 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.

In this regard, approval was granted by the National Treasury for the request for qualification by bidders, which was advertised in March 2018, and a preferred bidder should be appointed by March 2019.

5.8.4 Partnership with the banks and the eHomeAffairs platform

As reported in the previous financial year, the department is furthering innovative ways to reach its clients and provide efficient services by, among other things, using online services. The department entered into partnerships with South Africa's four major banks, Absa, First National Bank, Nedbank and Standard Bank, on a pilot basis with 14 branches collectively for the application of smart ID cards and passports through the eHomeAffairs platform. Since the inception of the project, the banks have collectively processed 212 101 transactions for smart IDs and 222 406 transactions for passports. The department has now concluded an agreement with the banks together with the South African Society of Bank Officials (SASBO), and is awaiting approval by the National Treasury after the submission of a feasibility study required by section 16.4 of treasury regulations. However, the banks have agreed to roll out additional outlets during the 2018/19 financial year, while the PPP process is being finalised with the National Treasury.

5.9 SUPPLY CHAIN MANAGEMENT

Significant progress has been made on the implementation of SCM principles. The department has adhered to the requirement to submit the departmental procurement plan to the National Treasury on or before 31 March of each financial year. This is facilitated by the department finalising the allocation of the budget per unit before the end of the financial year, which is aligned to their APPs, and includes the submission of quarterly reports on the actuals against the procurement plan, any appointments through a deviation process, and the appointments through contract variations/extensions.

The department approved treasury regulation 16A6.4 sole supplier contracts of R55,7 million, of which the major contract was for the procurement of licences, support and maintenance for the firewall system (IP Granite), to protect the network from unauthorised access that could damage departmental information, valued at R49,6 million.

The department commits to a policy of fair dealings and integrity in conducting its business. This includes all Supply Chain Management Practitioners as they hold positions of trust, implying a duty to act in the public interest. To this end, all our SCM practitioners have disclosed their financial interests and have signed a code of conduct.

Furthermore, the department has over years improved its internal controls over the management, identification and reporting of irregular expenditure as only R5,694 million irregular expenditure was recorded during the period under review, which was due to non-compliance with procurement delegations, use of contract outside its contractual obligations and failure to obtain three quotations and/or approval to deviate.

5.10 GIFTS AND DONATIONS RECEIVED FROM NON-RELATED PARTIES

Table 7 indicates gifts and donations in kind or cash that the department received from non-related parties.

Table 7: GIFTS AND DONATIONS RECEIVED FROM NON-RELATED PARTIES

Donor/sponsor	Description	Amount
SITA	Govtech Award	100 000
UNHCR	Sponsored events and assets	212 000
Telkom	Assets	6 294 000
UNODC	Sponsored event	156 000
OTHERS	Sponsored events and assets	104 000
Total		6 866 000

The National Treasury, as part of the cost containment measures, engaged in negotiations directly with Telkom to move to a per second billing (PSB) contract in order to achieve savings for government on fixed telephone lines. The PSB method was implemented from November 2016, which resulted in credits accruing to the department's account without being refunded to the department. The department accumulated savings to the value of R6,3 million. The amount was used in the 2017/18 financial year for the following:

- Telephone management system (R1,4 million)
- Routers and switches for VoIP (R2,8 million)
- Telephone Instruments for VoIP (R2,1 million).

Since this amount accrued in the previous financial year (2016/17), the department contacted the National Treasury on the accounting treatment for this transaction. The National Treasury recommended that the amount be recorded as a donation in the 2017/18 financial year. In this regard, the acquired assets were recorded as non-cash assets in the asset register.

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 WAIO tender award and requested the condonement of expenditure for the implementation of WAIO from the Minister of Public Service and Administration. However, during the year under review, the department approached the office of the Chief Procurement Officer, who indicated that his office has the authority to deal with the matter and a submission was duly forwarded. While the department was proceeding with its investigations, it received a letter from the Office of the Public Protector indicating that it would be investigating the matter. It was therefore prudent for the department to suspend its investigations to avoid a 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 awarding of the bid on 14 July 2011. The report of the Public Protector is still 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. All the necessary documentation was submitted and we await the report from the SIU.

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. The tender was for three years at a cost of R3,9 million per annum, 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 had occupied the Civitas Building as its head office, situated on the corner of Struben and Andries streets in the central business district (CBD) of Tshwane. 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 expired on 31 October 2015 and the department approached the DPW to procure alternative office accommodation by October 2017. No response had been



received. The department has now informed both the Public Protector and the head of the SIU of its intention to request the renewal of the current lease as it was not possible for DPW to source alternative accommodation considering the time left before the expiry of the lease. In this regard, a response was received from SIU dated 19 February 2018 indicating that investigations have been finalised and a report will be submitted to the President by 31 March 2018. Regarding the renewal of the lease, the SIU recommended that the department approach the National Treasury and the DPW.

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 investigate and it 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 was referred to the Labour Relations unit and it was recommended that four members of the Bid Evaluation Committee be taken through disciplinary processes.

5.12.5 Software licenses (IBM)

As reported in the previous year, 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 an independent assessor to

carry out an independent license usage review using the Integrated License Management Tool. The report of assessor pointed out numerous material discrepancies. After various interactions, the amount claimed at one stage was reduced 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 has now been resolved and the department only paid for what was regarded as over usage amounting to R7,834 million and the reinstatement amount of R50,454 million.

5.13 CONTINGENT LIABILITIES: R2,046 BILLION

A contingent is a potential liability that may occur, depending on the outcome of an uncertain further event, in this case, the outcome of a civil suit against the department. The decrease in contingent liabilities from the previous year is largely due to the settled dispute with IBM.

5.13.1 Housing guarantees: R155 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. If an employee fails to meet their obligation to the financial institution, the department deducts the guaranteed amount in instalments 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 use 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 the National Treasury and the balance is only R155 000, as disclosed in annexure 2 to the AFS.

5.13.2 Pending legal claims: R1,972 billion

Immigration and Civic Affairs: R665,9 million and R470,4 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 make timely decisions on permits. There are four major claims amounting to R499,1 million, which accounts for 75 % of the total claims explained below:

Case Number	Amount' R 000	Comments
DL111101/11	38 000	The plaintiff claims that he was unlawfully arrested by Germiston immigration officers for being an illegal foreigner from Zimbabwe. The plaintiff claims that he is a South African citizen, thus making his arrest and detention unlawful. The department has defended the matter. The matter is currently inactive
DL270815/14	11 000	Plaintiff claims an amount of R11 million as damages following his unlawful arrest by immigration officials upon his re-entry to the Republic of South Africa
The department has confirmed that the plaintiff is in possession of a fraudulent permit and is defending the matter accordingly. The matter is active and still pending	420 000	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 a permit in terms of section 41(1) of the Aliens Control Act was issued to him by the officials of the department, which 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 a business in the country and, as such, he was not able to make any income for a living. The department has given the instruction to the state attorney to defend the matter

Case Number	Amount' R 000	Comments
DL290604/16	420 000	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 a permit in terms of section 41(1) of the Aliens Control Act was issued to him by the officials of the department, which allowed the plaintiff to remain in the country pending the conclusion of his trial. He also alleges that the permit precluded him from either take up employment or conduct a business in the country and, as such, he was not able to make any income for a living. The department has given the instruction to the state attorney to defend the matter
DL250106/17	30 100	The plaintiffs allege that they were unlawfully arrested by Immigration and State Security Agency and not informed of the charges against them. They claim that they were questioned about a plot to assassinate General Kayumba Nyamwasa and that their family was ordered to leave the country within 48 hours. The department is defending the matter. The matter is active and still pending
TOTAL	499 100	

During the year under review, there were no claims realised, and an amount of R1,4 million was cleared.

Civic services' claims arise mainly from issuing 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. There are three major claims amounting to R451 million, which account for 95% of the total claims explained below:

Case Number	Amount 000'	Comments
DL161001/17	23 000	The plaintiff alleges that the department declared him deceased while he was alive. The department is investigating and defending the matter in the interim to safeguard its interest. The plaintiff initially sued the department out of the Grahamstown High Court for an amount of R20 million. The department raised exceptions to the summons in its defence, which led to the plaintiff withdrawing the action in Grahamstown and issuing summons for R23 million at the High Court in Umtata on the same grounds as alleged in the summons initially issued at the Grahamstown High Court
DL250102/17	400 000	The plaintiff is a medical doctor and alleges that he went to Canada for a year and, upon his return, his passport particulars, such as the ID number and name, were changed without his knowledge or consent and on the departments system in 2006, and as a consequence, he was arrested for a day for allegedly committing fraud. He further alleges that it took the department a period of 10 years to rectify his ID and, as a consequence, he suffered damages and economic loss. The department is defending the matter
DL100503/17	28 000	The plaintiff alleges that the department unlawful accessed the birth registration registry and unlawfully blocked the plaintiff's ID number stating that the plaintiff's status is unknown. The plaintiff further alleges that the department's officials mislead the court and advised the court that the plaintiff's status is unknown despite having unblocked the plaintiff's ID on the system. The department is defending the matter and has filed its plea. The plaintiff has not taken any further steps in the matter and therefore the matter is dormant
TOTAL	451 000	

Tenders and contract: R828,9 million

The major claims are as follows:

Valor IT and New Dawn Technologies R630,6 million

This claim relates to a tender invitation for 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 a court hearing after the discovery of relevant documents by both parties. The department received correspondence from the court indicating that the matter is set down for trial from 26 May 2019 to 14 June 2019. However, the department has noted that 26 May 2019 will be on a Sunday and is therefore seeking clarity on the actual week day that the trial will commence.

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), and 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. This matter has been allocated to a judge for case management and the parties will therefore receive further correspondence and directions from the court on how the matter should be handled, including the date of the trial.

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 OR Tambo International Airport (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 Adult Basic Education and Training 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 (R7,2 million): R10,8 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.

5.13.3 Labour dispute: R72 million

This amount relates to labour disputes or awards that have been granted against the department but were appealed 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. During the year under review, cases to the value of R8,6 million were ruled in favour of the department and cases to the value of R6,8 million were ruled in favour of claimants. Furthermore, the department received additional cases to the value of R10,3 million.

5.14 SERVICES RENDERED BY THE DEPARTMENT

5.14.1 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.

5.14.2 Immigration Affairs

Immigration Affairs is responsible for managing the movement of persons according to a risk-based approach through ports of entry and via foreign missions, and issuing 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. It is also responsible for managing a holding facility (Lindela) for illegal immigrants awaiting deportation after confirmation by their countries of origin.

5.14.3 Inventory

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

Table 8: INVENTORY

CATEGORY	AMOUNT 2017/18 R'000	AMOUNT 2016/17 R'000	METHOD OF COSTING R'000
Controlled stationery	13 748	12 335	Actual cost

5.14.4 Tariff policy

The department did not review its tariffs for the 2017/18 financial year but continued to use the approved tariffs of the 2011/12 financial year. The department has concluded its process of reviewing the current tariffs as well as determining new revenue streams and submitted a request to the National Treasury for approval.



5.14.5 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 prescribed fees for enabling documents under certain circumstances. During the year under review, no material free services were granted.

5.15 FINANCIAL MANAGEMENT IMPROVEMENTS

The department continued to entrench its financial management improvement programme to ensure the achievement of ultimate its goal of a clean audit opinion. Commitments were submitted to the Auditor-General (AG) aimed at ensuring that recommendations made by both Internal Audit and the AG are implemented. The plan was based on the findings issued, although other remedial actions will still be implemented after the 2017/18 financial year. The monthly compliance checklist continued to be implemented, monitored and revised in certain areas; however, it still 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, all managers' performance agreements were amended to include improving audit outcomes as a compulsory key result area.

Another amendment of the performance agreements introduced a 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 2017/18, the management of payments within 30 days significantly improved, as required in Treasury Regulation 8.2.3, and as demonstrated by the drop in the payables that exceeded the payment term of 30 days from R30,64 million (2016/17 financial year) to R30 000 (2017/18) financial year. The department has also introduced a central point of receiving invoices at

head office to ensure proper monitoring of the processing of invoices. The current track and trace system, which is used for tracking invoices, will be enhanced in the next financial year. In respect of managing travelling payments, the department has provided an office for the appointed travel agent within the head office to ensure that the entire process is properly coordinated and managed, including payments. The department will obtain a credit card facility to pay travelling invoices, which will ensure payment of invoices within 30 days.

The process of allocating budget has also been strengthened to ensure that every unit has an approved allocation for COE, contractual obligations and projects before the commencement of the financial year, and the allocations are aligned to set targets. Furthermore, the responsible managers will receive a letter of allocation of their budgets at the beginning of the financial year.

The management of assets has improved significantly, as there is a better understanding of using the Barcoded Auditing asset management system and a drop in the number of unverified assets, from 1 301 (2016/17) to 301 (2017/18); the department therefore has a cumulative 1 602 assets recorded as unverified. The department continues to investigate the existence of unverified assets before considering write-offs in which 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 channelled via the audit facilitator, who keeps and updates the tracking register on requests for audit findings (RAFs) and the communication of audit findings. During the year, a constant effort was made to respond to all audit findings prior to 2017/18 and, those that can not be transferred to the risk register, with clear mitigating interventions.

Furthermore, the failure to adhere to turnaround times was followed up and officials that failed to submit information or responses on time received letters of poor performance. These letters appear to have the desired effect.

5.16 PERFORMANCE INFORMATION

The department developed its Strategic Plan (2015-2020) and APP for the 2018/19-2020/21 Medium-Term Expenditure Framework (MTEF) period, which articulate its strategic priorities and contributions to government's outcomes. Branches present their performance information based on APP commitments at quarterly performance review sessions. The information and evidence 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.

5.16.1 Performance management system

The performance management and development system is a management tool to effectively monitor and enhance the effectiveness of employees, and align employees' performance agreements with organisational objectives. 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 2017/18, the department ensured that branch APPs were in place, that officials had signed performance agreements and that their activities were 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.

5.16.2 Management reporting

On a quarterly basis, the EXCO reviews progress made on 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, where they actually performed duties in various offices. They provided reports that were consolidated and action plans developed where necessary. Among other benefits, this has improved their 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 improve governance and compliance. This includes, integrated planning, gathering and analysis of performance information to enhance accountability and empower management. The branch will also be responsible for developing and designing various delivery methods for DHA services to improve customer services and for key functions such as risk management, legal services and intergovernmental relations.

The Chief Directorate: Policy and Strategic Management is responsible for monitoring performance through the evaluation of quarterly reports. The emphasis has been on verifying 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) conducted by the DPME, which assesses performance in key areas of management. The department improved in 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.

5.16.3 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 the National Treasury and DPME, as well as to Parliament. Quarterly progress reports were also submitted to these structures and the Audit Committee.

5.17 EVENTS AFTER THE REPORTING DATE

Not applicable.

5.18 APPROVAL AND SIGN OFF

The Annual Financial Statements set out on pages 172 to 250 have been approved by the Accounting Officer.



Mkuseli Apleni
Director-General
Department of Home Affairs
31 May 2018



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 issued by the National Treasury.

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

The accounting officer is responsible for the preparation of the AFS and for the judgements 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 on the integrity and reliability of the performance information, the HR information and the AFS.

The external auditors are engaged to express an independent opinion on the AFS.

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 2018.

Yours faithfully



Accounting Officer

Mkuseli Apleni

31 May 2018





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 DHA 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 UNHCR, 6 September 1993

The 1991 United Nations Convention Relating to the Status of Refugees

The 1967 Protocol on Specific Aspects of Refugees Protection

The Organisation for African Unity Convention Governing Specific Aspects of Refugee Problems in Africa, 1996

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)

Films and Publications Act, 1996 (Act No. 65 of 1996)

Regulations made under the Films and Publications Act, 1996

Electoral Commission Act, 1996 (Act No. 51 of 1996)

Regulations made under the 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

Electoral Commission

Government Printing Works

8.4.1 Electoral Commission

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

The functions of the commission include the following:

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

The chief electoral officer of the commission is the accounting officer of the commission in terms of section 12 of the Electoral Commission Act.



YOU VOTE
WHERE
YOU LIVE
WE NEED TO KNOW
WHERE THAT IS
CLICK, CHECK, CONFIRM
WWW.ELECTIONS.ORG.ZA

IEC
SOUTH AFRICA

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:

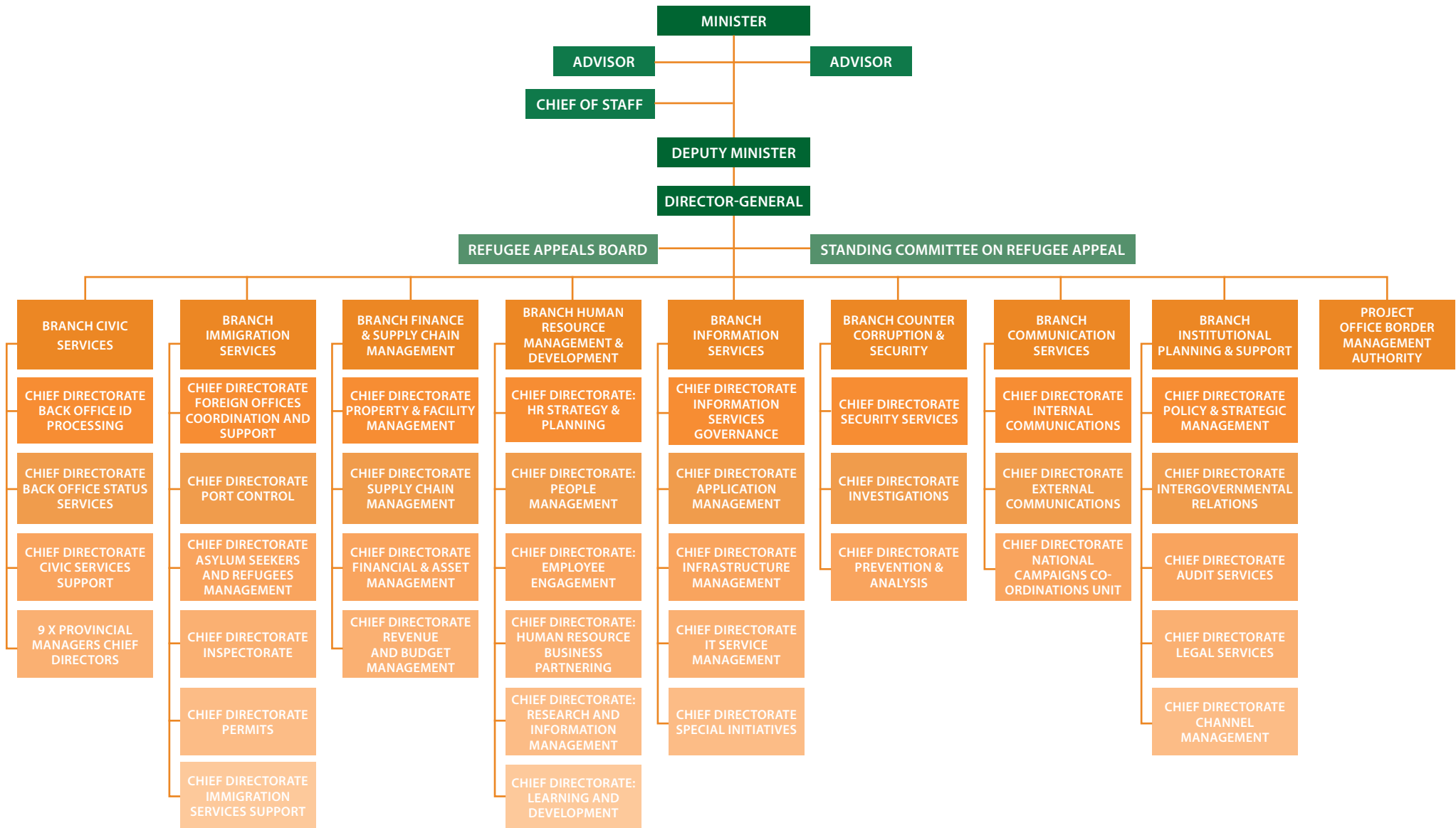
- Compiling, editing, printing and distribution of the Government Gazette and Provincial Gazette
- Procuring and stocking departmental forms and face value forms
- Provisioning a printing service pertaining to high-security documents and printed matter of a general nature
- Administering the Publications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

Leaders in State Security Printing



9. ORGANISATIONAL STRUCTURE



10. ENTITIES REPORTING TO THE MINISTER

The information furnished in this section should correlate with information provided in the related-party transactions disclosure note to the financial statements and the information on the entities.

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

Table 9: ENTITIES REPORTING TO THE MINISTER

Name of entity	Legislative mandate	Financial relationship	Nature of operations
Electoral Commission	The commission was established in terms of section 3 of the 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 <i>Government Gazette</i> and <i>Provincial Gazette</i> Procuring and stocking departmental forms and face value forms Provisioning a printing service pertaining to high-security documents and 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 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 Report on the audit of the annual performance report section of the Auditor's Report.

Refer to page 166 to page 171 of the Report of the Auditor-General, published in Part E: Financial Information of this report.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE



2.1 SERVICE DELIVERY ENVIRONMENT

The DHA currently operates in an environment that presents many challenges with regard to meeting service delivery standards consistently. A major factor is that the footprint of the DHA is only partially aligned to the location and size of communities. A related factor is that front offices are almost all rented by the DPW and the quality of infrastructure provision such as office space, networks and access also vary widely. This prevents the DHA from modernising all of its offices and compels the department to retain systems that are inefficient and insecure, such as the production of the green barcoded ID book. Nevertheless, by March 2018, of approximately 400 frontline offices, 184 were converted to use a fully digital process for issuing smart ID cards and the new secure passports.

Modernisation is at a stage where systems are not yet integrated and fully digitised. Thus, more recent records are on databases but older records must be retrieved manually. In addition, communication between the back and front office and the work of the Client Services Centre is negatively affected. The DHA has the largest client base of any department

– all citizens plus all foreign nationals, including those applying to enter the country. However, it has the lowest staff to client ratio, the fewest specialists and professionals and large gaps at supervisory and management levels.

Both clients and staff are negatively affected by this situation, which is made worse by the DHA having to use unreliable networks that are procured by another organ of state. A factor that has made the situation even more severe is the department having to close its offices on Saturday, which created additional pressure on services during the week. One result has been the re-appearance of long queues outside certain offices.

The DHA is confronting the challenges outlined above by implementing short, medium and long-term strategies. Short-term strategies include realising the gains made by the ongoing modernisation programme. These include improved performance against targets and work on an end-to-end digital permitting system, which is improving service delivery. The re-designed Desmond Tutu Refugee Reception Centre, opened in February 2017, has greatly improved infrastructure and processes and introduced an automated booking system. Another important initiative is the phased replacement of the ageing fleet of mobile offices with refurbished and new units fitted with digital systems. The details of short and medium-term initiatives are reported in the Service Delivery Improvement Plan (SDIP).

In the longer term (five to ten years) the goal is to fully reposition the DHA as a modern, secure department run by professionals. Initiatives begun in the reporting period to realise this vision will begin to greatly improve service delivery in the coming months. One step is to stabilise networks by negotiating a solution with relevant departments and agencies. Another step is to develop mobile and portable solutions that can be fitted into suitcases or kiosks and located at service points in places such as shopping centres. All these solutions depend on replacing the current outdated NPR with the new NIS and fully replacing all green barcoded ID books with smart ID cards. In this reporting period, the focus was on stabilising the legacy Hanis instrument while initiating the development of the modern ABIS.

2.2 SERVICE DELIVERY IMPROVEMENT PLAN

The department has completed an SDIP. The tables below highlight the service delivery plan and the achievements to date.

Table 10: 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	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)	90%	95,21% IDs (first issues) were issued within 54 working days (RSA applications only) (April to September 2017) 92,92% IDs (first issues) were issued within 54 working days RSA applications only) (October 2017 to March 2018)
		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)	95%	98,02% of IDs (re-issues) were issued within 47 working days (RSA applications only) (April to September 2017) 97,90% of IDs (re-issues) were issued within 47 working days (RSA applications only) (October 2017 to March 2018)
		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)	5 million smart ID cards issued to citizens 16 years of age and above	1 248 662 smart ID cards were issued to citizens 16 years and over (April to September 2017) 1 615 449 smart ID cards were issued to citizens 16 years and over (October 2017 to March 2018)
Birth registration within 30 days of birth event	South African citizens and permanent residents	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)	80% (880 000) of births registered within 30 calendar days	386 635 births were registered within 30 calendar days (April to September 2017) 385 400 births were registered within 30 calendar days (October 2017 to March 2018)

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	<p>Apr 2016 – Sept 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>Oct 2016 – Mar 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%		90% of temporary residence permits adjudicated within 8 weeks for applications processed within the RSA and abroad	98% of temporary residence permits adjudicated within 8 weeks for applications processed within the RSA
98%	97%																							
536	550																							
496	512																							
1 032	1 062																							
97,2%																								
96%	98%																							
461	480																							
514	520																							
975	1 000																							
97,5%																								
AFIS/HANIS refresh	SA citizens and foreigners	<p>Tender for new AFIS was advertised and evaluation of request for accreditation (RFA) completed</p> <p>Completed request for proposal evaluations</p>	NIS developed (migration of data and testing) NIS fully operational	<p>Impact analysis report signed off by DDG:CS and DDG:IMS</p> <p>Procurement process was concluded and service provider appointed</p> <p>Hardware for technology refresh was procured</p>																				
Records management and unabridged certificates	SA citizens and permanent residents	1 014 794 birth records were digitised comprising of 6 390 366 images	Digitisation of birth records	<p>2 952 896 birth images were digitised</p> <p>Access tool for images digitised by Stats SA deployed</p>																				

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
Quantity				
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	<p>Quarter 2 identified key deliverables with key stakeholders on systems, including IT platforms configuration in the targeted missions between DHA and DIRCO IT. A submission was sent to the Minister on the proposals for approval and continuation of the next phase</p> <p>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</p>	Roll out the approved findings to identified missions	<p>The feasibility assessment at the referred missions was conducted as per the reporting quarter2 outcome</p> <p>The feasibility study contributed to the department's prioritisation to rather develop an e-permitting capability that would be extendable globally and facilitate centralised adjudication of visa and permitting applications in the RSA as opposed to biometric implementation at missions only</p> <p>The development of the e-permitting system is now at an advanced stage and will be piloted in 2018</p>
Management of traveller movements through designated port of entry and development of a biometric risk management solution	Complete the implementation of EMCS to all ports of entry and commence with the pilot of an interim biometric solution to four key (identified) pilot ports of entry	<p>Roll out the EMCS capability at all ports of entry was completed except for certain isolated ports of entry where infrastructure limitations imposed restrictions on data and telecommunication capability</p> <p>Testing of biometric capabilities at four selected international airports that would be used as a pilot study: King Shaka (KSIA), Cape Town (CTIA), Ortia and Lanseria. Then in the second half of the reporting cycle, roll out a pilot of the interim solution to six land ports and one maritime port</p>	Phased roll out of biometric solution	<p>The interim biometric solution is currently in operation at ORTIA, Cape Town (CTIA), King Shaka (KSIA), and Lanseria international airports and the following 6 land ports of entry: Lebombo, Kopfontein, Beitbridge, Oshoek, Maserubridge, and Ficksburgbridge</p> <p>At Cape Town harbour, selected counters have been equipped with biometric capability</p>

Table 11: BATHO PELE ARRANGEMENTS WITH BENEFICIARIES (CONSULTATION, ACCESS, ETC.)

Current/actual arrangements	Desired arrangements	Actual achievements
Consultation		
Communication strategy reviewed and implemented	Communication strategy and action plan implemented with a focus on corporate communication services, media relations and public awareness engagements	<ul style="list-style-type: none"> • Communication strategy reviewed and implemented • 46 media engagements produced • 6 Ministerial Izimbizo conducted • 1 budget vote event conducted • 13 publications on Ministerial Home Affairs Today produced • 16 notes from the DG's Desk produced • 3 campaigns conducted
	Communication strategy to inform the public and staff of Home Affairs about services and products through training and campaigns developed and implemented with focus on Corporate communication, Media Relations and Public awareness engagements	<ul style="list-style-type: none"> • Communication strategy reviewed and implemented • 46 media engagements produced • Ministerial Izimbizo conducted • 1 budget vote event conducted • 13 publications on Ministerial Home Affairs Today produced • 16 notes from the DG's Desk
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 collection questionnaire to capture client's suggestions and/or complaints about the services we provide	70,03% of front offices (257 of 367) report to have complaint/suggestion boxes in place and 29,97% (110 of 367) report that no suggestion boxes are in place
Suggestion boxes are in place (as above). However, no standard form to capture suggestions was developed	Complaint/suggestion boxes places in all front offices with standard feedback form to capture client's suggestions and feedback	68,94% of front offices (253 of 367) report that they have standard questionnaires in place for feedback/complaints and suggestions 31,03% (114 of 367) report that they do not have standardised forms for feedback/complaints or suggestions

Current/actual arrangements	Desired arrangements	Actual achievements
Consultation		
<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>	<p>Immigration and Refugees Amendment bills approved by Minister for submission to Parliament</p>	<p>This process has seen extensive consultation around the drafting of new legislative amendments within the Immigration Bill (including the Refugee Amendment Bill). These amendments introduce the key constructs necessary for the new policy to take administrative effect</p> <p>The proposed amendments have now been approved by the Minister and the department will proceed into the 2018 reporting cycle by undertaking consultation at the level of Parliament</p>
Service standards		
<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 new Desmond Tutu Refugee Reception Centre</p>	<p>By securing our systems DHA ensures a greater efficiency in the departments service delivery standards</p>	<p>Live capture was rolled out to 5 additional offices which increased the total number of modernised offices to 184</p> <p>Live capture system is being piloted at three mobile units</p> <p>As part of our part of our modernisation programme, we continued with system enhancements. The interim biometric solution is currently rolled out to Ortia, CTIA, KSIA and Lanseria and the following 6 land ports of entry: Lebombo, Kopfontein, Beitbridge, Oshoek, Maserubridge, and Ficksburgbridge</p> <p>At Cape Town harbour, selected counters have been equipped with biometric capability</p>



Current/actual arrangements	Desired arrangements	Actual achievements
Service standards		
<p>Service charter outlining service standards was developed</p> <p>The service charters are currently being installed in all Civic Services offices. Toolkit report for reporting offices:</p> <ul style="list-style-type: none"> • 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 	<p>Service charter displayed in all front offices</p>	<p>In the year under review Property Management has not received any request from business units</p> <p>Service Charter went through the process of revision in the 2017/18 financial year as required by the Public Service Act and Regulations. The norms and standards for all services provided by the department underwent comprehensive assessment, including process mapping and costing. The revised Service Charter will be presented at EXCO for approval since it was deferred during the last quarter of the 2017/18 financial year due to workload. The Service Charter once approved will be published on the department's website, currently the Service Dharter is published in the department's intranet which is the department's internal webpage. Furthermore, the Service Charter will be displayed in all ports of entry and health facilities with DHA service points. The Service Charter will also be translated into all official languages</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>	<p>Front office toolkit to improve performance improving the daily management of operations in all offices for effective and efficient management of front office operations implemented in all Civic Services offices</p>	<p>The department has partnered with CPSI and Innovation Hub in the development of the Automated Front Office Toolkit to improve the effective and efficient daily management of operations in all front offices. CPSI though the Innovation Hub appointed the service provider (Simplus) to develop the business solution for the front office toolkit and the pilot is envisaged to take place during 2018/19 financial year</p>

Current/actual arrangements	Desired arrangements	Actual achievements
Service standards		
<p>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 to verify resource requirements. This process will continue in 2017/18</p>	<p>Improving service delivery standards by optimising the use of existing health facilities for registration of birth</p>	<p>During the review period, the branch commenced with the development of a Birth Optimisation Strategy that is aimed at optimising the use of existing personnel, office and health facilities network to maximise birth registration within the 30-day threshold</p> <p>At the same time, the DPME finalised a birth evaluation study conducted by Genesis Analytics</p> <p>Going forward, the recommendations from the two documents (strategy and evaluation study) will be consolidated to maximise the effectiveness of the strategy document</p> <p>98% of health facilities have been assessed during the 2017/18 financial year where all relevant resources have been identified for effective operations of health facilities</p>
<p>Biometric access to systems has been extended to NPR administrators</p>	<p>Improving service standards through business process engineering by rolling out online verification, provision of access to systems, inherent biometric features and system integration</p>	<p>Provision of access to systems through BACM system has increased the security of systems to minimise corrupt activities by making it easy to track the officials that action or approve requests on the system</p>



Current/actual arrangements	Desired arrangements	Actual achievements
Service standards		
<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 was planned for 11 May 2017. Should the National Assembly adopt the Bill, it will be referred to the 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>BMA operational</p>	<p>The BMA has not been established because of the dependency on the enactment of legislation</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>	<p>Front office toolkit to improve performance improving the daily management of operations in all offices for effective and efficient management of front office operations implemented in all IMS offices</p>	<p>The department has partnered with CPSI and Innovation Hub in the development of the Automated Front Office Toolkit for the improvement of the effective and efficient daily management of operations in all front offices. CPSI through the Innovation Hub appointed the service provider (Simplus) to develop the business solution for the front office toolkit and the pilot is envisaged to take place during 2018/19 financial year</p>

Current/actual arrangements	Desired arrangements	Actual achievements
Access		
<p>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</p> <p>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</p> <p>Prototypes of these modules were developed in this financial year</p>	<p>Increase number of offices with capabilities to support the replacement of the green barcoded ID book with ID smartcard, including rolling them out to banks</p> <p>Live capture to be rolled out to 90% of front offices with capabilities to support the replacement of the green ID book with ID Smartcard</p>	<p>Live capture, inclusive of BQMS and point-of-sale functionality, has been rolled out to five additional offices thereby increasing the total to 184 offices countrywide and 14 bank branches</p> <p>As reported in the previous annual report, 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 still under development in this financial year</p>
<p>Property Management has, in the year under review installed signage in 92 offices, 47 hospitals and 12 at the banks</p>	<p>Signage (internal and external) in all front offices</p>	<p>In the year under review Property Management unit has not received any request from business units</p> <p>Internal signage</p> <p>66,49% of front offices (244 of 367) report that internal signage is in place in front offices compared with 33,51% (123 of 367) reporting that no internal signage is in place</p> <p>External signage</p> <p>64,31% of front offices (236 of 367) report that external signage is in place in front offices compared to 35,69% (131 of 367) reporting that no external signage is in place</p>
<p>An SLA has been signed between the DHA and the DPW</p>	<p>Accessible rails with rails in all front offices</p>	<p>As a result, all new offices acquired by the DPW cater for access to people with disabilities e.g. Hluhluwe (KZN), Sterkspruit (EC), Middelburg (EC), Middeldrift (EC), Qumbu (EC)</p> <p>59,13% of front offices (217 of 367) report that accessibility rails are in place compared with 40,87% (150 of 367) reporting that no accessibility rails are in place</p>
<p>Property Management has, in the year under review installed directional signage in 21 offices</p>	<p>Directional signage installed for all front offices</p>	<p>In the year under review Property Management unit has not received any request from business units</p> <p>41,69% of front offices (153 of 367) report that directional signage is in place compared with 58,31% of offices (214 of 367) reporting that no directional signage is in place</p>



Current/actual arrangements	Desired arrangements	Actual achievements
Access		
Implemented according to SLA between the DHA and DIRCO	Applications are done at the South African diplomatic representative in their country of origin or ordinary residence or any mission of the Republic that has been designated by the Director-General (DG) of Home Affairs to receive applications in respect of any country in which a mission of the Republic has no representation	Implemented A South African Diplomatic Mission was opened in the Central African Republic in February 2018. DG delegated the mission powers to receive and process applications
	Applications for temporary residence visas are processed at the foreign offices of DHA	Implemented
Courtesy		
Officials trained in DHA Civic Services uniform at frontline offices in all provinces: Total: 1 916 Bank officials trained in client relations: Total: 42 Officials trained in client relations from various offices in Gauteng and head office: Total: 32	2 000 officials in identified front offices and ports of entry trained in client relations improvement and professionalism programme	Frontline officials were trained in client relations from various offices in Gauteng, Western Cape and KwaZulu-Natal Total: 224 (of which 22 were managers)
Service charter outlining service standards was developed The service charters are currently being installed in all Civic Services offices. <ul style="list-style-type: none"> • 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 	Service charter displayed in all front offices	Service Charter went through the process of revision in the 2017/18 financial year as required by the Public Service Act and Regulations. The norms and standards for all services provided by the department underwent comprehensive assessment, including process mapping and costing. The revised Service Charter will be presented at EXCO for approval since it was deferred during the last quarter of the 2017/18 financial year due to workload. The service charter once approved will be published on the department's website; currently the service charter is published on the department's intranet Furthermore, the Service Charter will be displayed in all ports of entry and health facilities with DHA service points. The Service Charter will be further translated to all official languages

Current/actual arrangements	Desired arrangements	Actual achievements
Access		
Updated details of top management displayed on the department's website	Updated details of top management displayed on the department's website	Details of top management are displayed on the department's website which is www.dha.gov.za
DHA multiple-access contact centre was established according to the project plan and operational since 1 April 2016	DHA contact centre solution implemented as per project plan	Additional contact centre modules implemented as part of the optimisation plan. This includes automated email facility, quality assurance system and the self-help IVR functionality
Managers trained in client relations in the 21st century from the Western Cape, Gauteng, Mpumalanga and Northern Cape: Total: 64 Managers trained in leadership and management development programmes: Total: 490	Managers (junior, middle and senior) trained in customer-related services through the implementation of service charter	1 166 managers (819 junior, 308 middle and 39 senior) were trained and developed in management development programmes
Openness and transparency		
Toolkit report for reporting offices: <ul style="list-style-type: none"> • 91,36% report that staff members are wearing nametags • 0,83% report that staff members are not wearing nametags • 7,8% report that not all staff members are wearing nametags 	Wearing of name tags by all officials and displaying of name plates at counter level	46,32% of front offices (170 of 367) reported that officials are in possession of name tags compared with 53,68% (197 of 367) that reported name tags are not in place
Information		
Installation at health facilities and immigration offices was not commenced due to funding shortages during the period under review	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	79,02% of front offices (290 of 367) reported to have service charters displayed compared with 20,98% (77 of 367) of offices reporting that they service charters are not displayed in public spaces



Current/actual arrangements	Desired arrangements	Actual achievements
Redress		
Toolkit report for reporting offices: <ul style="list-style-type: none"> • 93,90% reports that leadership charts are available • 6,10% reports that leadership charts are not available 	Leadership charts in all front offices and escalation resolved	47,14% of front offices (173 of 167) report that leadership charts are in place compared with 52,86% (194 of 367) that report that leadership charts are not in place in public spaces
DHA contact centre was established according to the project plan and operational since 1 April 2016	Home Affairs Contact Centre (HACC) redress mechanism. Optimisation of DHA Contact Centre solution	DHA complaints redress mechanisms guidelines drafted. Due to unavailability of resources to review and finalise the draft guidelines, the document could not be approved during the period under review Optimisation of the contact centre was delayed because of IT resources assigned to the project doing other key departmental projects as well. Only the self- service functionality, email automation and quality assurance system were developed. The quality assurance system could not be produced because of challenges with the contact centre server infrastructure
Toolkit report for reporting offices: <ul style="list-style-type: none"> • 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	Redress mechanism developed in line with the service charter	The department inspires implementation of suggestions boxes at front offices as redress mechanisms for customers 70,03% of front offices (257 of 367) reported to have complaint/ suggestion boxes in place and 29,97% (110 of 367) report that no suggestion boxes are in place

Current/actual arrangements	Desired arrangements	Actual achievements
<p>Redress</p> <p>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</p> <p>Management has introduced systems for monitoring turnaround on queries directed through the office of the Minister, DG 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</p> <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</p> <p>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>Approved timeline of 25 working days for the resolution of a query or complaint</p>	<p>The average turnaround time for query management improved, with 80% of cases logged with the department resolved within the specified turnaround time. Challenges with the contact centre systems led to a huge number of dropped calls and escalations to management</p> <p>Enquiry Unit established to handle all permitting enquiries. The unit reports to the Ministry weekly</p>



Current/actual arrangements	Desired arrangements	Actual achievements
Redress		
<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 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>	<p>Customer can follow process of application through the department website</p>	<p>The HACC continued to manage the website enquiry tool that is available on the internet</p> <p>The tracking functionality on the website was not implemented during the review period</p>
Value for money		
<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>	<p>Increase the issuance of ID first issue to citizens</p>	<p>95, 21% IDs (first issues) were issued within 54 working days (RSA applications only) (April to September 2017)</p> <p>92,92% IDs (first issues) were issued within 54 working days RSA applications only) (October 2017 to March 2018)</p>
<p>96,85% of IDs (re-issues) were issued within 47 working days (RSA applications only) (April 2016 to September 2016)</p> <p>97,84% of IDs (re-issues) were issued within 47 working days (RSA applications only) (October 2016 to March 2017)</p>	<p>To reduce the issuance of ID re-issue to citizens</p>	<p>98,02% of IDs (re-issues) were issued within 47 working days (RSA applications only) (April to September 2017)</p> <p>97, 90% of IDs (re-issues) were issued within 47 working days (RSA applications only) October 2017 to March 2018)</p>

Current/actual arrangements	Desired arrangements	Actual achievements
Value for money		
Weekly quality assurance reports in respect of IDs and LRBs are compiled and sent to provinces	To reduce number of errors on Identity documents through quality assurance checklists rolled out to all DHA service points	The branch maintained the issuance of quality assurance reports for IDs and LRBs to provinces during the review period
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 issued in triplicate in offices where there is no live capture system	The branch continued to issue ID application forms in triplicate during the review period
Data representing volumes is available. However, the extraction programme should be enhanced to provide the application date and modification date to calculate turnaround times. A change request for the development of the extraction function was developed and approved	Birth certificate delivered according to set standards. ¹	Birth certificates issued in respect of initial registrations are conducted on demand in terms of the review of the birth registration process of March 2013 As previously reported in the 2016/17 Annual Report, an extraction programme was developed during 2017/18 for the measurement of unabridged birth certificates (for those persons born before the process review of March 2013). The branch issued 62,21% of unabridged birth certificates within 8 weeks of application during the review period
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	Birth certificates for new birth issued in a day	The branch continued with the issuance of birth certificates on demand, as prescribed by the March 2013 review of the births process
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 alignment to operational and legal requirements	Continuous improvement on quality of adjudicated files	Immigration Services conducts regular sessions with VFS to ensure that amendments to or actions arising from Immigration Directives is timeously communicated. There are also governance processes in place to ensure that client queries directed to the department on service standards delivered through VFS can and must be addressed in prescribed turnaround periods

¹ During the 2016/17 review period, 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		
<p>96,21% of IDs (first issues) were issued within 54 working days (RSA applications only) (April 2016 to September 2016)</p> <p>95,59% of IDs (first issues) were issued within 54 working days (RSA applications only) (October 2016 to March 2017)</p>	<p>First issues to be issued within 54 days.</p>	<p>95,21% IDs (first issues) were issued within 54 working days (RSA applications only) (April to September 2017)</p> <p>92,92% IDs (first issues) were issued within 54 working days (RSA applications only) (October 2017 to March 2018)</p>
<p>98,42% of IDs (re-issues) were issued within 47 working days (RSA applications only) (April 2016 to September 2016)</p> <p>98,31% of IDs (re-issues) were issued within 47 working days (RSA applications only) (October 2016 to March 2017)</p>	<p>Re-Issues to be issued within 47 days.</p>	<p>98,02% of IDs (re-issues) were issued within 47 working days (RSA applications only) (April to September 2017)</p> <p>97,90% of IDs (re-issues) were issued within 47 working days (RSA applications only) (October 2017 to March 2018)</p>
<p>80,51% of smart ID cards were issued in 13 working days (April 2016 to September 2016)</p> <p>70,03% of smart ID cards were issued in 13 working days (October 2016 to March 2017)</p>	<p>Smart ID Card: 13 days</p>	<p>84,47% of smart ID cards were issued in 13 working days (April to September 2017)</p> <p>43,86% of smart ID cards were issued in 13 working days (October 2017 to March 2018)</p>
<p>Data representing volumes is available. However, the extraction programme should be enhanced to provide the application date and modification date to calculate turnaround times. Extracts will be obtained from the 2017/18 financial year onwards</p> <p>Pre-modification functions have also been implemented on the NPR for the capturing of parental information of applicants born before March 2013</p>	<p>Unabridged issued within 8 weeks</p>	<p>As previously reported in the 2016/17 Annual Report, an extraction programme was developed during 2017/18 for the measurement of unabridged birth certificates (for those persons born before the process review of March 2013). The branch issued 62,21% of unabridged birth certificates within 8 weeks of application during the review period</p>
<p>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</p>	<p>Abridged birth certificate issued within a day</p>	<p>On average, abridged birth certificates were issued within one day (or on demand). A total of 484 383 abridged certificates were printed during the period under review</p>

Current/actual arrangements	Desired arrangements	Actual achievements	
Time			
Apr 2016 – Sept 2016	Temporary Residence Permit issued with eight (8) weeks.	98% of temporary residence permits adjudicated within 8 weeks for applications processed within the RSA.	
98%			97%
536			550
496			512
1 032			1 062
97,2%			
Oct 2016 – Mar 2017			
96%			98%
461			480
514			520
975	1 000		
97,5%			
Cost			
First ID issue free of charge. R140 charged for re-issues and senior citizens are subsidised	ID first Issue free of charge R140 charged and citizens are subsidised	First ID issues remained free of charge during the review period Re-issue IDs cost R140 and senior citizens from age 60 years and upward who applied for their first smart ID cards were fully subsidised	
First issue of unabridged certificate is issued free of charge	First issue of unabridged certificate issued free of charge	First issue of unabridged certificate is issued free of charge	
R75 charged for unabridged birth certificate	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	

Current/actual arrangements	Desired arrangements	Actual achievements
Cost		
No fee is required from spouses or dependents of a South African, except the VFS service fee of R1 350.	No fee is required from spouses/ dependent 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
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	R1 320 handling fee charged for application through VFS for all temporary residence permits	R1 320 handling fee charged for application through VFS for all temporary residence permit

Table 12: SERVICE DELIVERY INFORMATION TOOL

Current/actual information tools	Desired information tools	Actual achievements
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	The department has partnered with CPSI and Innovation Hub in the development of the automated front office toolkit for the improvement of the effective and efficient daily management of operations in all front offices. CPSI through the Innovation Hub appointed the service provider (Simplus) to develop the business solution for the front office toolkit and the pilot is envisaged to take place during 2018/19 financial year 64,85% of front offices (238 out of 367) report that the front office toolkit was implemented compared with 35,15% (129 out of 367) report that the toolkit was not implemented
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	HACC system	Optimisation of the contact centre was delayed because of IT resources assigned to the project doing other key departmental projects as well. Only the self- service functionality, email automation and quality assurance system were developed. The quality assurance system could not be pushed to production because of challenges with the contact centre server infrastructure

Current/actual information tools	Desired information tools	Actual achievements
<p>Nine provincial business plans for the 2016/17 review period were signed off by management</p> <p>Planning for the 2017/18 first drafts of the provincial business plans took place during the review period</p>	Provincial business plans	Nine provincial business plans for 2017/18 were signed off by management
Information Services releases reports monthly for monitoring APP targets	NPR data analysis	Monthly data extracts for the monitoring of the APP and DHA Operational Plan (DHA OPs Plan) targets were extracted monthly and made available to the line function for analysis
Information Services releases daily and monthly reports for monitoring purposes	Service manager data analysis	Daily and monthly production reports were extracted from the service manager and transferred to the DHA share drive for analysis by line function

Table 13: COMPLAINTS MECHANISM

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
<p>Suggestion boxes in all Civic Services offices</p> <p>No standardised office query registers are in place</p>	Individual office query registers	<p>The department has partnered with CPSI and Innovation Hub in the development of the automated front office toolkit for the improvement of the effective and efficient daily management of operations in all front offices. CPSI through the Innovation Hub appointed the service provider (Simplus) to develop the business solution for the front office toolkit and the pilot is envisaged to take place during 2018/19 financial year</p> <p>83,65% of front offices (307 of 367) reported that enquiry registers are in place compared with 16,35% (60 of 367) report that no enquiry registers are in place</p>
<p>CRM case management system</p> <p>Ask Us web case management system</p> <p>HACC email services</p> <p>HACC was established according to the project plan and has been operational since 1 April 2016</p>	HACC system	Optimisation of the contact centre was delayed because of IT resources assigned to the project doing other key departmental projects as well. Only the self-service functionality, email automation and quality assurance system were developed. The quality assurance system could not be pushed to production because of challenges with the contact centre server infrastructure



2.3 ORGANISATIONAL ENVIRONMENT

The DHA is in transition, from an outdated model based on the routine processing of documents by clerks to the integrated management of identity and international migration by professionals using integrated digital processes in a high-security environment.

The main challenges of the current staff profile are that there are few professionals and large management gaps for a department that is strategic and serves the largest client base of any department. The DHA services all citizens, globally, and all foreign nationals who apply to enter or who have entered South Africa. This is completely out of step with a modern department of home affairs in a sovereign, constitutional state; but the budget for COE is largely based on an organisational model dating back to 1994.

In mitigating the impact of this situation, the DHA has taken the step of establishing a Learning Academy, with dedicated courses approved by SAQA. It has also initiated the Moetapele programme aimed at building management and leadership skills. Combining training and change management when transforming business processes has proven to be particularly effective. Thus, Learning Academy trainers played a key role in introducing automated processes for smart ID cards and the new passports. Another example is training aimed at introducing staff to operations management and project management methodologies while promoting a culture of client-centredness and problem solving.

Given the constraints of the legacy organisational and operational models, the efforts of the DHA to modernise and improve its organisation and culture will result in the majority of clients receiving a reasonable standard of services. However, there are variations in the quality of service that the DHA can address to a limited extent, given the legacy of apartheid and historical underfunding. Nevertheless, many clients who present more complex needs are let down by poor systems, under-qualified staff and a lack of capacity to supervise. Modernisation of the systems will resolve many of these problems, but only if there is enough funding to establish a new organisational model.

2.4 KEY POLICY DEVELOPMENTS AND LEGISLATIVE CHANGES

The new White Paper on International Migration was approved by Cabinet in March 2017 and is now being implemented in phases. In terms of legislation, a major focus in the reporting period was on the BMA Bill, currently before the Select Committee on Social Services of the NCoP. The other development was the Refugees Amendment Act, 2017 (Act No. 11 of 2017), to revise provisions related to the refugee reception centres and two authorities: the Standing Committee on Refugee Affairs (SCRA) and the Refugee Appeals Board.

One of the principles in the 2017 White Paper is that international migration can only be managed effectively with the involvement of the whole of the state and society. However, South Africa has, since 1994, failed to invest in the administrative machinery the DHA needs to take a lead by regulating international migration strategically and efficiently in the interest of development and security. The new policy can therefore only be fully implemented once the whole of the DHA is repositioned as proposed in the Discussion Paper on Repositioning Home Affairs, which was gazetted for public discussion and comment on 19 May 2017.

The discussion paper argued that as currently positioned, the DHA could not deliver effectively against its mandate as a critical enabler of citizen empowerment, economic development, national security and an efficient state. Informed by feedback received at a series of engagements, a draft White Paper on Home Affairs was signed by the Minister on 29 March 2018 and a final version will be submitted to Cabinet by 31 December 2018. The White Paper will provide a policy platform for drafting appropriate legislation and developing new operational, organisational and funding models and their phased implementation.

3. STRATEGIC OUTCOME-ORIENTED GOALS

The DHA contributes directly to the following Medium Term Strategic Goals (MTSF) 2014 to 2019:

- Outcome 3: All people in SA are and feel safe
- Outcome 4: Decent employment through inclusive economic growth
- Outcome 12: An efficient, effective and development-oriented public service.

The DHA developed three strategic outcome-oriented goals or outcomes to support the national outcomes and its own priorities. The three outcomes deal with the core business branches (Civics and Immigration Services) and support branches (the various programme 1 branches). The outcomes are the following.

- Secured South African citizenship and identity
- Secured and responsive immigration system
- Services to citizens and other clients that are accessible and efficient.

Each of the three outcomes are supported by strategic objectives with five-year targets, outputs and performance indicators and targets.

Good progress has been made on outcome 3 with the establishment of the BMA. The BMA Bill was formally introduced into Parliament in 2016 and was endorsed by the Portfolio Committee on Home Affairs and the National Assembly in 2017. The Bill is currently being processed in the NCoP, specifically by the Select Committee on Social Services. The BMA Blueprint (2032), which outlines the BMA's vision and ideal end-state, has been approved by the Minister of Home Affairs together with the BMA Road Map, which articulates the establishment phases of the BMA and milestones to be achieved in realising the BMA's ideal end-state over a 15 year period (2017-2032).

The Integrated Border Management Strategy (IBMS) was developed by the Border Management Authority Project Management Office (BMA PMO) in collaboration with various government departments and state-owned companies. The IBMS was approved in March 2017. The strategy is aimed at laying the basis for the preparation of detailed thematic, sectoral and risk-based border management strategies and plans and will be used by all

relevant stakeholders in the border environment under the leadership of the BMA. The BMA PMO is responsible for overseeing and monitoring the implementation of the strategy. Quarterly reports are submitted to relevant forums.

In securing the identity and status of citizens it is crucial to ensure there is early registration of birth. The total number of births registered within 30 calendar days was 772 035 during 2017/18, up from 745 204 during 2016/17. This is a 5,2% performance improvement. The target for 2017/18 was 750 000.

Automated digital systems increase both efficiency and security. The DHA continued to roll out its modernisation programme in 2017/18. Citizenship and amendment processes were automated onto live capture and the live capture functionality for smart ID cards and passports were rolled out to a further five offices, bringing the total to 184 offices. A total of 2 864 111 smart ID cards were issued during 2017/18, bringing the total to more than 9 million since inception in 2013.

Rolling out the interim biometric functionality continued in 2017/18 and 10 ports of entry have been equipped thus far. The roll-out will be completed in the 2018/19 financial year. In terms of back end systems, the DHA is replacing the AFIS with the ABIS, which will enable advanced identification and verification through fingerprints and other selected modes of biometrics. The CSIR has been appointed through SITA to develop the specifications for the NIS, which intends to replace the NPR.

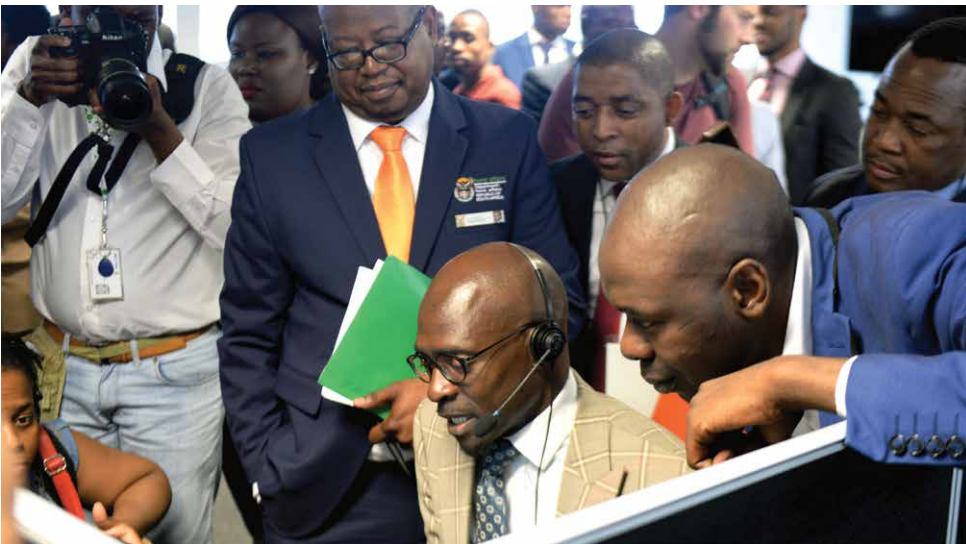
The 2017 White Paper on International Migration has officially replaced the 1999 White Paper, which was outdated and had serious limitations that affected the country's ability to adequately embrace global opportunities while safeguarding our sovereignty and ensuring public safety and national security. On 28 July 2017, the White Paper was published in the Government Gazette for public notice. The White Paper provides various policy and strategic interventions in the management of migration and a new policy framework that will guide the review of immigration and related legislation. Elements of the White Paper requiring only administrative interventions are already being implemented (including long-term multiple-entry visa). Those elements of the White Paper that require legislative changes have been

included in the Immigration and Refugees bills submitted for approval by the Minister on 31 March 2018 for public consultation.

In terms of outcome 4, the DHA is well on track to achieve the MTSF 2018/19 target of 85% of critical skills visas adjudicated within four weeks for applications processed within the RSA. By the end of the 2017/18 financial year, performance was at 89% (5 935 of 6 684 applications) against the annual target of 80%.

Regarding outcome 12, the DHA established its own in-house contact centre in the 2015/16 financial year, with business intelligence to integrate, and run in addition to, core departmental systems. The Minister of Home Affairs launched the multiple-access channel contact centre in 2016, thereby expanding services accessibility to the public. The average turnaround time for query management was improved by the integration of systems and the customer relationship management system being rolled out to all three tiers of the contact centre. The contact centre will continue to expand its services by rolling out live capture for births, marriages and deaths, citizenship and amendments in the centre.

The department must highlight significant achievements on the 12 outcomes announced by the DPME. This is only applicable to departments that directly contribute to the achievement of one or more of the 12 outcomes.



4. PERFORMANCE INFORMATION BY PROGRAMME

4.1 PROGRAMME 1: ADMINISTRATION

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

List of sub-programmes:

- 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

4.1.1 Management support services

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

Policy and strategic management

The Chief Directorate of Policy and Strategic Management combines three functions that enable the strategic management of the department. In addition, it is responsible for managing the current phase of the repositioning project. In 2017/18, this involved

developing a White Paper on Home Affairs after a business case was approved by Cabinet in March 2017. After a discussion document was published, a series of public engagements culminated in a national Colloquium on the Repositioning of Home Affairs. A draft White Paper was subsequently drafted and submitted to the Minister March 2018 as prescribed in the APP under programme 1.

Policy development

The policy interventions undertaken by the directorate are summarised below:

- The 2017 White Paper on International Migration was gazetted for public notice.
- The directorate led a South African delegation to the SADC-EAC-COMESA Tripartite Free Trade Area (TFTA) negotiations on the movement of business persons.
- The directorate facilitated two Ministerial Dialogues on International Migration in partnership with the universities of KwaZulu-Natal and Witwatersrand. The dialogues were well attended by critical stakeholders including academics, the community, migrants and government leaders.
- The directorate undertook research and produced concept papers that are supplementary to the White Paper on International Migration and provide more clarity on the following areas of the White Paper:
 - Criteria and preconditions for the establishment of ports of entry
 - Points-based system for attracting and retaining skilled international migrants
 - Risk-based enforcement and deportation policy and strategy
 - Grounds for granting long-term residence visa and citizenship to qualifying foreign nationals
 - Establishment of an interdepartmental institutional mechanism for managing emigration
 - Establishment of an intergovernmental institutional mechanism for managing integration.
- The directorate facilitated a policy learning network with policy practitioners from other government departments. This is a knowledge sharing platform on which government officials exchange knowledge and experience in policy development.


Strategic planning

The directorate of Strategic Planning is responsible for ensuring that the management of the strategic planning function is aligned to the priorities and strategies of government, as well as to the ongoing transformation of the department. The APP for 2018/19 was developed during the 2017/18 financial year and tabled in Parliament on 8 March 2018.

A major focus area of the strategic planning process is to involve all levels of management and staff in the planning process. This was achieved by hosting departmental workshops and workshops at branch and chief directorate / directorate levels. The National Development Plan, MTSF, other government resolutions, and Ministerial and departmental priorities formed the basis for planning. Branches were then given the opportunity, through the bottom up planning process, to translate these priorities into realistic and implementable measures and to identify other strategic and operational priorities that require intervention.

The directorate, in collaboration with key stakeholders such as Finance and SCM, Risk management and Human Resource Management and Development, continued to implement several initiatives to improve integrated planning within the DHA in the areas of strategic planning, procurement, budgeting, risk management, HRs and reporting. Some of the tools developed and implemented were processes and templates to operationalise APP targets, to link the procurement and budgeting processes to strategic planning, financial reporting to performance and HRs to target setting. The improvement of integrated planning practices is an ongoing initiative and valuable lessons have been learned thus far.

The various initiatives undertaken by the directorate of Strategic Planning to improve strategic planning practices in the DHA has contributed significantly to improving organisational performance, the quality of performance information, service delivery in general and the achievement of critical government outcomes. Feedback from the DPME and the AGSA has been overwhelmingly positive. The next step is to institutionalise these best practices in the organisation.



Monitoring and evaluation

The directorate successfully submitted the annual report 2016/17 to the AGSA by 31 May 2017, as prescribed by the National Treasury prescripts.

The four DHA performance reports for the 2017/18 financial year were approved and signed by the DG, and submitted to the DPME and National Treasury within the prescribed time frames.

Accountability to the parliamentary committees was also observed over the four quarters; presentations were delivered to the portfolio and select committees.

The directorate was also tasked with assisting with technical guidance on the evaluation of the birth registration programme in the department, in conjunction with the DPME. The study has been completed and the findings and lessons were presented to the DHA's governance structures.

The coordination and implementation of MPAT is the responsibility of the directorate. The results of MPAT 1.7 were received from the DPME and disseminated to the relevant governance structures such as the DMC, EXCO and MMM.

Legal Services

The Chief Directorate of Legal Services drafts legislation [primary legislation (Acts of Parliament), secondary legislation (regulations in terms of the relevant Act) and amendments to existing Acts and regulations] administered by the department. These are based on information received from the relevant line functions, the Immigration Management Services (IMS) and Civic Services, and are 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 is provided to line and other support functions in dealing with international agreements and memoranda of understanding (MoUs). It also offers legal support (and legal opinions when requested) to line and other support functions to draft and vet commercial contracts / SLAs entered into by the department. As far as litigation instituted against or by the department is concerned, legal support is provided to the Minister and the DG in all civil litigation (actions and applications).

The directorate of Drafting assisted in ensuring that the BMA Bill and the Refugees Amendment Bill (now an Act of Parliament, Act No. 11 of 2017) were introduced and processed through

the National Assembly and NCoP. It also rendered legal support in finalising and signing MoUs between the department and:

- the South African Pharmacy Council
- Vodacom Proprietary Limited
- Postbank
- the Public Service Sector Training Authority (PSeta)
- Albaraka Bank Limited
- Newshelf 1315 Proprietary Limited Trading as CBSA Services on non-biometric information services
- the Gauteng Department of Education
- Xpert Decision Systems
- Dracore Data Sciences
- the Agricultural Research Council
- the Health Professions Council of South Africa
- NewDisc Limited (renamed Discovery Bank Limited) regarding Hanis verification services on the NPR
- NewDisc Limited (renamed Discovery Bank Limited) regarding non-biometric information services on the NPR.

International agreements were entered between the Republic of South Africa and the Democratic Republic of the Congo, Republic of Angola, Republic of Liberia and Republic of Uganda.

The directorate of Contracts provided legal support for 103 commercial contracts and SLAs (drafting, scrutiny, vetting, legal opinions). 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. Of the 103 matters received during 2017/18, 84 were finalised within one month of receipt, which was an 82% achievement against the annual target of 91%. The main reason for the shortfall was the severe capacity constraints in this directorate, as there is only one legal official to deal with all the contracts/SLAs.

The directorate of Litigation will continue to fulfil its responsibility to defend the department

in court. Litigation set a target of a 76% success rate in matters to be heard and finalised in courts. However, achieving this target depends largely on how the department conducts itself in the quest to achieve its overall strategic objectives. The 77% success rate for 2017/18 (122 of 158 cases finalised) was above the set annual target of 76%. Litigation also faces severe capacity constraints, with only four legal officials stationed in this directorate to deal with all the civil litigation involving the department.

Intergovernmental relations

The Chief Directorate facilitated bilateral interaction with China, India, Canada, the Seychelles, Ethiopia, Lesotho, Zimbabwe, Namibia, the United Kingdom, Uganda, Liberia, Mauritania, France, Australia, Botswana, Mozambique, Angola, Somalia, the United Arab Emirates, Iran, Mali, Niger and Swaziland.

The engagement with these countries focused on visa facilitation agreements, border management cooperation, human smuggling and trafficking and cooperation on migration and civic matters. Furthermore, we facilitated the department's participation at the AU, Southern African Development Community (SADC) Migration Dialogue for Southern Africa, International Organisation on Migration, ICAO and United Nations.

We facilitated the participation of the DHA and its entities at all scheduled engagements with parliamentary committees. Of the 45 parliamentary committee engagements scheduled with the department and entities during the 2017-2018 financial year, 30 parliamentary committee meetings took place and 15 were either cancelled or postponed by the respective committees. The Minister responded to 117 parliamentary questions posed during the 2017 parliamentary calendar year, with none lapsing by the close of the year. Members in the National Assembly posed 105 questions, of which 98 were for a written response and seven for oral reply. Members of the NCoP posed 12 questions to the Minister, of which three were for a written reply and nine for oral reply.

Channel management

Channel Management is responsible for the service improvement plan and championing Batho Pele in the DHA. It ensures that clients are served by a contact centre, mobile offices, walk-in service points and, lately, the e-channel. The effort to integrate the newly-developed contact centre system into existing Home Affairs systems is continuous and has seen improvements. An in-house IT team has developed a solution for mobile offices that

will be fitted to a fleet of 100 by the end of the 2018/19 financial year. The fleet of 7-ton mobile offices were also refurbished to better serve as mobile offices. Compliance with the principles of Batho Pele through the DPSA was demonstrated by the next cycle of the SDIP for 2018-2021 being completed in the reporting period. The use of the e-Channel through the bank network is continuing.

4.1.2 Communication services

Purpose: To develop and implement the 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.

In the 2017/18 financial year, the Communication branch strengthened public awareness of the department's five key priorities for the current term of government. On the flagship priority, the modernisation programme, Communication collaborated with Civic Affairs to encourage South Africans to apply for and collect their new smart ID cards, and assisted, through its communication platforms, to allay the public's anxiety over the discontinuation of green barcoded ID books, which was triggered by fake news. Within the department, Communication used its internal communication machinery to encourage the Moetapele Leadership Initiative and its ethos, which are consistent with the Batho Pele principles and values.





Communication Services apprised citizens and stakeholders of the progress in establishing the BMA for immigration and revamping the infrastructure at the six key land ports of entry, while sustaining the department's voice in the public discourse on South Africa's international migration policy. Diverse communication platforms, encompassing outreach programmes, stakeholder and media engagement, were used to support public consultation on the comprehensive review of the international migration policy. This included colloquia on the subject at South African universities.

In the reporting period, Communication supported the drive toward developing patriotic, professional and loyal DHA staff by publicising the work of the department's Counter-Corruption and Security Branch. A focus was Operation Bvisa Masina (Root out the rot), which saw the arrest of officials that brought the department's name into disrepute through acts of corruption, bribery and fraud.

Communication Services also supported Immigration Services to disseminate information to holders of the expired ZDP special permits who were eligible to apply for the new Zimbabwean Exemption Permit (ZEP), which is intended to enhance national security by knowing who is in the Republic.

In pursuit of its APP targets for 2017/18, Communication heightened awareness around the 2017 departmental budget vote, using this annual activity to highlight the department's key priorities, challenges and progress.

Communication activities in 2017/18 were reinforced by targeted stakeholder engagements and other marketing and publicity campaigns, including advertisements in newspapers, and on radio and TV. We also leveraged mileage from free publicity through opinion editorials placed in mainstream newspapers.

Assisting in communication efforts was the in-house production of marketing material such as leaflets, posters, newsletters and audio-visual products including photography covering Ministerial and departmental programmes and projects. In addition to stakeholder engagement, public education was focused on the smart ID card and on early birth registration campaigns.

The department's intranet, social media platforms and website assisted in communicating developments and innovations at Home Affairs and in the country. 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 continued to enrich efforts to inform citizens and clients, in support of major DHA activities and campaigns. These services included layout, design and use of photographic images in the production of official documents such as the annual report.

DHA strategic plan, HR documents and front office posters

Communication Services supported the ministry and the department in organising outreach programmes as part of the South African government's effort to entrench a culture of unmediated communication with the citizenry and other communities. An interdepartmental Imbizo was undertaken with the Department of Labour in eNdwedwe on 23 April 2018.

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

- Colloquia at institutions of higher learning, on international migration policy
- Ministerial visits to offices, including Desmond Tutu Refugee Reception Centre and OR Tambo Airport
- Launch of the new ZEP
- Media engagements on the processes of naturalisation and citizenship
- Popularising the White Paper on International Migration and the next steps
- Announcing developments on the repositioning of Home Affairs
- Progress updates on the establishment of the BMA
- State of readiness for peak periods with high volumes of traveller movement
- Articulating the department's positions on issues before the courts
- Inculcating the values of the Moetapele Leadership Initiative
- Negotiations on new working hours arrangements
- The 2017 ID4Africa Annual Meeting, in Namibia
- Communication with staff on the department's unqualified audit outcome.

To add impetus to the initiatives undertaken, communication of departmental programmes was enhanced through broadcasts of proceedings on local community radio stations.

Communication Services took part in exhibitions, providing branding services inside and outside the department. These efforts were intended to further create awareness of brand DHA while deepening understanding of the mandatory services it offers. The highlight was the 2017 Budget Debate exhibition where we showcased various services and products to members of Parliament and the public.

Communication Services' targets in the APP for 2017/18 were all achieved.

4.1.3 Transversal information technology

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

Automated Biometric Information System (ABIS)

In implementing the modernisation roadmap to integrate all systems and use biometrics as a unified/unique person identifier, the Department has embarked on a journey to upgrade the current HANIS to enable multimodal biometrics and advance search capabilities for identification and verification. ABIS will run on the new technology platform and enable fingerprint verification and identification for both citizens and known foreign nationals in the country. Its powerful search capabilities will increase the response rate and the ability to do latency searches (partial fingerprints). The delivery of this project will be a phased approach;



thus, by the conclusion of the project the capability for multimodal biometrics (iris and facial recognition technologies) will be implemented.

SITA and the CSIR have completed a comprehensive system of conceptual design and specifications. Procurement of a service provider through the SITA was also completed during the reporting period. Together with the new service provider, all the hardware to urgently refresh the technological environment were procured.

The development of the new system and data migration is planned for the 2018/19 financial year. This system will enable effective e-government initiatives, with all departments and government entities that require instant identification and verification during service delivery having central access to ABIS. This system is a cornerstone of the National Identity System (NIS).

National Identity System (NIS)


Replacing the biographic databases of the NPR and its sub-systems is a mammoth task and the main component of modernising the DHA systems. The total replacement of all these separate legacy systems with an integrated, agile and scalable system will speed up and secure both civic and immigration processes.

SITA has appointed CSIR to undertake the review of the current system, gather the comprehensive requirements from all stakeholders and develop the system specification. The new system, once integrated or powered by the ABIS, will enable a system of national identification for South Africa and the full modernisation of the DHA systems (front and back end systems).

Live capture functionality for efficient processing of IDs, Passports, Birth, Marriage, and Death certificates

The live capture system had been enhanced throughout the last financial year with three releases; a major system upgrade release named Garnet consolidated various functions. In the same system release, major changes in processing were made to enable payment at the end of the application process to optimise and decrease errors and payment reversals.

The automated processes of birth, marriage and death have been developed and the modules were being tested in the quality assurance environment for rollout in the 2018/19 financial year. The amendments of names and citizenship processes are also in the process of reengineering, as the new functional and technical requirements have been approved.



The e-HomeAffairs portal (e-channel), which includes a booking system, continues to be the preferred channel of those who are digitally knowledgeable and is being commended through different platforms including social media.

EMCS biometrics at the Ports of Entry

The department's biometric programme remains a priority and was fully implemented at the four primary international airports: ORTIA, Lanseria, CTIA and KSIA. The programme was further implemented in six land ports of entry: Lebombo, Beitbriedge, Ficksburg, Oshoek, Maseru and Kopfontein.

Challenges

Departmental projects are delayed due to inadequate IT infrastructure and resources. While the project is funded, the ring-fenced funds do not take into account or include human resources, which poses a major challenge in the delivery of modernisation projects and maintenance of all departmental systems. Most of the hardware in the department is due for a technology/hardware refresh; however, the IS operational budget has been shrinking year-on-year, which increases the backlog and associated risks.

4.1.4 Finance and Supply Chain Management

Purpose: To ensure effective, integrated financial services and SCM systems.

The branch performs a support function and continues to support the core business units with their service delivery plans. It operates in a strictly regulated environment where the PFMA and the regulations issued in terms of this Act predominate.

To improve the audit outcome, an audit action plan was developed. This plan is monitored at the internal back-to-basic meetings, the Audit Committee, EXCO meetings and MMMs. In addition, all managers from assistant director level, are required to submit monthly compliance checklists. The checklist is devised to cover all audit areas (for example assets are verified, face value registers kept and performance information submitted). This control measure was introduced to hold management accountable for audit outcomes within the areas of their operations.

Financial and Asset Management

Assets are managed on the Barcoded Auditing system and additions are reconciled to the Basic Accounting System (BAS) monthly. Obsolete and redundant assets were disposed of during the financial year by means of public auctions. Asset verifications were conducted for each quarter during the year and investigations were performed where assets were not verified.

Payment of suppliers within 30 days continued to be a challenge and was highlighted as an area where compliance with regulations is lacking. Subsequently, robust measures were taken to improve compliance with the legislative requirement. All directorates in the payment value chain, from receipt of invoice until payment is effected, were relocated to a central place to facilitate the quick resolution of queries and payment. We have seen an increase of 10% from 87% in March 2017 to 97% in March 2018. We will continue to implement corrective measures to improve on this performance.

Revenue and Budget Management

The department spent 99,9% of its final appropriation of R8,402 billion. The budget directorate played a crucial role in ensuring that no unauthorised expenditure was incurred. Monthly budget versus expenditure reports were submitted to the executive and management, and quarterly budget reviews were conducted.

Departmental receipts received for the year amounted to R1,159 billion, while DIRCO deposited R129 million into the National Revenue Fund 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 SA missions abroad. The revenue collected is paid into the NRF. The department uses the Integrated Receipting Engine (IRE) system to record the local revenue received. This system allows for integration into BAS and enables the department to match a transaction with a deposit.

Supply Chain Management

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

Seven bids were awarded by the department during the year under review. These bids are for the appointment of service providers in various areas such as support and maintenance, travel services, security services, risk management and feasibility studies to establish a refugee reception centre in Lebombo.

Property and Facilities Management

During the 2017/18 financial year, one new office was opened, five offices were moved to alternative office accommodation and five offices were reconfigured as part of the smart ID card roll-out plan. The reconfiguration involved the modification of DHA frontline offices by changing the layout, providing server rooms, and installing generators and uninterrupted power supply units.

As part of the refurbishment programme, Musina Refugee Reception Centre was renovated.

4.1.5 Counter-corruption and Security Services

See Part C, which focuses on governance

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 adopted the Human Resources Business Partnering (HRBP) approach to ensure that HR functions are aligned and repositioned 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 CRM, which encourages ownership, accountability, partnership and empowerment, with the aim of:

- improving business relationships
- promoting effective and efficient partnering with business and stakeholders
- establishing a symbiotic relationship and communication that will ensure service delivery, cooperation, commitment and sharing of information
- determining customers' actual needs in relation to the services rendered
- providing 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 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 14: OUTCOMES AND STRATEGIC OBJECTIVES FOR PROGRAMME 1: ADMINISTRATION

Programme Name Programme 1: Administration							
Outcome Outcome No 1: Secured South African citizenship and identity							
Strategic Objective Strategic Objective 1.2: An integrated and digitised National Identity System (NIS) that is secure and contains biometric details of every person recorded on the system							
Performance Indicator	Annual Target No.	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations	Sub-programme
Automation of Citizenship and Amendment processes as per specifications (2017/18)	1.2.1	Target achieved The modules have been developed and are currently being tested in the preproduction environment	Citizenship and Amendment processes developed onto live capture	Achieved Citizenship and amendment module developed and undergoing testing at quality assurance environment	Not applicable	Not applicable	Transversal Information Technology Management
AFIS impact analysis report signed off by DDG: CS and DDG: IMS in preparation for AFIS upgrade (2017/18)	1.2.2	Target achieved The modules have been developed and are currently under testing in the preproduction environment	Impact analysis report signed off by DDG:CS and DDG: IMS (AFIS)	Achieved <ul style="list-style-type: none"> Impact analysis report signed off by DDG:CS and DDG:IMS Procurement of a service provider concluded Procurement hardware for technology refresh concluded 	Not applicable	Not applicable	Transversal Information Technology Management

Programme Name Programme 1: Administration							
Outcome Outcome No 1: Secured South African citizenship and identity							
Strategic Objective Strategic Objective 1.2: An integrated and digitised National Identity System (NIS) that is secure and contains biometric details of every person recorded on the system							
Performance Indicator	Annual Target No.	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations	Sub-programme
Strategic Objective 1.3: Ensure that systems are in place to enable the capturing of biometric data of all travellers who enter or exit SA legally							
Full biometric scope piloted at one port of entry as per signed business requirements (EMCS) (2017/18)	1.3.1	Target not achieved The new EMCS with full biometrics was not developed	EMCS (full biometric scope) piloted at one port of entry	Not achieved Technical specifications approved and development has commenced	Business reviewed the scope of BRS which delayed the development of the technical specifications Live capture bug fixes delayed the planned development Lack of technical resources (HR and infrastructure) that are used for bug fixes are used for new projects	The target is rolled over to financial year 2018/19	Transversal Information Technology Management
Number of managers (junior, middle and senior) trained in leadership and management development programmes to improve performance and professionalisation	3.1.1	Target achieved The modules have been developed and are currently under testing in the preproduction environment	300	Achieved A total of 1 166 managers were trained: 819 junior, 308 middle and 39 senior managers trained in leadership and management development programmes to improve performance	Not applicable	Not applicable	Corporate Services

Programme Name Programme 1: Administration							
Outcome		Outcome No 1: Secured South African citizenship and identity					
Strategic Objective		Strategic Objective 1.2: An integrated and digitised National Identity System (NIS) that is secure and contains biometric details of every person recorded on the system					
Performance Indicator	Annual Target No.	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations	Sub-programme
Phased implementation of business case for repositioning Home Affairs as a modern, secure department Third phase: Draft White Paper submitted to Minister for approval (2017/18)	3.1.2	Target achieved Business case approved by Cabinet in March 2017	Draft White Paper submitted to Minister for approval	Achieved Final draft of the White Paper on Home Affairs submitted to Minister for approval on 29 March 2018	Not applicable	Not applicable	Corporate Services

Programme Name Programme 1: Administration							
Outcome Outcome No 1: An efficient, effective and development-oriented public service							
Strategic Objective Strategic Objective 3.2: Good governance and administration							
Performance Indicator	Annual Target No.	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations	Sub-programme
Vacancy rate maintained at a set percentage or lower	3.2.1	Target achieved	Vacancy rate maintained at 10% or below by 31 March 2018	Achieved 31 March 2018 – 4,4%	Not applicable	Not applicable	Corporate Services
Compliance with Treasury Regulations in respect of entering into a PPP (2017/18 and 2018/19)	3.2.2	Target achieved The reports for all quarters were submitted to the National Treasury by the 15 th of each month	Request for qualification (RfQ) issued to the market	Achieved The RfQ for the Redevelopment of six priority land ports of entry through a PPP was issued to the market on 29 March 2018	Not applicable	Not applicable	Corporate Services



Programme Name							
Programme 1: Administration							
Outcome							
Outcome No 1: An efficient, effective and development-oriented public service							
Strategic Objective							
Strategic Objective 3.3: Ethical conduct and zero tolerance approach to crime, fraud and corruption							
Performance Indicator	Annual Target No.	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations	Sub-programme
Number of awareness initiatives on ethics, fraud prevention and counter-corruption conducted	3.3.1	Target achieved 41 awareness interventions conducted	20	Achieved 50	30	In most cases Offices in regions/provinces made request for additional training, the branch had adequate resources to support the initiative/request	Corporate Services
Percentage of reported cases on fraud and corruption finalised within 90 working days	3.3.2	Target achieved 65%	66%	Achieved 70,3%	6,5%	Timeous monitoring of cases received	Corporate Services
Number of detection reviews / security evaluations on processes conducted to identify possible vulnerabilities to fraud, corruption and security breaches in business processes (approved by DDG:CCSS and reports submitted to affected business units for implementation of recommendations)	3.3.3	2	2	Achieved 2	Not applicable	Not applicable	Corporate Services

Programme Name							
Programme 1: Administration							
Outcome							
Outcome No 1: An efficient, effective and development-oriented public service							
Strategic Objective							
Strategic Objective 3.3: Ethical conduct and zero tolerance approach to crime, fraud and corruption							
Performance Indicator	Annual Target No.	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations	Sub-programme
Number of Threat and Risk Assessments (TRAs) conducted in accordance with the requirements of Minimum Information-(MISS) and / or Minimum Physical Security Standards (MPSS)	3.3.4	96	80	Achieved 89	9	The over-achievement was realised due to the deployment of some colleagues from head office to assist in the provinces Proper planning and assistance from head office officials	Corporate Services
Number of vetting files finalised and referred to State Security Agency for evaluation	3.3.5	732	572	Achieved 701	129	There was increased cooperation from the officials in the timely provision of supporting to security clearance applications especially in the secret/top secret clearance categories	Corporate Services
Percentage of reported misconduct cases submitted to a presiding officer for consideration	3.3.6	New PI	70%	Not achieved 209 of (473) cases were submitted to presiding officer for consideration. Thus 44,18% of cases were submitted to presiding officer for consideration	25,82%	The key performance indicator (KPI) was not aligned to the target as it included all cases referred to Labour Relations and those that did not qualify to be referred to the presiding officer. This was rectified by aligning the KPI to the target	Corporate Services

Programme Name							
Programme 1: Administration							
Outcome							
Outcome No 1: An efficient, effective and development-oriented public service							
Strategic Objective							
Strategic Objective 3.3: Ethical conduct and zero tolerance approach to crime, fraud and corruption							
Performance Indicator	Annual Target No.	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations	Sub-programme
Percentage of reported misconduct cases submitted to a presiding officer for consideration	3.3.6	New PI	70%	Not achieved 209 of (473) cases were submitted to presiding officer for consideration. Thus 44,18% of cases were submitted to presiding officer for consideration	25,82%	<p>Cases from Desmond Tutu Refugee Reception Centre were still to be adjudicated by DMP therefore did not qualify for inclusion in the database</p> <p>Limited human resources at headquarters</p> <p>Other provinces not filling LR positions at provincial level to alleviate pressure on headquarters personnel</p> <p>Only cases relevant to the target in line with the KPI sheet to be considered</p> <p>Decision to be taken on the Desmond Tutu Refugee Reception Centre cases urgently</p> <p>Training of other officials to initiate and preside over cases to increase capacity is under way</p> <p>Provinces to fill their Labour Relations posts</p>	

Programme Name Programme 1: Administration							
Outcome Outcome No 1: An efficient, effective and development-oriented public service Nation building and social cohesion							
Strategic Objective Strategic Objective 3.4: Collaboration with stakeholders in support of enhanced service delivery and core business objectives							
Performance Indicator	Annual Target No.	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	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: Corporate Communication Services Media Relations Public Awareness Engagements 4 Publications of Ikhaya internal newsletter	Achieved 4 publication of Ikhaya internal newsletter produced.	Not applicable	Not applicable	Corporate Services
		Target achieved 42 media briefings conducted	28 media engagements	Achieved 46 Media engagements organised.	Reasons for over-achievement included taking on additional communication around: Fake news reports, like discontinuation of green ID books On-site inspections by the Inspectorate	Not applicable	Corporate Services

Programme Name Programme 1: Administration								
Outcome Outcome No 1: An efficient, effective and development-oriented public service Nation building and social cohesion								
Strategic Objective Strategic Objective 3.4: Collaboration with stakeholders in support of enhanced service delivery and core business objectives								
Performance Indicator	Annual Target No.	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations	Sub-programme	
Compliance with set number of interventions implemented in support of communication strategy and action plan	3.4.1				Urgent interventions, e.g. documentation issue affecting Engcobo community Naturalisation of the Gupta family Unannounced front office visits			
		Target achieved	6 Ministerial Izimbizo	Achieved	6 Ministerial Izimbizo organised	Not applicable	Not applicable	Corporate Services
		9 Ministerial Izimbizo organised	Budget vote communication event	Achieved	1 Budget vote communication event conducted on the 17 May 2017, Cape Town in Parliament	Not applicable	Not applicable	Corporate Services

Programme Name Programme 1: Administration							
Outcome Outcome No 1: An efficient, effective and development-oriented public service Nation building and social cohesion							
Strategic Objective Strategic Objective 3.4: Collaboration with stakeholders in support of enhanced service delivery and core business objectives							
Performance Indicator	Annual Target No.	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	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 19 Home Affairs Today publications produced	11 Publications of Ministerial Home Affairs Today	Achieved 13 Ministerial Home Affairs Today produced	Over-achievement is because of more articles emanating from the office of the deputy Ministers in support of this communication medium for the period under review	Not applicable	Corporate Services
			8 Notes from the DG's Desk	Achieved 16 Notes from the DG's Desk produced	Reasons for over-achievement included the need for additional communication by the DG around: <ul style="list-style-type: none"> clarifying the training and selection of officials for foreign missions communicating with staff around the launch of ABIS 	Not applicable	Corporate Services



Programme Name Programme 1: Administration							
Outcome Outcome No 1: An efficient, effective and development-oriented public service Nation building and social cohesion							
Strategic Objective Strategic Objective 3.4: Collaboration with stakeholders in support of enhanced service delivery and core business objectives							
Performance Indicator	Annual Target No.	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations	Sub-programme
Compliance with set number of interventions implemented in support of communication strategy and action plan	3.4.1	Two campaigns conducted	2 campaigns	<p>Achieved</p> <p>2 campaigns conducted:</p> <ul style="list-style-type: none"> • 1 birth registration campaign • 1 smart ID card campaign 	Due to the pressing and challenging nature of Home Affairs services, the branch had to improvise to run both the smart card and early birth registration campaigns concurrently with a cost of one campaign. This was also boosted by the contribution of R1,5 million from the branch: Civic Services to the total cost of R5 million This is to give value and reach to the campaigns during the November December 2017 festive period	Not applicable	Corporate Services

LINKING PERFORMANCE WITH BUDGETS

Sub- programme name	2017/18			2016/17		
	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
Ministry	28 633	28 633	-	36 905	36 905	-
Management support services	253 517	253 517	-	190 478	190 478	-
Corporate services	727 511	727 501	10	667 434	667 434	
Transversal information technology management	1 095 336	1 095 139	197	819 858	807 858	12 000
Office accommodation	411 429	411 429		508 159	508 159	
Total	2 516 426	2 516 426	207	2 222 834	2 210 834	12 000

4.2 PROGRAMME 2: CITIZEN AFFAIRS

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

List of sub-programmes:

Citizens Affairs Management

Status Services

Identification Services

4.2.1 Citizens affairs management

This sub-programme provides for the overall management of the branch for both head office and frontline offices and provides policy direction, sets standards and manages back office processes.

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; registering births, deaths and marriages. Amendment of personal particulars on the NPR, providing travel and citizenship documents, providing financial assistance to citizens abroad who wish to return to South Africa but have no means of doing so, and determining and granting of citizenship.

Summary of main achievements: sub-programme status services

Birth registrations

A key strategy 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, an NPR campaign was launched during 2010, which broadly entailed rolling out initiatives, such as:

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

The birth registration target for the review period was to register 750 000 births within 30 days of birth event. The department registered 772 035 births within 30 days of birth occurrence. This was achieved through a continuation of the outreach programmes, continued birth registration at health facilities, continuous operational monitoring and close interaction with key stakeholders. Through these initiatives, we have registered 972 208 births of all age groups; 79,41% of these were registered within the legislated period of 30 days (up from 74,2% in the previous financial year).²

The figure below depicts registration gains demonstrated between 2010/11 to 2017/18.

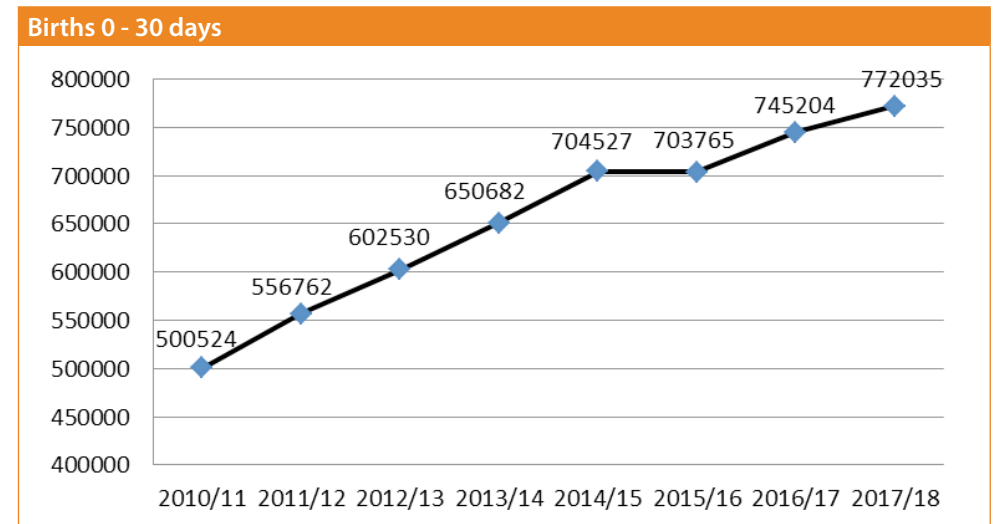


Figure 3: Births 0 – 30 days

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: (i) births registered between 31 days and 14 years of the birth event, and (ii) birth registrations 15 years and above. This distinction is made as the registration process for children between ages 31 days and 14 years is decentralised, while the registration process for persons 15 years and above is centralised.

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".

The following figures depict the LRB declines per age category:

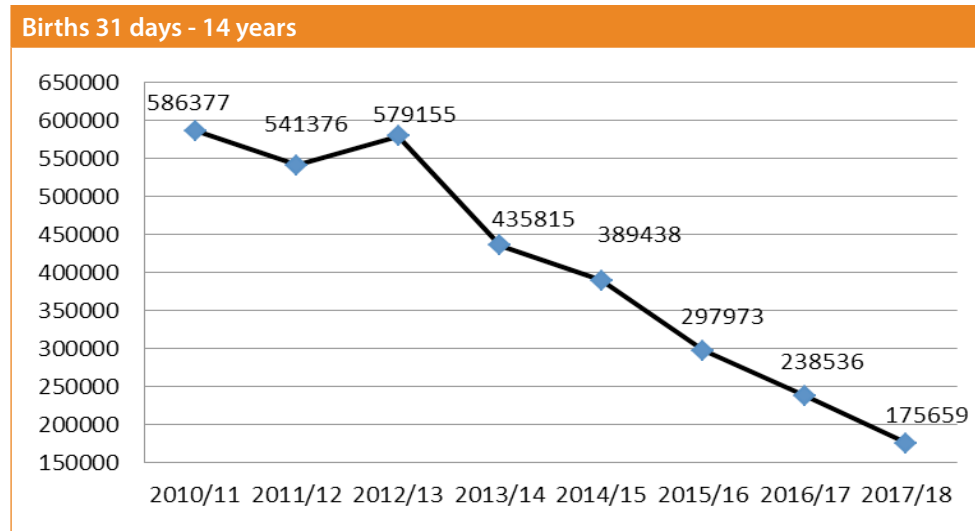


Figure 4: Births 31 days – 14 years

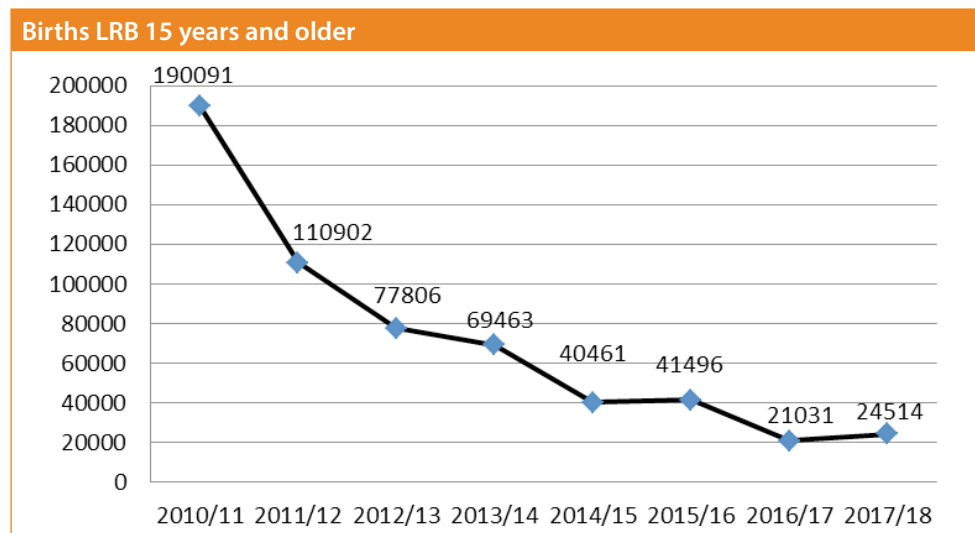


Figure 5: LRB 15 years and older

As previously reported in our 2016/17 annual report, the DPME appointed an analytics company to conduct a study to assess the effectiveness of the birth registration strategies and establish the main reasons why some parents are not registering births within the legislated 30-day period. We are happy to report that Genesis Analytics has finalised the Implementation Evaluation of Birth Registration Report during the review period. In conjunction with the Genesis study, the department also developed a Birth Optimisation Strategy during the financial year. We are now incorporating recommendations from the implementation evaluation report into our strategy for roll out from 2018/19 onward.

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.

The marginal increase in late registration of birth volumes between 2016/17 and 2017/18 is mainly due to the improved operational environment wherein screening committees were regularly convened during the review period and this resulted in faster clearing of cases at provincial level.

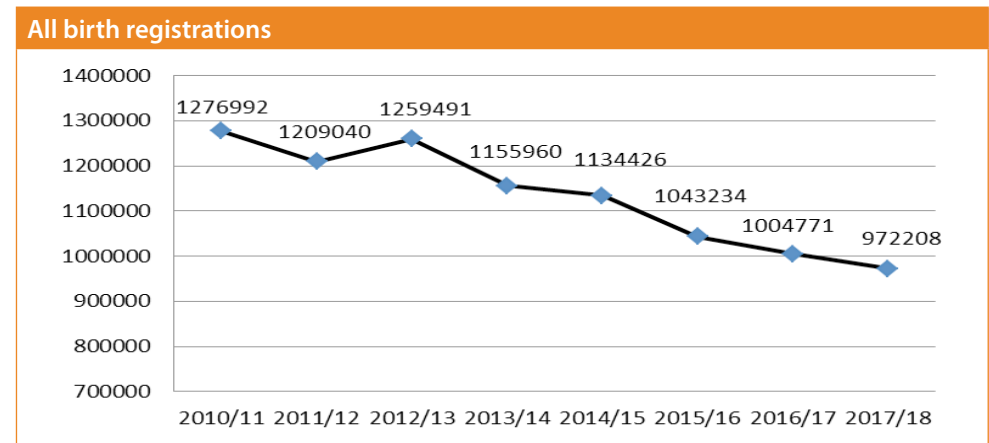


Figure 6: All birth registrations

Records digitisation

The department continued the digitisation partnership with Statistics South Africa (Stats SA) during the review period. A total of 2 952 896 images were digitised. This brings the total number of images digitised from the onset of this partnership in 2016/17 to 9 343 262. The department will attempt to reprioritise baseline funding to continue with the digitisation of manual records over the MTEF period.

4.2.3 Identification services

This sub-programme oversees issues relating to identity such as fingerprints, photographs and identity documents by establishing and maintaining the national identity systems.

Summary of main achievements: sub-programme identification services

Issuance of 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 184 offices. Fourteen banks also operated during the review period. This brings the cumulative total number of offices or banks with the live capture system to 198 facilities by the end of the review period. Correspondingly, the number of smart ID cards issued to citizens has also increased, as illustrated in the figure below.

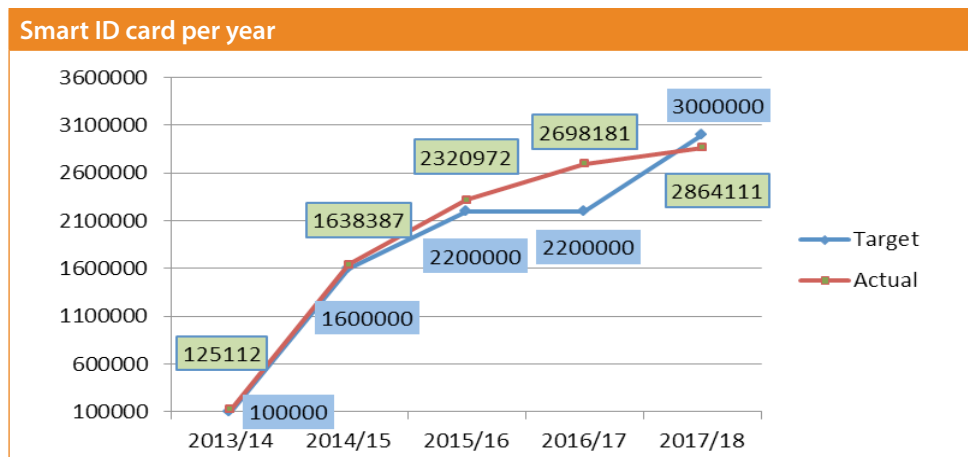


Figure 7: Smart Id cards per year

ID First and Re-issues

Since inception of the smart ID card, demand for the green barcoded identity document has declined, as anticipated. Demand for identity documents has declined by 35% between 2015/16 and 2016/17. The department has therefore taken a decision to develop a strategy for the discontinuation of the green identity document during the 2017/18 financial year. This strategy will be supported by initiatives such as rolling out mobile solutions for live capture technology in rural areas and the expansion of the number of live capture offices and banks over the review period. This will ensure that our services continue to be available to citizens.

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

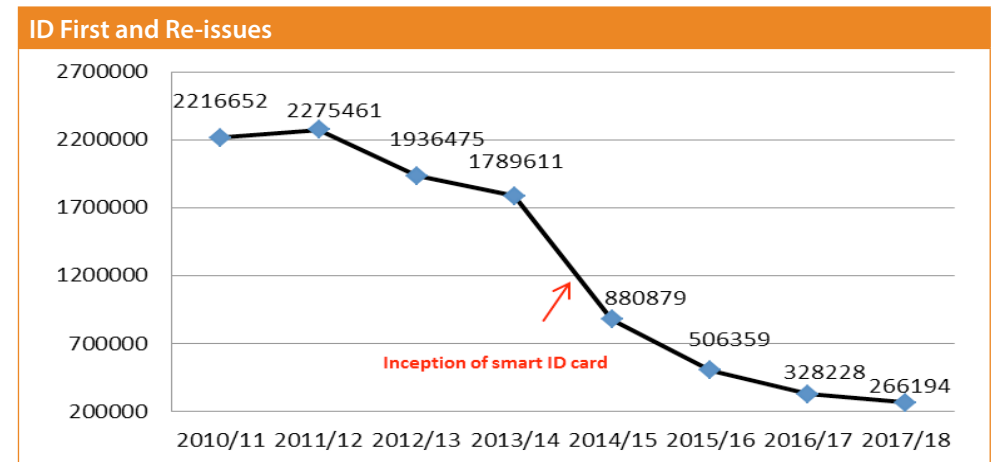


Figure 8: ID First and Re-issues

The figure below depicts volumes issued per application type namely, ID first and re-issues.

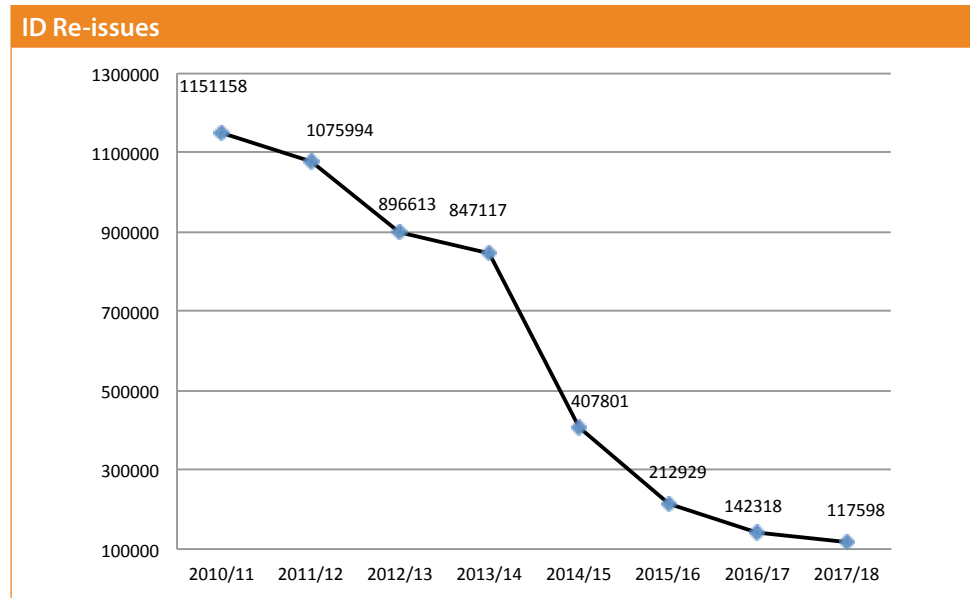


Figure 9: ID Re-issues

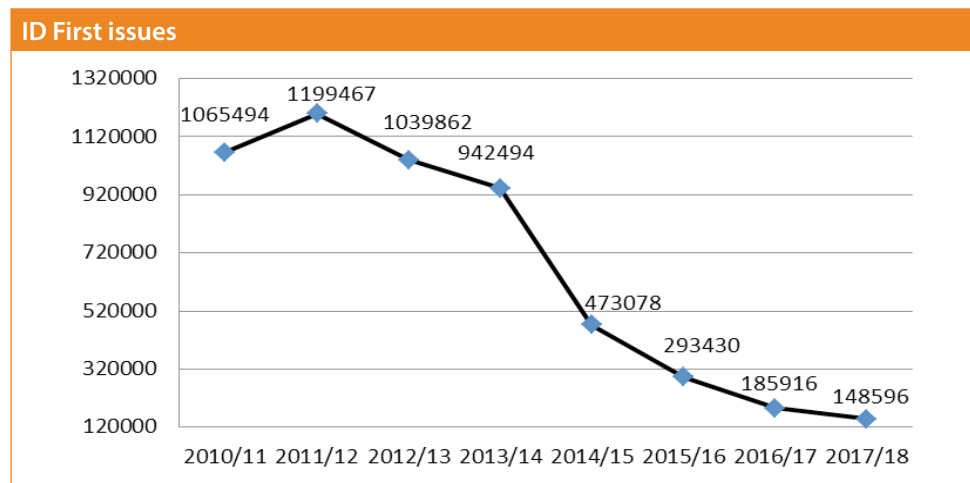


Figure 10: ID First issues

Green barcoded ID discontinuation strategy

The department has been contemplating the discontinuance of green identity documents for some time now. The branch therefore embarked on a process to create a strategy for the discontinuance of the green identity document, which was approved by the Minister of Home Affairs during March 2018. Essentially the strategy will be rolled out over seven financial years starting 2018/19 with an anticipated completion date of 2024/25. The campaign will start with the implementation of additional live capture infrastructure as well as an awareness campaign. Once adequate infrastructure is in place, the department will be in a position to discontinue the issuance of green identity documents. The cut-off date for green identity documents is provisionally set for 2019/20 (this may change dependent on operational circumstances).

Mobile live capture solution

To augment the efforts to bring services closer to citizens, the department finalised the procurement of a mobile live capture solution during the review period. Testing of the mobile solution was also conducted at 11 remote sites during the fourth quarter of 2017/18. We plan to roll out 78 mobile solutions in the existing fleet of mobile units. This effort will greatly assist in the ID discontinuation and birth registration strategies by enabling the department to render services in remote areas of the country where Home Affairs offices are not present.



Table 15: OUTCOMES AND STRATEGIC OBJECTIVES FOR PROGRAMME 2: CITIZEN AFFAIRS

Programme Name Programme 2: Citizen Affairs							
Outcome		Outcome No 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 No.	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations	Sub-programme
Number of births registered within 30 calendar days	1.1.1	Not achieved 745 204 births were registered within 30 calendar days during the period under review	750 000	Achieved 772 035 births were registered within 30 calendar days of a target of 750 000	<ul style="list-style-type: none"> Communication with provincial managers on birth achievements Sustained weekly performance monitoring meetings 	The chief director: BOSS requested daily data extracts from Information Services on birth registration. This will enable the branch to monitor performance daily as the current extracts are limited to monthly (not daily)	Status Services Service delivery to provinces
Number of smart ID cards issued to citizens 16 years of age and above	1.1.2	Target achieved 2 698 181 smart ID cards were issued to citizens aged 16 years and older	3 million	Not achieved 2 864 111 smart ID cards were issued to citizens aged 16 years and older of a target of 3 000 000	<p>System downtimes</p> <p>A bug fix had to be implemented after the Garnet release. This bug negatively affected capturing of applications between February and March 2018</p> <p>Non-functionality of IRE where payment was received but system sends an SMS to client requesting payment</p>	<p>Continuous maintenance by Information Services</p> <p>Engagement with the Project office to schedule bug fix releases during weekends to avoid delays at offices during weekdays</p>	Identification Services

Programme Name Programme 2: Citizen Affairs							
Outcome Outcome No 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 No.	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations	Sub-programme
Number of smart ID cards issued to citizens 16 years of age and above	1.1.2	Target achieved 2 698 181 smart ID cards were issued to citizens aged 16 years and older	3 million	Not achieved 2 864 111 smart ID cards were issued to citizens aged 16 years and older of a target of 3 000 000	Delay in issuing of licenses to new offices during quarter3 Backlog (127 492) in printing smart ID cards at GPW from January to March 2018 Slowness of the system at back office due to HID errors affecting processing of applications Unavailability of birth records to finalise cases at back office	Continuous engagement with Finance and Information Services to resolve the IRE issues Information Services should obtain licenses before offices go live System maintenance and enforcement of SLA by GPW Information Services should increase the bandwidth as and when new offices are rolled out and implement the change request to fix the HID errors Digitise records	Identification Services

Programme Name Programme 2: Citizen Affairs							
Outcome Outcome No 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 No.	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations	Sub-programme
Ministerial approval for Strategy for Discontinuation of the Green Barcoded Identity Document (2017/18)	1.1.3	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 2017/18	Strategy for Discontinuation of the Green Barcoded Identity Document approved by Minister	Achieved Strategy for Discontinuation of the Green Barcoded Identity Document approved by the Minister	N/A	N/A	Identification Services Service delivery to provinces
Pilot for mobile solution conducted in 9 offices (2017/18)	1.1.4	New PI	Mobile solution for live capture piloted at 9 offices	Achieved Mobile solution for live capture piloted at 11 offices	After the mobile solution was developed in quarter3, Civic Services immediately started stress testing to confirm the stability of the system The additional two offices were done as a contingency plan to cover for unforeseen circumstances	N/A	Identification Services Service delivery to provinces

Programme Name Programme 2: Citizen Affairs							
Outcome Outcome No 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 No.	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations	Sub-programme
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 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	90%	Achieved 97,11% of machine-readable passports (new live captured system) were issued within 13 working days 850 977 MRPs (live capture process) were issued within 13 working days and 25 307 above 876 284 MRPs were issued during the period under review	All applications were calculated on par and that made e-channel applications not commensurate with turnaround time	Amending of KPI to accommodate e-channel applications	Status Services Service delivery to provinces

Linking performance with budgets

Sub- Programme Name Citizen affairs	2017/18			2016/17		
	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
Citizen affairs management	23 274	23 274	-	30 779	30 779	-
Status services	1 051 156	1 051 156	-	1 029 594	1 029 412	182
Identification services	275 002	275 002	-	140 120	140 120	-
Access to services			-			-
Service delivery to provinces	1 896 645	1 896 437	208	1 794 296	1 794 296	-
Film and Publication Board			-			-
Electoral Commission	1 299 912	1 299 912	-	1 657 901	1 657 901	-
Represented Political Parties Fund	141 204	141 204	-	134 480	134 480	-
Total	4 687 193	4 686 985	208	4 787 170	4 786 988	182

4.3 PROGRAMME 3: IMMIGRATION AFFAIRS

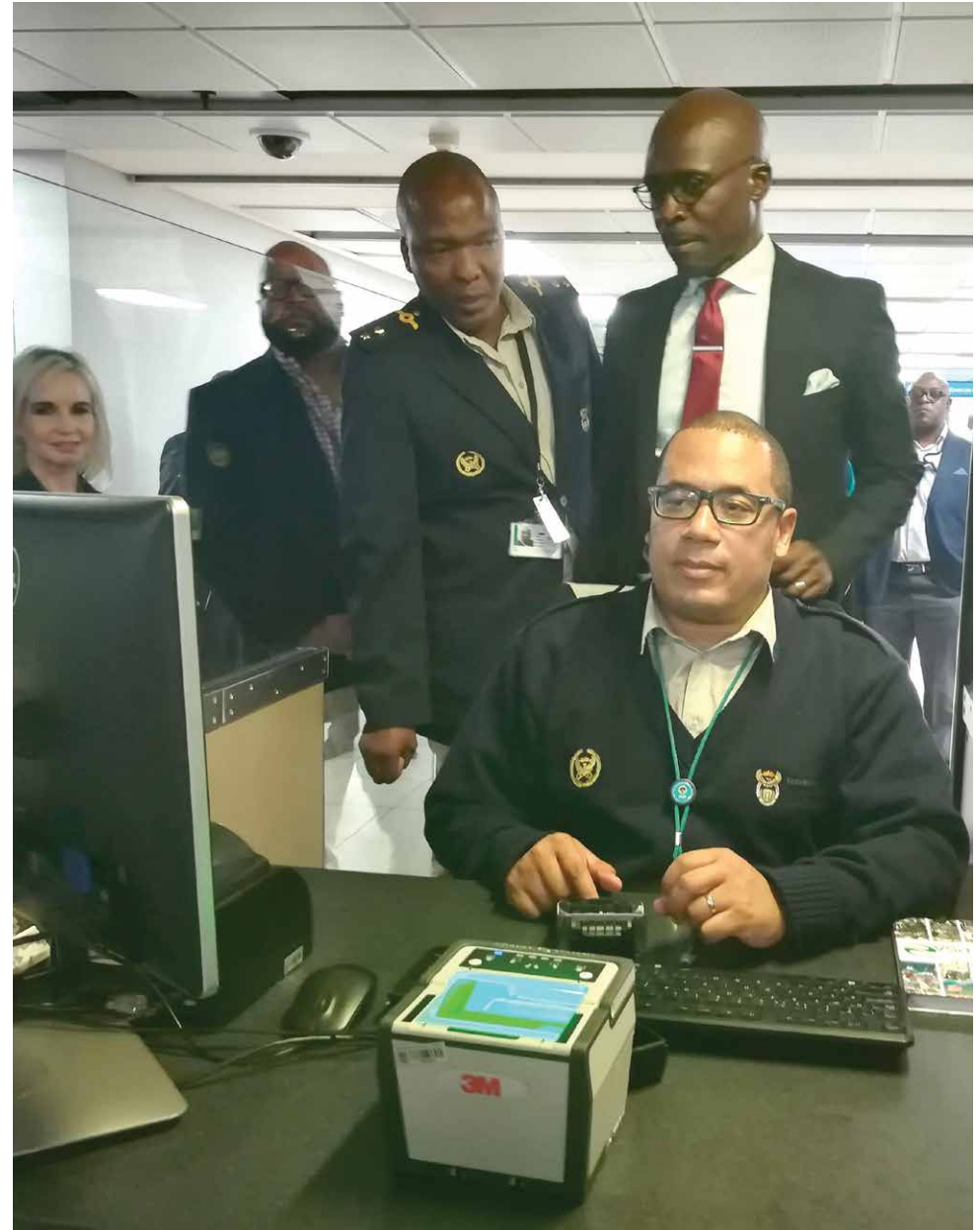
The 2017-18 reporting cycle gives testimony to our investment into the early stages of electronic systems that will in the medium term (1-3 years) support an intentional, progressive and scaled departure from older technologies (and manual processes).


At the outset of the (2014-19) five-year strategic administrative time frame, it was accepted that an over-reliance on human intervention for the early detection of migratory risks presents a significant challenge to our business model. We also realised the solution would have to be found through an integration of technology platforms, systems and up-skilling of our officials. Ultimately Immigration requires a single view of a traveller that enables the department to assess if such a traveller may present a risk to the RSA. Building toward this outcome, we have worked in earnest to conduct a review of our policy position on the management of international migration, we have conducted a review of our Immigration and Refugee laws (introducing amendments) and appointed key service providers who are able to professionally render the design and development of enabling technologies – the elements of which are discussed in more detail under the respective business sections below.

Regular transformation of our business process is necessary to ensure that immigration standards, best practise and the technologies deployed, remain aligned to international standards. There is an ever-increasing global acceptance that multimodal biometrics is fast becoming the international standard giving robust ability to record, identify and verify the authenticity of the traveller.

For bona fide travellers, a transition to technologies affording greater efficiency and ease of processing through international hubs or ports of entry, holds the promise of reduced administration and time spent at immigration controls, while for the department the benefit is that it digitises a risk-based approach to the management of migration.

Public-private partnerships (PPP): In 2017 the Immigration branch undertook the management of new areas of competency as far as the preparation of a detailed feasibility study of a Refugee Reception Centre at Lebombo is concerned. Such responsibility previously resided under the department's facilities management team, who liaise and manage external consultancy firms. For this annual cycle, the implementation of the APP target was





assigned to Immigration, and to this end our business units needed to engage within a new sphere of service providers commissioning and undertaking of a feasibility assessment that ultimately gives way to a PPP. We are pleased to announce the achievement of the APP target **[Strategic objective 2.1: Refugees and asylum seekers are managed and documented efficiently]** and will drive the next phase of the programme in line with the decision of the National Treasury whether to proceed with phase 2.

Policy and legislative Amendment: Our delivery against highly strategic targets related to policy and legislation that defines how immigration should be managed in the next administrative cycle of 2019-2024, has fundamentally moved forward. This process has seen extensive consultation around the drafting of new legislative amendments within the Immigration Bill (including the Refugee Amendment Bill). These amendments introduce the key constructs necessary for the new policy to take administrative effect. The proposed amendments have now been approved by the Minister and the department will proceed into the 2018 reporting cycle by undertaking consultation at the level of Parliament.

In parallel, (in 2018) we will institute the next round of consultations related to the eight chapters of the White Paper on International Migration within key security, economic and social clusters on the development of concept papers. The papers will have the purpose of drilling down into the technical requirements that the DHA and its stakeholders would need to prioritise during the implementation of the policy. This is an exciting stage of taking the new policy position from its conceptual construct to a meaningful and intentional change on how international migration into South Africa needs to be directed to support the National Development Plan, growing the economy and practically expanding and protecting the impediments that drive a 2030 growth economy.

The next section of the report will focus on key strategic matters where the department has contributed to a broader collaboration across government, invested into modernisation and engaged in bi-laterals and multilaterals.

Engagements at bilateral, multilateral and SADC levels

In the reporting period, Immigration Services attended to several bilateral and multilateral engagements that had an impact on the management of international migration in South

Africa. The strategic engagements focused in areas that include: technical assistance, visa waivers for SADC and BRICS member states, free movement of persons in Africa and the negotiations of the Global Compact on Safe, Orderly and Regular Migration and the Compact on Refugees.

SADC common position: To this end, engagement at SADC level has resulted in the adoption of a SADC common position on the AU Draft Protocol on Free Movement of Persons by SADC Member States in August 2017. The common position served as a guide for SADC member states during the negotiation of the protocol.

Free movement of persons in Africa: The department was also involved in the negotiations of the AU Protocol on Free Movement of Persons which was adopted by the AU Assembly in February 2018. The protocol will be subjected to internal consultations by the relevant Cabinet Clusters during the forthcoming reporting cycle, following which it be submitted to Parliament for consideration.

Negotiations of the Global Compact on Safe, orderly and Regular Migration and the Global Compact on Refugees: DHA and DIRCO are involved in the negotiations of the Global Compact on Safe, orderly and Regular Migration and the Global Compact on Refugees. The fifth and final round of negotiations are scheduled for June and July 2018, and it is envisaged that the compacts will be considered for adoption by the United Nations in 2018 in Morocco and Geneva respectively.

Reinforcing immigration

The Immigration Branch has appointed Chief Directors in the business units of ASM, Permitting and Port Control. This was also underpinned by strategic appointments that included the Director: OR Tambo International Airport, the Director: Desmond Tutu Refugee Reception Centre, the Director: Asylum Stakeholder Management and administratively, a Director for Finance and Support. A fully capacitated management team empowers the branch to focus on its mandates and to this end give stability to its key operational areas, which in turn gives rise to improved service delivery standards for the client.

As a result, there has been tangible improvement at ORTIA during the festive seasons in December/January as well as Easter in March 2018. All counters and processing hubs were

operating in line with peak airline and travel demands at the time. This supports the efforts of the National Department of Tourism (NDT) to promote and attract international tourism to South Africa as a destination of choice, while also affording the airline sector confidence that immigration is sustainably ready and able to support travel and migratory movement through the primary hub into the continent.

The importance of managing the primary international entry point into South Africa is equal to the way the department is able to support our economic nodes in government and the private sector to support and facilitate the necessary skills into the country. Our Permitting business unit has consistently given government and the country's economic industries, the assurance that it will process 80% of all priority applications for critical skills, 90% business and general work visas and 85% of permanent residence permits in the published turnaround times. In fact, the business unit was able to exceed all of these targets. This is a commendable accomplishment sustained across each quarterly reporting cycle in 2017/18. It signifies a progressive departure from the low averages of 2014/15 where the new permitting system and business processes needed to find its footing.

This brings the dependency the branch holds on its delivery partners into focus, and in this reporting cycle we encountered several areas where reliance on third parties, technical service providers, including other departments contributed to the non-achievement of our operational and business targets. The issue of lease agreements at maritime ports, securing premises for refugee reception offices and general management of the ports of entry environment has shown how critical the operational interventions across the departments hold.

Interministerial Committees:

a. *The Inter Ministerial Committee (IMC) on Immigration Regulations*, also known as the implementation mechanism against “unintended consequences” on the new Immigration Regulations of 26 May 2014, prescribed that certain recommendations needed to be given priority against determined reporting intervals of (i) 0-3 months (ii) 3 months -1 year and (iii) 1 year and beyond. In total there are 19 objectives, of which 16 have been fully implemented while the remaining three are work in progress.

Of the remaining priorities the department is giving due priority to conclude on the recommendation that requires us to “print parents’ details in the passports of children so that their parents do not have to carry birth certificates”. The delay in implementation was because of the technological development required. This is now close to being completed and will be implemented in the 2018. The remaining two priorities are to ensure that the department can (a) finalise the automation of the visa and permitting system, and (b) upgrade the Advanced Passenger Processing system to include Passenger Name Record (PNR). The e-permitting system design is now complete and will be piloted in 2018/19 reporting cycle. The final recommendation to upgrade the existing APP system with PNR will continue to receive attention as its implementation is dependent on the finalisation of a sufficiently robust and sustainable financial model underpinning the cost of maintaining such a system.

b. *Inter-Ministerial Committee on Migration: (Inter-Governmental Committee (IGC)* In March 2017 the IMC was expanded to an Inter-Governmental Committee (IGC) on Migration to include Provincial Premiers and the President of the South African Local Government Association (SALGA). The IGC is chaired by the Minister for Planning, Monitoring and Evaluation with the Minister of Home Affairs as the Deputy Chairperson. The Technical Task Team on Migration is chaired by the Director-General of Home Affairs.

The mandate of the IGC is to focus on all aspects of migration, including the country's migration policy and how various sectors can work with government to promote orderly migration and good relations between citizens and nationals of other countries. The Committee considers issues at a national, provincial and local level. It is inclusive of departments that have a bearing on the matters affecting migrants from enforcement issues to integration of migrants in communities and other social issues of concern to the management of migrants.

The work of the IGC is well underway and is managed within the framework and reference points of the priorities approved by the Committee i.e. a Consolidated Implementation Plan on Migration which is structured around six pillars incorporating 77 interventions (reduced from 88) affecting 31 organs of state.

c. Interministerial Committee on Investment: (Coordinated within The Presidency).

The National Development Plan points to the urgent need for advancement within the sectors of mining, agriculture, manufacturing, construction, healthcare, entrepreneurship, professional services and tourism. 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 Department of Trade and Industry (dti) will 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. DHA is then committed to expedite and efficiently facilitate the entry and regulated movement of such business persons.

In support of provincial economic development initiatives, the department has established visa and permit services centres in Gauteng (the dti campus), Western Cape (Wesgro) and KwaZulu-Natal (Trade & Investment KZN). In partnership with the dti, we have contributed to the Invest SA initiative which enables a 'one-stop-shop' for prospective investors and exporters to fulfil administrative requirements, and reduce turnaround times for visas for corporate clients and their family members. This business partnership is in line with the National Development Plan 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.

Modernisation: Immigration Services

In 2017, the department successfully undertook an extended roll-out of its Phase 1 biometric programme from key airports to selected land ports of entry (based on their strategic importance) for facilitation of high-volume movements. These land ports of entry include border controls with Botswana, Lesotho, Mozambique, Swaziland and Zimbabwe. In 2018, the department will conclude on the roll out of this phase of biometric capturing to all its remaining land ports and commence with such services at selected maritime ports of entry. In parallel, the effort to conclude on the next phase of biometric development is being given priority and the improved version of the Biometric eMCS will be piloted at a selected port of entry before 31 March 2019. The new Biometric eMCS will contain features that support integrated systems and as such will interface with the development of the e-permitting pilot

and give way to the implementation of a Trusted Traveller Programme. The advancement of such technology platforms contributes in a large measure to the maturity of our immigration controls, implementing best practise among our immigration officials and significantly, ensuring alignment with progressive international immigration methods and standards.

The development of the e-permit system is at an advanced stage, work sessions between key stakeholders are continuing during this critical development stage. This is to ensure that functional specifications are aligned to the intended deliverables and to ensure that developers receive support during system development. The e-permit is part of the immigration services modernisation that would ensure that there is capability to submit visa applications online and adjudicate centrally, and ensure one view of a traveller, from visa application, arrival at port of entry, law enforcement, departure and any other services in South Africa. However, implementation of the e-permit pilot programme and its execution has been delayed and will only be tested in 2018/19. Notwithstanding this narrative, there has been some positive progress with regards to the efforts of the department in supporting and facilitating the movement of tourists to South Africa.

In the following section of the report, status updates are provided by each of the key business units in Immigration Services, reflecting on the implementation of the published APP targets, while highlighting key operational developments or projects undertaken in 2017.

Asylum seeker management

The Chief Directorate derives its mandate from the Refugee Act of 1998 that is a domestication of the following international protection instruments:

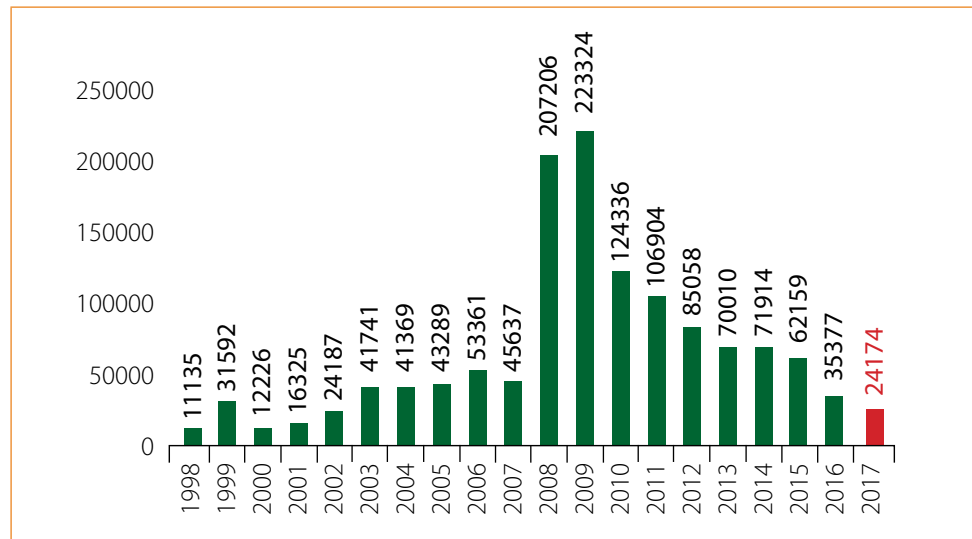
- UN Convention Relating to the Status of Refugees (1951)
- UN Protocol Relating to the Status of Refugees (1967)
- OAU Convention Governing the Specific Aspects of Refugee Problems in Africa (1969)
- Universal Declaration of the Human Rights as adopted by the general Assembly of the United Nations on 15 December 1948.

Asylum Seeker Management is a business unit responsible for providing strategic, policy direction, and operational support to all five refugee reception offices located in Musina (Limpopo), Durban (KwaZulu-Natal), Port Elizabeth (Eastern Cape), Cape Town (Western

Cape) and Desmond Tutu Refugee Centre (Gauteng). The Chief Directorate at head office has four directorates i.e. Business Operational Support, Information and Cooperation, Stakeholder Management and Repatriation and Integration Management.

Refugee reception offices are the frontline of service delivery to asylum and refugee applicants, and process asylum cases in line with the prescripts of the Refugee Act, issue temporary asylum permits (section 22) to applicants awaiting finalisation of their asylum claims, administer transgressions, grant refugee status, and issue section 24 and enabling documents to applicants that meet international protection requirements.

The end of 2017 calendar year marks the steepest decline in the last 15 years of implementing the protection regime in the country, pointing to a reduction in the abuse of the asylum seeker regime. The Standing Committee on Refugee Appeals (SCRA) represents a significant performance through the reduction of its backlog of active review applicants awaiting their outcomes.



ASM continues its improvements at selected refugee offices, with the Musina improvements focusing on physical infrastructure and replacing obsolete IT equipment. As part of the APP reporting, the business unit led the processes towards the undertaking of a feasibility study

to establish a Refugee Processing Facility closer to the country's northern borders. In this reporting cycle, the focus has been on complying with the National Treasury regulations on entering into a PPP for the development of such an infrastructure. A transactional advisor was appointed to undertake a feasibility study that was submitted to the National Treasury for consideration.

The department launched the improved refugee travel document with enhanced security features that complies with the UNHCR requirements as well as the ICAO standards. The first document was issued in November 2017.

The 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 to promote our national security interest.

The DHA has 731 Inspectorate officials responsible for combatting illegal migration within the territory of South Africa and on the border. It executes this mandate in collaboration with other security and border management stakeholders.

The Inspectorate remains significantly under-capacitated when compared to other immigration enforcement units in developed countries, and even when compared to other enforcement structures and agencies in South Africa, it is clear that capacity-related issues in the form of human resources, vehicles and equipment predominantly limit the extent to which the department can readily participate and fully execute its mandate during national



crime prevention operations – especially when these are unscheduled and not costed. Such operations place demands on budget for overtime and then introduce unforeseen costs in the form of unscheduled detention and deportations. However, spontaneous crime prevention operations are a critical element of success in the drive toward countering illegal migration and to that end the Inspectorate will regularly reprioritise its resources to ensure that it remains integral to national projects such as Operation Fiela.

Constraints with vehicles and technology aids will shortly find some relief as the department has been successful in its application to secure funding under the terms of the Prevention of Organised Crime Act, (Act 121 of 1998) (POCA). The department has secured funding for vehicles and for enhancements to the Inspectorate's case management system. The vehicles will assist with operations while the case management system enhancements will include the purchasing of hand held devices linked to other departmental systems which will allow an inspectorate official to capture fingerprints while conducting inspections and to determine on the spot whether individuals encountered during inspections have status in South Africa through the devices linkages with departmental systems.

Special Investigations and Joint Operations

In this reporting period the Inspectorate at national level was able to exceed its targets for inspections/operations by completing 219 inspections/operations. These inspections were conducted at businesses employing foreign nationals without the correct documentation to be in South Africa. Through this process and criminally charging those who employ those illegally in South Africa, the Inspectorate continues to make an impact in combatting illegal migration.

Community Crossing Points

The Inspectorate also continued its efforts to manage illegal migration on the border with the management of the Tshidilamolomo Community Crossing Point and the development of a new community crossing point at Gate 6 in Manguzi, KwaZulu-Natal. It is anticipated that this crossing point will open in the third quarter of 2018/19. The officials based at the community crossing will also undertake regular border patrols with other stakeholders to ensure those encountered on the border are dealt with in line with legislation for illegal entry.

Deportations

All detentions for deportation are now subject to court oversight considering the Constitutional Court judgement of Lawyers for Human Rights and Minister of Home Affairs (Cse CCT 38/16), which requires that all persons detained for purposes of deportation be brought before court within 48 hours. The judgement issued on 29 June 2017 required that all detained persons at time of judgement be brought before court within 48 hours or a time stipulated by a court. The department complied fully with this and has not deviated from the requirement. Legislation is being amended to take account of the requirement. The department completed 15 033 deportations during the reporting period.

Central Law Enforcement

The Central Law Enforcement successfully completed the development of a case management system. This will improve the recording of all cases for investigation and provide for oversight and analysis of all Inspectorate processes.

Central Law Enforcement also completed smuggling of persons surveys with the United Nations Office for Drugs and Crime (UNODC), which contributed to international studies on how individuals, including vulnerable groups such as women and children, are illegally facilitated into South Africa.

Permitting

The Chief Directorate: Permitting completed its migration process from the manual adjudication system to an electronic adjudication system for temporary residence visas and permanent residence permits. This has brought about efficiency in the business unit's ability to ensure that business meets its objectives. As such, the business unit achieved all annual targets for the year 2017/18. These were:

- 97% (7 810 out of 8 049) permanent residence permits finalised within 8 months (critical skills, general work and business)
- 98% (1 572 out of 1 609) business and general work visas finalised within 8 weeks
- 89% (5 935 out of 6, 684) critical skills work visas finalised within 4 weeks.

Long-term Multiple-entry Visas:

To ease movement of travellers, the department continued its efforts to enhance the implementation of long-term multiple-entry visas to various categories of travellers such as frequent travellers (for business meetings and tourism purposes), business people and academics for a period exceeding three months and up to three years, a 10-year long-term multiple-entry visa for business executives from BRICS countries, allowing executives to remain in the Republic for 30 days at a time, and the granting of a 10-year long-term multiple-entry visas to bona fide business travellers and academics from Africa. These multiple-entry visas are aimed at promoting migration and movement within the continent and attracting global foreign business and tourism interest. It is hoped that these initiatives will continue to facilitate and attract direct investment and tourism to South Africa. In the 2017-18 financial year, a total of 9 454 multiple-entry visas were issued with the top five being Nigeria (inclusive of Lagos and Abuja) – 3 868, India – 1 107, Ghana – 354, UAE – 688 and China – 548; giving a total of 6 565 long-term multiple-entry visas to date.

Visa Waivers

The department has granted visa waivers in respect of Russia (ordinary passports), Angola (ordinary passports), and Madagascar (ordinary passports). The department also granted visa waivers for holders of diplomatic, official and service passport from the Democratic Republic of Congo, Indonesia, Liberia and Uganda. This initiative has contributed to the attraction of tourism by removing the need to report to a South African Diplomatic Mission to obtain a tourist visa. As an example, with regard to Russia, there has been a noticeable increase of Russian tourists travelling to South Africa. For soccer fanatics and supporters alike, this visa waiver came at the right time as it made it easier for South Africans to attend the 2018 FIFA World Cup.

In general, visa waiver supports the free trade agreement that promotes the creation of a free trade area which is vital to the continent's economic development. The department continues to identify African countries to be exempted from visa requirements. The current visa waiver process is a roadmap to progressive visa removal to facilitate free trade, movement of people, goods and services. This will boost intraregional trade; attract investment for development; promote cross-regional infrastructure projects; and remove the

costs of overlapping regional memberships by harmonising integration programmes. It will enhance bilateral and multilateral relations between the citizens of the African continent and encourages contacts among businesses and representatives of cultural, scientific and educational institutions, and promote tourism in South Africa.

Simplification of Visa Requirements

a. People's Republic of China:

China is now the world's number-one market for foreign tourists, accounting for 70 million overseas trips last year. In line with the worldwide boom in Chinese tourism, Chinese nationals are recognised as one of South Africa's core tourism markets, with visitor numbers growing by a remarkable 38% in 2016 to 117 144 – or around 10 000 a month. Although 2017 was a challenging year for Southern Africa, according to South African Tourism the market is now starting to rebound.

The department has made efforts to attract the Chinese tourism market through simplification of visa requirements. China has a well-regulated tour group system that involves companies that are issued with licenses to operate as a tour company, regulated and authorised to facilitate Chinese tourists to various destinations. To make the travel experience even more seamless, the department has engaged the Chinese government, which has culminated in a draft Agreement on Simplification of Visa Requirements between the two countries to ease visa application process for tourists. It is envisaged this agreement will be signed by the respective Ministers during the upcoming bilateral between South Africa and the Republic of China in the next financial year.

It is envisaged this initiative will attract many Chinese tourists to South Africa and will complement the long-term multiple-entry visa initiative for frequent travellers.

b. India:

A similar initiative has also begun with the Indian tourism market.

c. Film Industry:

The department has introduced a visa simplification for the film industry under the Commercial Producers Association/ South African Association of Stills produces/ National



Association of Model Agencies, in response to the department's simplification of visa requirements for persons in this industry. With many of the competitor countries such as Spain, Argentina, Brazil making it easier for International clients to enter their countries, these concessions will certainly help in levelling the playing field. Over the past three years, the film industry has contributed more than 26 000 international clients from 108 countries, with more that 60% of business originating from just five countries – UK, Germany, USA, France, Sweden.

Permitting: appeals unit

Section 8 of the Immigration Act, 2002 (Act No 13 of 2002), as amended, makes provision for any person aggrieved by the decision of the department to seek relief through an appeal or review process. The Appeals unit was established to fulfil this legal obligation. Processing in this area is still manual and has capacity challenges. During the year under review (2017/18), the business unit focused on processes, control measures and monitoring of performance. As part of capacity improvement, additional officials were appointed. This will assist in improving performance in this area which is still at its initial phase of implementation. The plan implemented in the year under review will ensure improvement in this area in 2018/19.

Departmental projects: Special Dispensations

a. Lesotho Special Project (LSP)

The LSP project has been completed and closed. A sum of 94 941 Basotho nationals successfully completed the application process online within the due time frame and meeting the closure date of 31 July 2017 and all applications were finalised.

b. Zimbabwe Exemption Permit

In July 2017, Cabinet approved a new dispensation for Zimbabweans, which is known as the Zimbabwean Exemption Permit ("ZEP"). The dispensation is limited to Zimbabweans who are in possession of Zimbabwean Special Permits. The ZEP permits are valid for four years. A sum of 180 188 Zimbabweans successfully completed the application process. Adjudication commenced on 17 October 2017 and is projected to end on 31 October 2018.

c. Angolan Special Permit (ASP)

Angolans (ASP holders) were allowed to apply for work, business, study, relatives or retired permits. Adjudication of these applications will be completed by 30 June 2018. ASP are issued for four years and expire on 30 June 2021.

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 are managed according to a risk-based approach to ensure 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.

Stakeholder engagements remain a key factor to ensure that the movement of people into, out of South Africa and through the country's primary hubs at our international air, sea and land ports of entry, is facilitated with optimal efficiency.

For the period under review, the department recorded over 42,5 million movements through our ports of entry. This includes 11 million citizens and 31,5 million foreign nationals.

All modalities (air, maritime and land) experienced additional pressure during the peak periods with especially an increase through our land ports of entry. The upsurge in traveller and vehicular movements put a strain on limited resources at the ports of entry during the festive 2017/18 period as well as the 2018 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 our 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 of 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 season deployments for the 2017/18 period commenced on 7 December 2016 and ended on 16 January 2018 at the identified ports of entry. A total number of 6 199 568 travellers moved through our ports of entry during this period, reflecting an increase of 3,93% in comparison to the previous year.

Adequate staffing levels remain a challenge to manage the continued increase in traveller volumes and the complexities in the border management environment, especially at our key ports of entry.

As part of our modernisation programme, we continued with system enhancements. The interim biometric solution is currently in operation at ORTIA, CTIA, KSIA and Lanseria international airports and the following 6 land ports of entry: Lebombo, Kopfontein, Beitbridge, Oshoek, Maserubridge, and Ficksburgbridge. At Cape Town harbour, selected counters have been equipped with biometric capability.

The biometric solution also provides for the ability of 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 risk-based approach to Immigration to ensure the pre-clearance of travellers prior to their departure. The system was extended to maritime conveyors, using a phased approach, starting with cruise liner companies, during the previous reporting period.

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 in the transition phase leading toward the establishment of the Border Management Authority (BMA). This requires integrated and joint operations and the creation of a platform for feedback between national, provincial 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.

Infrastructure was successfully improved at five ports of entry (Ramatlabama, Kopfontein, Grobler Bridge, Van Rooyens Gate and Monantsa Pass). Infrastructure improvements in the maritime environment remain a challenge due to the dependencies on other stakeholders to conclude lease agreements.

A separate but related priority is the comprehensive infrastructure redevelopment at the six key land ports of entry.

Border Management Authority

In 2013, Cabinet mandated the DHA to lead the establishment a BMA in South Africa premised on a new policy paradigm of integrated border management. The BMA will incrementally assume responsibility for border law enforcement functions at ports of entry, the land and maritime border environment and will be characterised by a single command and control structure; and have its own organisational identity and culture.

A BMA PMO was established in 2013 to undertake technical tasks related to the establishment of the BMA; the BMA has been duly elevated to APP level in the department.

In the 2017/18 financial year the BMA PMO reported against three targets in the department's APP. Two targets were achieved by the end of the reporting cycle.

The first target relates to the redevelopment of six priority land ports of entry through a PPP. Historically, South African land ports of entry were not designed and built to facilitate the movement of large volumes of people and goods and this has resulted in great inefficiencies at the country's ports of entry. In rectifying this present reality, the department has embarked on a project to re-develop six of the country's busiest land ports of entry into modern, cost-effective and efficient ports that will support the functioning of the BMA. Considering the fiscal constraints faced by the country and government, this project will culminate in a PPP between government and a duly appointed private party.

The project is being pursued with the following policy imperatives in mind:

- Economic development
- National security
- Efficient and effective facilitation of people and goods
- Human rights and humanitarian approach to dealing with people.



This will unfold in the following four stages:

- Feasibility phase
- Procurement phase
- Contractual phase (commercial & financial close)
- Commencement of construction / redevelopment.

The first phase of the project has been completed with conditions from National Treasury which are being addressed. The department's 2017/18 APP target was the issuing of a request for qualification (RfQ) document to the market. This is the first stage of the procurement phase of the project. The aim of the RfQ is to test the market on aspects of the project and to pre-qualify bidders for the second stage of the procurement phase i.e. the issuing of a request for proposals (RfP) to pre-qualified bidders. The target of issuing the RfQ to the market has been achieved in 2017/18.

For the 2018/19 financial year, the department will be working toward the appointment of a private party for the project through the RfP process.

The second target relates to the BMA. In preparing for the BMA's establishment, the department considered it prudent that the manner in which the BMA's vision will be achieved be explicitly articulated. As such, a BMA Blue Print (2032) and BMA Road Map (2017 – 2032) were developed. The BMA Blue Print espouses the BMA's vision for the next 15 years while the BMA Road Map outlines the various phases and milestones for the BMA's establishment. The department's 2017/18 target was the approval of the BMA Road Map by the Minister; this target has been achieved.

In support of preparations for the establishment of the BMA in April 2019, the department will:

Continue to support the finalisation and enactment of the BMA Bill which is currently under consideration in Parliament; and will further finalise and submit a section 97 Presidential Proclamation to the President for consideration. The proclamation will give effect to the transfer of border law enforcement functions from relevant organs of state to the Minister of Home Affairs. It should be noted that the submission of the proclamation is dependent on the enactment of the BMA Bill.

The department will roll out BMA pilots project to Oshoek land port of entry, OR Tambo International Airport and the Port of Cape Town: Port of Entry Control Centre (PECC). The objectives of the project are to pilot and establish an integrated border management approach between key operational border law enforcement organs of state deployed within identified ports of entry; to test and document lessons and best practices arising from the BMA pilot initiatives against the BMA vision, principles, anticipated benefits and outcomes; and to prepare for the formal rollout of the BMA at three mentioned ports of entry in 2019/20.

Finally, the department will establish an interim BMA head office in the 2018/19 financial year, subject to the enactment of BMA legislation.

The third target relates to the Integrated Border Management Strategy (IBMS) (2017 – 2021). The IBMS was approved by the Minister of Home Affairs in March 2017. The strategy aims to:

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

The department is responsible for monitoring the implementation of the strategy by various organs of state and duly submitting quarterly reports to the Minister of Home Affairs. For the 2017/18 reporting cycle, three out of four reports were submitted to the Minister. It should be noted that the achievement of this target is largely dependent on the submission of implementation reports by organs of state.

The department will continue to monitor the implementation of the strategy during the 2018/19 financial year.

Table 16: OUTCOMES AND STRATEGIC OBJECTIVES FOR PROGRAMME 3: IMMIGRATION AFFAIRS

Programme name Programme 3: Immigration Affairs							
Outcome	Outcome No 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 no.	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target to actual achievement for 2017/2018	Comment on deviations	Sub-programme
Compliance with Treasury Regulation 16	2.1.1	Target achieved The feasibility report was submitted to the minister and approval was granted on 29 March 2017	Feasibility report submitted to National Treasury for TA I approval	Achieved The feasibility report for TA I approval was submitted to National Treasury.	Not applicable	Not applicable	Immigration Affairs Management
Strategic objective	Strategic Objective 2.2: Movement of persons in and out of the country managed according to a risk-based approach						
Monitoring of compliance with departmental legislation in respect of law enforcement	2.2.1	New performance indicator	100	Achieved 219 inspections/ operations conducted	<ul style="list-style-type: none"> Over-achievement in other quarters is because of Operation Fiela In the last quarter the business surveys conducted in the last quarter also led to over-achievement in inspections 	Not applicable	Immigration Affairs Management
Ministerial approval for BMA Road Map (2017/18)	2.2.2		BMA Road Map approved by Minister	Achieved The BMA Road Map was approved by the former Minister of Home Affairs, Ms Ayanda Dlodlo, in February 2018	Not applicable	Not applicable	Immigration Affairs Management

Programme name Programme 3: Immigration Affairs							
Outcome Outcome No 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 no.	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target to actual achievement for 2017/2018	Comment on deviations	Sub-programme
Monitoring of phased implementation IBMS by BMA	2.2.3	Target achieved The IBMS was approved by the Minister in March 2017 The IBMS will be incrementally implemented in 2017/18	Implementation of Integrated Border Management Strategy monitored by BMA (action plans of various organs of state)	Not achieved 3 of 4 progress reports on the implementation of the IBMS have been submitted to the Minister	One IBMS Progress Report, i.e. 2nd quarter report, could not be submitted to the Minister	The 2nd quarter IBMS Progress Report could not be submitted to Minister as implementation reports were not forthcoming from organs of state despite requests for reports by the BMA PMO The BMA PMO will strive to always submit quarterly reports to the Minister. In instances where reports are not provided by organs of state, the PMO will reflect this in the relevant quarterly report and will also escalate this to the department's accounting officer and executive authority	Immigration Affairs Management
Ministerial approval of Immigration and Refugees Bills for submission to Cabinet	2.2.4	Target achieved The White Paper was approved by Cabinet on 29 March 2017	Immigration and Refugees Bills approved by Minister for submission to Cabinet	Achieved The Minister approved the bills for further consultation	Not applicable	Not applicable	Immigration Affairs Management

Programme name Programme 3: Immigration Affairs							
Outcome Outcome No 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 no.	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target to actual achievement for 2017/2018	Comment on deviations	Sub-programme
Physical infrastructure at selected ports of entry and refugee reception offices improved to comply with prescribed infrastructure standards	2.2.5	Target not achieved 12 of 15 selected ports of entry have been improved with either residential or office accommodation or both as per set standards	6	Achieved 5 ports of entry completed Musina Refugee Centre renovations: The target was achieved. Renovations were undertaken, focusing on the following areas: Generator installation, staff training, office painting, UPS, server room, RRO Counters, ABT area, inspectorate transport, partitioning, terminal and meeter greeter counters	Procurement process to facilitate implementation at additional POE finalised before the end of quarter 3	Not applicable	Admission Services

Programme Name Programme 3: Immigration Affairs							
Outcome Outcome No 2: Secured and responsive Immigration system							
Strategic Objective Strategic Objective 2.3: Enabling documents issued to foreigners efficiently and securely							
Performance Indicator	Annual Target No.	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations	Sub-programme
Percentage of permanent residence applications adjudicated within 8 months for applications collected within the RSA (from date of receipt of application until outcome is in scan at VFS Centre – office of application) <i>[Above applications refer to: critical skills (s27b), general work (s26a) and business (s27c) only]</i>	2.3.1	Target achieved 98% (5 271 of 5 374) of permanent residence applications were adjudicated within 8 months for applications collected within the RSA (from date of receipt of application until the 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>	85%	Achieved 97% (7 810 of 8 049) of permanent residence applications adjudicated within 8 months for applications collected within the RSA	There is separation of the population of applications that are critical to the strategic performance of the department. This plan ensures that each team concentrate on matters within their area of operation. These efforts resulted in over-achievement of the target, which is 95% instead of 85% There is an increase in applications from 2 067 in quarter 3 to 2 662 in quarter 4. This explains the decline in performance from 96% in quarter 3 to 95% in quarter 4. This further demonstrates the tolerance level of the business unit Annual performance: 97% (7 810 of 8 049)	The strategy will continue as per the plan to achieve the target	Admission Services

Programme Name Programme 3: Immigration Affairs							
Outcome Outcome No 2: Secured and responsive Immigration system							
Strategic Objective Strategic Objective 2.3: Enabling documents issued to foreigners efficiently and securely							
Performance Indicator	Annual Target No.	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations	Sub-programme
Percentage of business and general work visas adjudicated within 8 weeks for applications processed within the RSA (from date of receipt of application until outcome is in scan at VFS Centre - office of application)	2.3.2	Target achieved 97% (2 007 of 2 062) of business and general work visas were adjudicated within 8 weeks for applications processed within the RSA (from date of receipt of application until outcome is scanned at VFS centre - office of application)	90%	Achieved 98% (1 572 of 1 609) of business and general work visas adjudicated within 8 weeks for applications processed within the RSA	There is a dedicated team that work on business and general work visas only. The team receive applications daily and management monitors performance of the team daily. These efforts resulted in achievement of the target, which is 98% instead of 90% Annual performance: 98% (1 572 of 1 609)	The strategy will continue as per the plan to achieve the target	Admission Services

Programme Name Programme 3: Immigration Affairs							
Outcome Outcome No 2: Secured and responsive Immigration system							
Strategic Objective Strategic Objective 2.3: Enabling documents issued to foreigners efficiently and securely							
Performance Indicator	Annual Target No.	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations	Sub-programme
Percentage (%) of critical skills visas adjudicated within 4 weeks for applications processed within the RSA (from date of receipt of application until outcome is in scan at VFS Centre - office of application)	2.3.3	Target achieved 94% (5 951 of 6 314) of critical skills visas were adjudicated within 4 weeks for applications processed within the RSA	80%	Achieved 89% (5 935 of 6 684) of critical skills visas adjudicated within 4 weeks for applications processed within the RSA (from date of receipt of application until outcome is received at the office of application)	There is a dedicated team that works on critical skills visas only. The team receives applications daily and management monitors performance of the team daily. Management performs reconciliation of applications received online with a report from VFS In quarter 4, the business unit experienced challenges with VAS and file transfers from VFS to DHA IS, which had an impact on this target. Although the target was achieved, it was a very close call at 81% against the target of 80%. This demonstrates the risk involved if systems are down or if the unit were to lose an adjudicator The business unit monitors application queues on VAS in comparison with applications transferred from VFS weekly. This process is also being monitored through DHA/VFS Steerco. Annual performance: 89% (5 935 of 6 684)	The strategy will continue as per the plan to achieve the target	Admission Services

LINKING PERFORMANCE WITH BUDGETS

Sub- Programme Name Citizen Affairs	2017/18			2016/17		
	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
Immigration Affairs Management	6 925	6 925	-	7 269	7 269	-
Status Services	769 514	769 514	-	763 769	763 670	99
Identification Services	243 969	243 724	245	249 199	249 199	-
Access to Services	178 312	178 312	-	125 564	125 564	-
Total	1 198 720	1 198 474	245	1 145 801	1 145 702	99

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, which 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 2017 to 31 March 2018:



Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 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	1 299 912		
Represented Political Parties Fund		Fund political parties	No	141 204		

6. CONDITIONAL GRANTS

6.1 CONDITIONAL GRANTS AND EARMARKED FUNDS PAID

The department does not make conditional grants or pay earmarked funds.

CONDITIONAL GRANTS AND EARMARKED FUNDS RECEIVED

The department did not receive any conditional grant.

7. DONOR FUNDS

7.1 DONOR FUNDS RECEIVED

The department did not receive any donor funds for the year under review.

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 office refurbishments and modernisation infrastructure projects. This entailed 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. Other major items are the construction of server rooms, the installation of back-up power generators, uninterrupted power supply 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. The DHA refunded the DPW monthly.

The department has submitted its User Asset Management Plan (UAMP) to the DPW and National Treasury outlining leasing and capital requirements until 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 to ensure that buildings are repaired and maintained.

Infrastructure projects	2017/18			2016/17		
	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 and replacement assets	21 265	21 265	0	36 570	36 570	0
Existing infrastructure assets	0	0	0	0	0	0
Upgrades and additions	0	0	0	22 195	22 195	0
Rehabilitation, renovations and refurbishments	28 483	28 483	0	53 863	53 863	0
Maintenance and repairs	1 724	1 724	0	1 371	1 371	0
Infrastructure transfer	0	0	0	0	0	0
Current	0	0	0	0	0	0
Capital	0	0	0	0	0	0
Total	51 472	51 472	0	113 999	113 999	0

It should be noted that all buildings occupied by the department are either private leases or state-owned. The department makes use of self-financing funds for existing infrastructure.

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

- R28 million was spent on 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 units and air-conditioning in the server rooms.

- R1,7 million was spent on general maintenance of offices throughout the country.
- R9,5 million was spent on the port of entry maintenance and general infrastructure improvements.
- R19 million was spent by the DPW on the construction of new offices and general improvements to state-owned properties. The DHA refunded the DPW monthly.

A number of the department's offices are in poor condition and in need of extensive maintenance. In this regard, the department is engaging with the DPW continuously to ensure that buildings are repaired and maintained, and suitable alternative accommodation is sourced.



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. Users want assurance that the department has good governance structures in place to effectively, efficiently and economically use state resources, which are funded by the taxpayer.

2. RISK MANAGEMENT

The department has a risk management policy and strategy approved by the DG on 16 August 2016 and 18 August 2017 respectively. The Risk Management Strategy governs risk management activities within the department, is reviewed annually and is presented to the Risk Management Committee for recommendation to the DG.

The department is continuously conducting risk assessments to review existing risk profiles and to identify new and emerging risks. The risk registers are also used to inform Internal Audit efforts and priorities and to prioritise resources by management.

The department's Risk Management Committee consists of senior management of the department and risk management experts who are not employed by the department and public sector. The committee operates in accordance with written terms of reference approved by the DG, which are reviewed annually. The committee is chaired by an external chairperson and meets quarterly; its duties include providing oversight and advising management and the DG on the overall system of risk management. The committee is on each meeting review the implementation of the mitigating strategies of all risks where the residual rating is at unacceptable levels. During the year under review, the committee recommended for approval by the DG a revised policy on the acceptance of risks, reviewed the risk management strategy as well as the revised Risk Management Committee terms of reference.

The chairperson of the Risk Management Committee is also a member of the Audit Committee, and tables a Risk Management Committee report at each Audit Committee meeting. The Audit Committee reviews the report and provides an opinion on the overall effectiveness of the system of risk management within the department.

The process of risk assessment is centred on the department's APP, risks are identified for each strategic goal and objective, both at strategic and at operational level. The department is currently developing a tool to specifically provide evidence that the department's improved performance is because of risk management. Thereafter the department can safely report that without its vigorous risk management initiatives, it would not have achieved some of its APP targets.

Although there is no tool to measure the added value of risk management in the department, the department's performance has been improving gradually from 81% in 2015/16 to 84% in 2016/17 and 86% in 2017/18. There has also been visible improvement in the outcome of the audit opinion as the department improved from a qualified audit outcome in 2015/16 to an unqualified audit outcome in 2016/17 and 2017/18 respectively.

There has been significant progress in the management of risks and reporting, e.g. the Chief Risk Officer continues to present the risk management report to the department's Executive Committee quarterly. Risk management awareness is conducted in management meetings on an ongoing basis. The response from management shows a great improvement in the adherence to the process of risk management, e.g. there have been increased requests for support from management on the process of risk management. Management has included risk management as an activity in their operational plan.

The department is in the early stages of implementing risk management software that will improve risk management operations. It will also conduct full training across the department in the new financial year to support the risk nodal points on the software. The development of the risk maturity model has commenced.

3. FRAUD AND CORRUPTION

Purpose: The mandate of the branch: Counter-Corruption and Security Services is to prevent and combat corruption to protect and promote the integrity of the department. It also ensures that DHA operations are conducted in a safe and corruption-free environment and that all DHA employees, clients and assets are safeguarded.

The Directorate: Prevention evaluated two processes within the department: a smart ID card application and marriage registration and solemnisation, with the aim of identifying corruption, vulnerabilities and security loopholes in processes. The evaluation reports recommended measures to strengthen areas of identified vulnerabilities, which were shared with the relevant business units to strengthen internal control mechanisms.

In addition, the directorate is also tasked with undertaking awareness initiatives on ethics, fraud prevention and counter-corruption within the department. These initiatives are essential in ensuring an ethical workforce and decreasing instances of fraud and corruption. The directorate conducted 50 awareness initiatives for the 2017/18 financial year in the form of training on ethics, circulars, electronic posters, emails, articles in Ikhaya magazine (the departmental internal publication) and posts on social media. There was an over-achievement of targets due to demand from offices for counter-corruption training and awareness.

The Chief Directorate: Security Services conducted 89 threats and risk assessments according to the requirements of both the Minimum Information Security Standards and the Minimum Physical Security Standards. Their main objective is to ensure that adequate security measures are in place to mitigate unforeseen risks, and to ensure that there is compliance to implementing the recommendations as contained in the reports.

The Directorate:Vetting has the responsibility of conducting security vetting investigations of DHA employees (both current and prospective) as well as pre-employment screening and to coordinate company screening. Although the target for Vetting for the 2017/18 financial year was 572, they overachieved by finalising 701 Vetting fieldwork investigations and submitting them to the State Security Agency. The breakdown of performance is as follows:

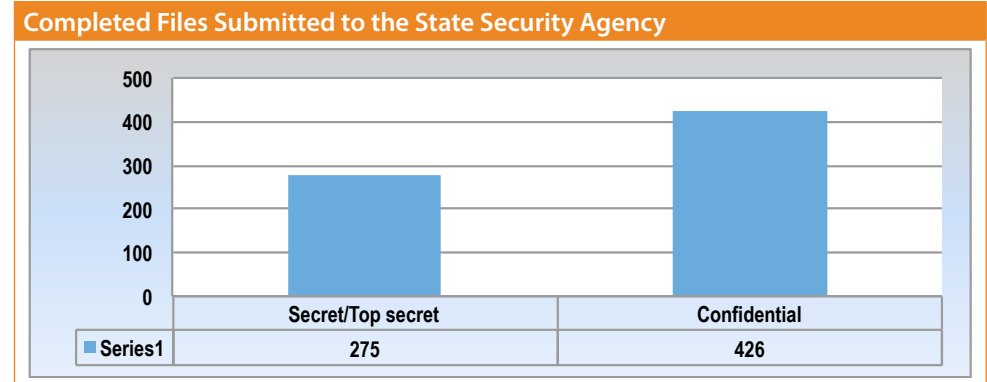


Figure 11: Completed Files Submitted to the State Security Agency

The department received 448 cases, of which 70,3 were finalised within 90 working days. There were 225 cases that were referred for internal disciplinary action. The department’s Operation Bvisa Masina, a project launched by the Minister on 20 May 2015, gets its name from the Venda phrase meaning “weed out the rot”. The project has, to date, resulted in 200 people being arrested – 111 Home Affairs officials, eight SAPS officials and 81 members of the public – for various violations of DHA legislation. The breakdown is shown below:

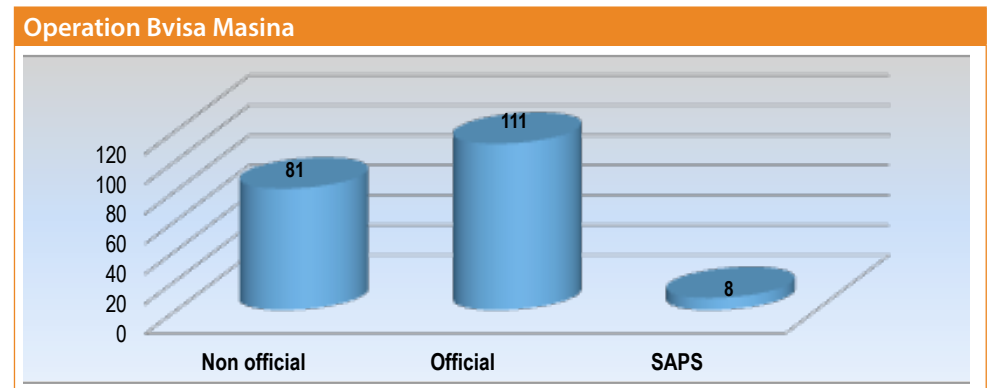


Figure 12: Operation Bvisa Masina

Twenty-eight of the 200 people were arrested in the 2017/18 financial year for various violations of DHA legislation; 23 of these were Home Affairs officials and five members of the public.

Arrest Statistics

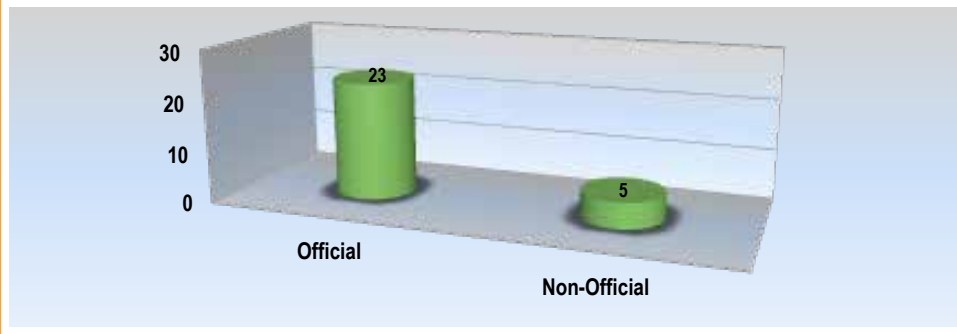


Figure 13: Arrest Statistics

4. MINIMISING CONFLICT OF INTEREST

The Public Service Regulations, 2016 provides that SMS members, deputy directors, employees earning equivalent salary of level 12 through occupation specific dispensation (OSD) and SCM officials are required to disclose financial interests annually. Both SMS members and non-SMS members are required to obtain prior approval from the head of the department before conducting business outside the public service. This provision was communicated to all officials through a circular.

During the reporting period 126 (94,3%) SMS members submitted their financial disclosures and seven (5,7%) SMS members failed to comply with the Public Service Regulations, 2016 by 30 April 2017. Six non-compliant members were subjected to disciplinary action and sanctions of final written warnings were issued. One SMS member who failed to submit her financial interests within 30 days of her appointment, was issued with a final written warning. Of the deputy directors, 211 (91,8%) submitted their financial disclosures and 19 (8,2%) did not disclose their financial interests. The 19 were appointed between January and March 2018. All 373 SCM officials including those in provinces, complied with the request. Nine appointed officials through OSD disclosed their financial interests except for one who was appointed in February 2018.

5. CODE OF CONDUCT

The department applies the code of conduct for the public service and the disciplinary procedures for both SMS and non-SMS officials diligently. A high standard of conduct is demanded of all officials, irrespective of the rank and position held in the department.

During the 2017/18 financial year, 209 employees were presented to a presiding officer for disciplinary action; 78 cases (37%) were finalised and 131 cases (63%) are still in the process of finalisation. Of those cases that were finalised various disciplinary sanctions were issued by chairpersons: four employees were awarded corrective counselling, six have not yet received any outcome from chairpersons, three employees were discharged for contravention of the operation of law (section 17 of the Public Service Act), 27 employees were dismissed for misconduct, 10 employees were suspended without remuneration, 14 employees were issued with final written warnings and three with written warnings. Ten employees resigned prior to the conclusion of disciplinary hearings. For the financial year in question only one SMS member was subjected to a disciplinary hearing for misconduct; the member has subsequently been dismissed.

During the 2017/18 financial year the Labour Relations division received 77 arbitration awards. Of these, 63 cases (82%) were ruled in favour of the department and 14 cases (18%) were ruled against the department. Seven of the awards (50%) ruled against the department were and referred to the Labour Court for review. The remaining seven awards (50%) were implemented. A total of 74 disputes were registered, of which 23 (31%) were unfair labour practice disputes. Of these, 20 (87%) were ruled in favour of the department and three (13%) were ruled against the department. Of the 38 unfair dismissals (51%), 32 (84%) were ruled in favour of the department and six (16%) against the department. Twelve (16%) were disputes on interpretation of collective agreements, 11 (92%) of which were ruled in favour of the department and one (8%) against it. One (2%) dispute of sexual harassment was ruled against the department.

The department received 76 grievances of which 52 (68%) were resolved; 34 (65%) were resolved within the prescribed time frames and 18 (35%) were resolved outside the prescribed time frames. Twenty-four (32%) of the grievances are pending.

6. HEALTH, SAFETY AND ENVIRONMENTAL ISSUES

During the year under review, the department implemented and monitored various occupational health and safety programmes. The department identified the need to empower and capacitate its employees to minimise health and safety risks and occupational injuries in the workplace.

Three hundred and thirty-nine officials at ports of entry were vaccinated against Hepatitis A, Meningitis and Tetanus. In support of continuous awareness of occupational health and safety in the department, 29 Safety and Environment (SHE) Committee Meetings were held. The department continued with internal assessments aimed at identifying risks in terms of Section 8 of the Occupational Health and Safety Act, 1993 (Act No 85 of 1993). Fifteen (15) Audits on occupational health and safety were conducted in nine (9) provinces of the department.

7. PORTFOLIO COMMITTEES

The department and its entities had 45 parliamentary engagements with oversight committees during the 2017/18 financial year.

Of the 45 engagements scheduled, 30 meetings took place while 15 were either cancelled or postponed by the committees. These were:

- Portfolio Committee on Home Affairs: 23 meetings held, 6 meetings cancelled or postponed
- Select Committee on Social Services: 6 meetings held, 9 cancellations or postponements
- Standing Committee on Appropriations: 1 meeting held

The table below details the topics of the parliamentary engagements. During the briefings, members of the committee posed questions to which the department or entities responded.

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

- The Portfolio Committee on Home Affairs conducted an oversight visit to the Eastern Cape from 1-4 August 2017. The oversight was due to complaints of undocumented children and, in part, based on a complaint made by Mr Sono, a community member, who alleged that the DHA officials at Sterkspruit were ill-treating people who came for services. While in that area, the committee held meetings with the DHA Stakeholder Forum, the Senqu Local Municipality and Walter Sisulu Local Municipality. A public meeting was also held at Gcina Village. The committee visited the Burgersdorp Small office, the Aliwal North Medium Office, the Telle Bridge port of entry between South Africa and Lesotho and the Mpilisweni Hospital.
- The second oversight visit was a multiparty delegation of the Select Committee on Social Services, and Education and Recreation. The delegation visited the KwaZulu-Natal on 4-8 September 2017 as part of the NCoP oversight week. The department hosted the committee when it did an in-loco visit to the Durban harbour to assess the management of the facilities and the types of services offered. An on-site briefing was presented to the committee by stakeholders operating at Durban harbour with the department presenting a report on the status of Immigration Services at the harbour.
- The department's budget vote debate took place in the National Assembly on 17 May 2017 following the tabling of the department's APP 2017/18 in Parliament on 15 March 2017. The policy debate on Vote 5 in the NCoP took place on 20 June 2017.
- DHA annual report 2016/17 was submitted to Parliament on 29 September 2017 and the APP 2018/19 was submitted to Parliament on 8 March 2018.
- 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 SA-EU Interparliamentary Meeting taking place in April 2017. To this end the department presented a discussion paper on illegal migration in Europe and the African continent, as well as on refugees and human trafficking.
- The Refugees Amendment Bill, 2016 was passed by Parliament on 30 November 2017 and on 18 December 2017 the President assented to the Refugees Amendment Act, 2017 (Act no 11 of 2017).

No	Date of meeting	Committee / parliament	Agenda/topic	Venue & time	Responsibility	Status /comments
1.	Tuesday, 2 May 2017	Portfolio Committee on Home Affairs	Briefing by the Electoral Commission on the APP and budget for 2017/2018 financial year Briefing by the IEC on the local government elections held on 2016	M315, Marks Building, Parliament 09:30– 13:00	CEO:IEC	Honoured – Minister led the IEC delegation
2.	Tuesday, 9 May 2017	Portfolio Committee on Home Affairs	Briefing by the GPW on the APP and budget for 2017/2018 financial year	M315, Marks Building, Parliament 09:30– 13:00	A/CEO:GPW	Honoured – Minister led DHA delegation
3.	Tuesday, 23 May 2017	Portfolio Committee on Home Affairs	Briefing by the DHA on the fourth quarter performance and budget of the DHA for 2016/17 financial year	S35, NCoP Building, Parliament 09:30– 13:00	DDG: IPS&CFO	Honoured – Minister led DHA delegation
4.	Tuesday, 30 May 2017	Portfolio Committee on Home Affairs	Briefing by the DG of the National Treasury on the funding pressures within the DHA, especially on the compensation to employees	M315, Marks Building, Parliament 09:30– 13:00	DDG: IPS & CFO	Honoured – Minister led the DHA delegation
5.	Tuesday, 6 June 2017	Select Committee on Social Services	A Briefing by the DHA on the Strategic Plan and Budget Vote Mbombela Office – temporary closure	M314, Marks Building, Parliament 09:30– 13:00	DDG:IPS & CFO	Honoured – DDG:CS led the DHA delegation
6.	Tuesday, 13 June 2017	Portfolio Committee on Home Affairs	Committee deliberation on the White Paper on International Migration	M46, Marks Building, Parliament 09:30– 13:00	DDG:IMS	Honoured – Minister led the DHA delegation
7.	Tuesday, 20 June 2017	Portfolio Committee on Home Affairs	Briefing by SITA and the DHA on the progress made on the network problems experienced by DHA since the joint meeting with the Portfolio Committee on Telecommunications and Postal Services in 2016 Mbombela Office – temporary closure	Old Assembly Chamber, Parliament 09:30– 13:00	A/DDG:IS & DDG:CS	Honoured – A/DDG:IS led the DHA delegation
8.	Tuesday, 20 June 2017	Select Committee on Social Services	Consideration of the Refugees Amendment Bill (B12B-2016)	M314, 3rd floor, Marks Building Parliament 10:00 – 12:30	DDG:IPS&CFO	Honoured – DG led DHA delegation

No	Date of meeting	Committee / parliament	Agenda/topic	Venue & time	Responsibility	Status /comments
9.	Tuesday, 27 June 2017	Portfolio Committee on Home Affairs	Briefing by the Minister of Home Affairs, Finance and the DG of the DHA on the naturalisation of the Gupta family	V454, Old Assembly Wing, Parliament 09:30 – 13:00	DDG:CS	Honoured – DG led delegation as Minister abroad
10.	Tuesday, 15 August 2017	Portfolio Committee on Home Affairs	Briefing by the DHA provincial managers of Eastern Cape, Northern Cape and Western Cape on the state of their respective situation in their provinces	Committee Room 2, 90 Plein Building, Parliament 09:30– 13:00	DDG:CS, PM:EC, PM:NC&PM:WC	Honoured – Minister led DHA delegation
11.	Tuesday, 22 August 2017	Portfolio Committee on Home Affairs	Briefing by the DHA provincial managers of North West, Mpumalanga and Limpopo on the state of their respective situation in their provinces Minister on Gupta family naturalisation	Committee Room 2, 90 Plein Building, Parliament 09:30– 13:00	DDG:CS, PM:NW, PM:MP&A/ PM:LIMP	Honoured – Minister led DHA delegation
12.	Tuesday, 5 September 2017	Portfolio Committee on Home Affairs	Briefing the DHA, GPW and IEC on the first quarter performance and expenditure of the DHA	Committee Room 2, 90 Plein Building, Parliament 09:30– 13:00	DDG:IPS&CFO	Honoured – Deputy Minister led DHA delegation
13.	Tuesday, 12 September 2017	Select Committee on Social Services	Briefing on the BMA Bill [B9-2016] Department responses to public comments on Refugees Amendment Bill (B12B-2016)	M314, Marks Building, Parliament 09:30– 13:00	PM:BMA &CD:LS	Honoured - Minister led the DHA delegation
14.	Tuesday, 3 October 2017	Portfolio Committee on Home Affairs	Briefing by the AG on the audit outcomes of the DHA, the IEC and the GPW Briefing by the DHA on the annual report of the DHA for 2016/2017 financial year	M314, Marks Building, Parliament 10:30 – 16:00	DDG:IPS/CFO 29 September 2017	Honoured – acting DG led DHA delegation
25.	Tuesday, 5 October 2017	Portfolio Committee on Home Affairs	Briefing by the IEC and GPW on the Annual Reports for 2016/17 financial year and adoption of the oversight report to Sterkspruit in the Eastern Cape	Committee Room 1, 90 Plein Street Parliament 09:30 – 13:00	ACEO:IEC & ACEO:GPW	Honoured – ACEO: IEC and ACEO:GPW led their respective delegations

No	Date of meeting	Committee / parliament	Agenda/topic	Venue & time	Responsibility	Status /comments
16.	Tuesday, 17 October 2017	Portfolio Committee on Home Affairs	<ol style="list-style-type: none"> 1. Consideration and adoption of the Budgetary Review and Recommendations Report on the performance of the DHA 2017 2. Consideration and adoption of the oversight report to Sterkspruit, Eastern Cape. 3. Consideration of the Memorandum in support of migrants and refugees from the Catholic Archdiocese of Cape Town 	Committee Room 1, 90 Plein Street 09:30 – 13:00	Minister	Honoured – Minister led delegation
17.	Tuesday, 24 October 2017	Portfolio Committee on Home Affairs	Briefing by the DHA on implementing the White Paper on Migration, including establishing one stop border posts and refugee processing facilities closer to the border	Committee Room 1, 90 Plein Street Parliament 09:30 – 13:00	DDG:IMS / PM: BMA	Honoured – acting DG led the delegation
18.	Tuesday, 7 November 2017	Portfolio Committee on Home Affairs	Briefing by the DHA on the litigation toward the DHA	M314, Marks Building, Parliament 09:30 – 13:00	DDG:IPS / CD:LS	Honoured – DG led delegation
19.	Tuesday, 14 November 2017	Select Committee on Social Services	Annual report Briefing: Department of Home Affairs	M315, Marks Building, Parliament 10:00 – 12:30	DDG:IPS & CFO	Honoured – DG led the delegation
20.	Tuesday, 14 November 2017	Portfolio Committee on Home Affairs	Seminar on AU Vision 2063 as it relates to migration, regional integration and Africa Passport	E249, New Wing, Parliament 09:30 – 13:00	DDG:IMS	Honoured – Deputy Minister led the delegation
21.	Tuesday, 21 November 2017	Portfolio Committee on Home Affairs	Refugees Amendment Bill: NCoP proposed amendments	V475, Old Assembly Wing, Parliament 09:30 – 13:00	DDG:IMS	Honoured – Deputy Minister led delegation
22.	Wednesday, 22 November 2017	Standing Committee on Appropriations	Adjustments Appropriations Bill: Hearing with DHA and the National Treasury	V475, Old Assembly Wing, Parliament 09:30 – 13:00	CFO	Honoured – Deputy Minister led delegation
23.	13 February 2018	Select Committee on Social Services	<p>Briefing by the National Treasury on the BMA Bill (B9B–2016)</p> <p>s75 Briefing by the SAPS on the BMA Bill (B9B–2016)</p> <p>s75</p>	<p>M315, 3rd floor, Marks Building, Parliament</p> <p>10:00 – 13:00</p>	PM:BMA & CD LS	Honoured – Deputy Minister led delegation

No	Date of meeting	Committee / parliament	Agenda/topic	Venue & time	Responsibility	Status /comments
24.	20 February 2018	Portfolio Committee on Home Affairs	Briefing by the provincial managers of Gauteng, Limpopo and Mpumalanga on the state of their provinces for the calendar year 2017	Committee Room 1, 90 Plein Street, Parliament 09:30– 13:00	A/DDG:CS/ PM:GP and A/ PM: Limpopo	Honoured – provincial managers led their respective delegations
25.	20 February 2018	Select Committee on Social Services	Briefing by the National Treasury on the BMA Bill (B9B–2016) s75 Briefing by the Department of Defence on the BMA Bill (B9B–2016) s75	M315, Marks Building, Parliament 10;00 – 12:30	PM:BMA and CD:LS	Honoured – DG led delegation
26.	27 February 2018	Portfolio Committee on Home Affairs	Update by the DG of the DHA on information received in relation to the Gupta family early naturalisation Briefing by the IEC on local government elections of 2016	Committee Room 1, 90 Plein Street, Parliament 09:30– 13:00	DG (Information submitted) CEO:IEC 22 February 2018	Honoured – DG led delegation
27.	6 March 2018	Portfolio Committee on Home Affairs	Minister of Home Affairs on Gupta early naturalisation Briefing by the IEC and the GPW on their second and third quarter performances and budgets for 2017-2018 financial year	Committee Room 1, 90 Plein Street, Parliament 09:30– 13:00	DG / CEO:IEC/ A/CEO:GPW	Honoured – Minister and Deputy Minister in attendance
28.	13 March 2018	Portfolio Committee on Home Affairs	Briefing by the DHA on their second and third quarter performances and budgets for 2017-2018 financial year	M314, Marks Building, Parliament 09:30 -13:00	DDG: IPS and CFO	Honoured –DG led delegation
29.	20 March 2017	Portfolio Committee on Home Affairs	Briefing by the DHA on the APP and budget for 2018-2019 financial year	M46, Marks Building 09:30 –13:00	DDG:IPS and CFO	Honoured – Deputy Minister led delegation
30.	27 March 2018	Portfolio Committee on Home Affairs	Briefing by the IEC on the APP and budget for 2018-2019 financial year Briefing by the GPW on their APP and budget for 2018-2019 financial year	M46, Marks Building 09:30 -13:00	CEO:IEC / A/CEO: GPW 20 March 2018	Honoured – CEO:IEC and A/CEO: GPW led their respective delegations



8. SCOPA RESOLUTIONS

During the 2017/18 financial year there were no resolutions passed by Scopa in regard to the DHA and its entities.

9. PRIOR MODIFICATIONS TO AUDIT REPORTS

In respect of the 2016/17 financial year, the department received an unqualified audit opinion with significant findings. The main issues highlighted were non-compliance with legislation, deficiencies in the internal control management system, lack of effective oversight relating due to critical vacant position and consequence management. To address the previous year's 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 18 September 2017 to provide feedback on the audit outcome for the 2016/17 financial year. This main intention of the meeting was to inform all relevant managers and clearly communicate 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).

In addition to the various measures implemented, the managers were urged to identify the root causes in order to draft the audit action plan with appropriate measures that can be implemented within the given timeframe. The audit action plan was developed and presented to exco for consideration. The implementation thereof continued to be monitored in the back-to-basics meetings.

In preparation of the year-end AFS, 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 daily to assess the status review of the relevant information that must be included in the AFS.

10. INTERNAL CONTROL UNIT

An Internal Control unit was established at the branch: Finance and SCM 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 whether 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 be stamped, signed and sent to the Payment unit for capturing and final authorisation on BAS and Logis.

11. INTERNAL AUDIT AND AUDIT COMMITTEES

Key activities and objectives of Internal Audit

The Chief Directorate: Internal 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 DDG: Institutional Planning & Support. 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 comply with policies, standards, procedures and applicable laws and regulations
- Resources are acquired economically, used efficiently, and adequately protected
- Programmes, plans and objectives are achieved effectively
- Quality and continuous improvement are fostered in the department's control process
- Significant legislative and/or regulatory issues impacting the department are recognised and addressed appropriately.

Summary of audit work done

The 2017/18 Annual Internal Audit Plan was approved by the Audit Committee on 2 March 2017. Internal Audit has completed 43 audit projects including eight ad hoc requests during the period under review.

Internal Audit scope of work covered:

- Financial audits conducted at the Finance and Supply Chain Management Branch including bid pre-award reviews
- Audits of performance information conducted at all branches
- Operational audits such as birth registration and late registration of birth, asylum seeker and refugee management and inspectorate function at core branches

- Information communication technology audits, which includes ICT governance reviews, firewall security review, network performance and availability review, live capture applications control reviews and SDLC review on BMD automation function.

Internal Audit has further conducted follow up audits to ensure that efficient and effective internal controls are implemented and to ensure that the commitments made by the accounting officer to resolve the AG's findings 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 (i.e. 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	No. of meetings attended
Mr Sathie Gouden	B Compt.- Unisa Higher Diploma in Accounting Chartered Accountant Professional Accountant Certificate in Forensic Accounting & Fraud Examination Executive Leadership Development	External	Not applicable	1 May 2012	Not applicable	6 meetings
Ms Zukiswa Ntlangula	Masters Diploma in Human Resources management. LLB Degree B Juris Law society of South Africa	External	Not applicable	1 July 2014	30 June 2017	1 Meeting
Ms Juliana Makapan	MBA Human Resources Management	External	Not applicable	1 July 2014	30 June 2017	3 Meetings
Ms Bothale Maditse	Bachelor of Commerce in financial accounting B. Com Honours in Auditing CA.SA, SAICA	External	Not applicable	01 July 2016	1 December 2017	5 Meetings
Mr Charl de Kock	South African Institute of Professional Accountants (SAIPA) Masters degree in IT Auditing Honours degree in Accounting Certified Information System Auditor Certified Internal Auditor Financial articles at external Auditor firm	External	Not applicable	01 January 2016	Not applicable	6 Meetings
Mr Tshepo Mofokeng	Bachelor of Commerce Bachelor of Accounting Certified Internal Auditor CA (SA), SAICA	External	Not applicable	20 October 2017	Not applicable	2 Meetings
Ms Mathukana Mokoka	B.Com (Accounting) CA (SA), SAICA	External	Not applicable	20 October 2017	Not applicable	2 Meetings

Please note that the contract of Audit Committee members, Ms Juliana Makapan and Ms Zukiswa Ntlangula expired on the 30 June 2017, and Ms Bothale Maditse resigned on 1 December 2017.

12. AUDIT COMMITTEE REPORT

AUDIT COMMITTEE REPORT FOR THE YEAR ENDED 31 MARCH 2018

The Audit Committee (committee) hereby presents its report in respect of the financial year ended 31 March 2018 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)	6	6
Ms J Makapan (contract expired 30 June 2017)	3	3
Ms Z Ntlangula (contract expired 30 June 2017)	3	1
Ms B Maditse (resigned 1 December 2017)	5	5
Mr C de Kock	6	6
Ms M Mokoka (appointed from 20 October 2017)	2	2
Mr T Mofokeng (appointed from 20 October 2017)	2	2

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 reports 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.

While the committee is satisfied with the improvement in the state of the internal control environment, more effort needs to be put in place for the internal control environment to be 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 investment 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 of South Africa 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
- 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.

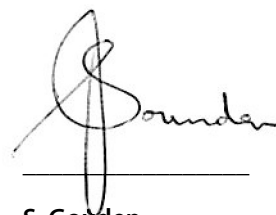
9. AUDITOR-GENERAL'S REPORT

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 apprised 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. Gouden

Chairperson of the Audit Committee

Pretoria

06 August 2018



PART D: HUMAN RESOURCE MANAGEMENT



1. INTRODUCTION

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

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

The branch Human Resource Management and Development, as part of programme 1, responds to outcome 12: An efficient, effective and development-oriented public service. Central to this outcome is the HR mission of providing and enhancing service excellence through value-added HR solutions, by attracting, retaining and developing key talent that is disciplined and security conscious. In support of its vision of high performance, the branch drives all people management practices, methods and processes, which supports the business value proposition. Central to the HR Strategy, is client satisfaction and the customer value proposition, which HR service delivery supports and is aligned to.

The HR value chain is a deliberate approach to align, acquire, compensate, develop, deploy and retain staff through their life cycle, which is the platform for the employee value proposition. The DHA has embarked on a repositioning programme as a modern and secure department. This has a significant impact on the way that HR operations are conducted. To enhance, refocus and transition HR, a refocusing and enhancement plan or Galaxy Map was designed. This will establish the strategic alignment between the HR Strategy 2016-2021 and the DHA repositioning programme. The branch values are entrenched as being honest, excellent, accommodating, reliable and tolerant (Heart).

The following objectives are underpinned by a practical, implementable and measurable change management process that highlights high performance and is pivotal to implementing the Galaxy Map:

- Establish an integrated, effective and efficient branch focused on the business, customer and employee value propositions
- Ensure employees are optimally engaged and productive, in line with the DHA operating model

- Improve processes in delivering human resource services
- Ensure that human resource functions are decentralised
- Ensure targeted, focused and relevant reporting to enable strategic decision making.

A value-based leadership culture, enabled by continuous capacity building to promote a competent and engaged workforce, is pivotal to the success of implementing the HR Strategy. To support this, the branch hosted its annual leadership forum and promoted continuous learning and development through the Learning and Development unit.

2. OVERVIEW OF HR MATTERS

2.1 HUMAN RESOURCES STRATEGY

The HR Strategy intends to drive all people management practices, methods and processes to support the department's goals, values and objectives. The HR value chain is a deliberate approach to align, acquire, compensate, develop, deploy and retain staff throughout their life cycle in the DHA. Central to the strategy is the principle of integrated resource planning within the DHA.

The HR Strategic objectives linked to the MTSF remain similar over the five years. They are reviewed year-on-year to ensure continuous alignment with the department's strategic focus areas.

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

Talent acquisition: recruiting for competence, qualification, organisational fit, motivation and attitude. Partner with line management and the introduction of an e-recruitment process.

Human resources business process and systems: Develop and review core and support business processes to ensure alignment with organisational functions, to attain the modernised DHA business processes. Facilitate the implementation of standard operating procedures (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 toward 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 performance culture to enhance work and performance ethic through contracting, review and recognition of excellent performance (rewards and recognition) – as part of the Moetapele Initiative.

Human resources development: Build skills levels and leadership capacity and capability suitable for a service oriented environment.

2.2 ORGANISATIONAL DEVELOPMENT

The Minister of Public Service and Administration has considered the consultation request and, on 31 July 2017, concurred with the addition of a population statistician on the establishment of the DHA.

The department has embarked on a process of reviewing the functional organisational structure and post establishment to reposition itself as an organisation that is responsive to the needs of the client. The changes revealed that since 2004, the organisational structure of the DHA was reviewed in the years 2006, 2008, 2010 and 2011.

In October 2017, the department received feedback from the Minister of Public Service and Administration regarding the request for changes of the approved organisational structure. The Minister highlighted issues that need to be addressed before the proposed organisational structure can be implemented.

The department is working on the concerns raised by the Minister and will resubmit the request for approval so that it can be implemented.

2.3 HUMAN RESOURCES PLANNING

Human resource planning forms most integral part of the organisation. The HR Plan considers the staffing requirements for all programmes aligned to the strategic and policy obligations of the department. This includes determining the correct staff numbers and skills required and managing a surplus or shortage of staff. From these transformative requirements, the HR Plan also reflects on the creation of a multiskilled, representative and flexible workforce.

The DHA's MTEF HR Plan 2016/19 was approved and submitted to the DPSA. The plan identified five key priorities, which are continually monitored and reported annually to the DPSA. These priorities are:

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

The DPSA sent Human Resource Planning circular no.4 of 2017 in December requesting inputs on the revised draft Human Resource Planning template and guideline. The department will, however, be developing an MTEF Human Resource Plan 2019/2022 on the basis that this is the final year of the previous Plan.

2.4 CHANGE MANAGEMENT

The change management programme supports the key priorities of the department through ongoing interventions to strengthen partnerships with the core business.

During 2017/18 strategies and methodologies for the modernisation programme, Repositioning DHA and the Moetapele initiatives were developed. These strategies aimed at managing and creating a receptive environment in terms of the willingness of stakeholders and employees to adopt the new ways of working.

The key highlights of the 2017/18 change management programme are as follows:

- The creation of an environment which was receptive and in support of the successful

implementation of the Moetapele initiative for the Bellville office in Cape Town.

- The development of the draft change management strategy on repositioning DHA.
- Collaborative efforts with the repositioning project management office to create awareness on repositioning DHA and BMD automation for staff to understand the purpose for the change interventions and to support the departmental projects.
- The change management strategy to support BMD was developed and awareness was conducted to various provinces.
- Change management awareness was conducted at the Musina Refugee Reception Centre to prepare officials about the change that are coming.

2.5 EMPLOYMENT EQUITY

During the reporting period, the department filled several positions; however, due to a budget deficit, a moratorium on the filling of posts was declared. This negated the achievement of the employment equity target. The department's workforce has as a result, decreased by about 271 employees as compared to March 2017. Therefore, the departmental target that was developed for implementation in 2016/17 and deferred to 2017/18, was not met. In terms of mandatory compliance to the Employment Equity Act, the department is required to report annually and submit the employment equity plan with clear targets to the Department of Labour (DoL); this target was achieved.

The tables below depict the 2016 EAP produced by Statistic South Africa:

Table 17: National EAP by gender and race

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	54,0%	46,0%	100%

Source: Statistics South Africa (QLFS 3rd Quarter, 2016)

Race and gender status in the department show a decline in comparison to 2016/17. This

decline was recorded in the population groups of Africans and Whites. However, in the period in question there has been an increase in the Indian and Coloured groups. The percentage representation for Coloureds has moved from 6,04% in March 2017 to 6,35% in March 2018 and Indians from 1,01% in March 2017 to 1,13% in March 2018. This achievement is directly attributed to the implementation of a strategy to increase the representivity for Coloureds and Indians since these were the underrepresented groups in the previous reporting period.

The figures below indicate the difference on the expected representation and the current status on all the race groups.

Table 18: 2017/18 Total Workforce

Race	Female	Male	Total workforce by race	EAP against workforce
African	4 768 (50,98%)	3 377 (36,11%)	8 145 (87,09%)	78,0% (9,09%)
Coloureds	346 (3,70%)	248 (2,65%)	594 (6,35%)	9,8% (3,45%)
Indians	62 (0,66%)	44 (0,47%)	106 (1,13%)	2,8% (1,67%)
Whites	370 (3,96%)	137 (1,46%)	507 (5,42%)	9,5% (4,08%)
Total	5 546 (59,30%)	3 806 (40,51%)	9 352 (100%)	100%

Source: Persal

In 2005, Cabinet passed a resolution on representation of women at senior management level. The resolution was evaluated and reviewed in 2012. It required that the department achieves 50/50 parity in terms of gender representation at SMS level and 2% of the departmental workforce for the people with disabilities.

The disability status in department for 2017/18 has improved and is currently at 1,74% from 1,58% of 2016/17. The department requests people with disability to declare/disclose their disability; this assists to guarantee accurate numbers of disabled persons in the workforce. The department also collaborates with relevant organisations and institutions to encourage people with disabilities to apply for vacant positions, as and when vacancies exists.

Representivity on SMS is at 54,11% (male) and 45,89% (female) in comparison to 56,21% (male) and 43,79% (females) in 2017/18. To address this imbalance, the department issued a directive that all vacant and funded SMS posts are to be occupied by females. However, the

moratorium placed on the filling of posts, has negated the achievement of this target. Going forward, measures will be in place to hold senior managers accountable for implementing employment equity targets in their business units. The performance agreement of the DG has been amended to include a new key result area (KRA) on transformation. This KRA is also included in the performance agreements of all SMS members, with the expected outcome of achieving the target of representation at SMS level and to address the target of people with disability.

Table 19: 2017/18 Gender Representation at SMS Level and people with disabilities Status

a. Gender representation

Female	Male	Total SMS members	Targets
67 (45,89%)	79 (54,11%)	146	50/50

b. People with disabilities

DHA total workforce	Total employed people with disabilities	Target
9 352	163 (1,74%)	2%

2.6 ACQUISITION

Emphasis remained on the filling of funded vacancies within a turn-around-time of six months, during the year under review. In addition to its posts vacated through attrition, the department prioritised 460 posts focusing, among others, on the areas of management (local offices, ports of entry, refugee reception centres and senior management within the operations environment), Frontline Immigration and Civic Services, IT, Legal Services, Finance and Risk Management; toward improved service delivery and corporate governance. Furthermore, three hundred and nine (309) intern positions were made available in support of National Youth Development initiatives.

During the financial year 2017/18, recruitment in respect of 1 154 posts in total was facilitated, realising a vacancy rate of 4,4%. This, together with compliance with the National Recruitment turn-around-time, was monitored and managed on an ongoing basis, throughout the department.


To strengthen the calibre of candidates recruited into the department, and to ensure alignment of recruitment practices to the National Development Plan, adverts 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, and that Assessors do briefings to Interview Panels, to ensure that assessment results are objectively and correctly interpreted within the selection process.

The department's integrated employee mobility and utilisation policy, aligned to the new Public Service Regulations, 2016, was consulted with labour and subsequently approved. The policy will be implemented with effect from the 2018/19 financial year, and will aid in enhancing best practice and uniform measures. It will further enhance sound risk management strategies in the capacitation space.

2.7 EMPLOYEE PERFORMANCE MANAGEMENT FRAMEWORK

In terms of treasury regulations, the strategic plan must include measurable objectives and outcomes for an institution's programmes. The department has introduced the performance measuring toolkit which provides a benchmark against which to evaluate the performance of officials. To ensure officials are evaluated objectively, the measuring toolkit has been designed to operationalise performance measures for the respective performance ratings. The measuring toolkit will serve as an addendum to staff member's performance agreement. All staff members must ensure that the performance measuring toolkits are completed and attached to their performance agreement for the 2018/19 performance cycle.

The branch: HR management and development has conducted 19 awareness sessions on the performance measuring toolkit, performance improvement, excellence awards and reward and recognition. The compliance rate for submission of performance assessments in the department is 97% and annual assessment 98%. The DG's performance agreement was timeously submitted to DPME. Where non-compliance to the PMDS policy was noted, letters were issued to the respective managers for the implementation of consequence management.



Managers are encouraged to recognise good performance monthly. Monthly reward and recognition serves as a feeder to the branch and provincial excellence awards. Branches and provinces are therefore encouraged to host their own excellence awards, which promotes the reward and recognition concept to drive and maintain high performance. Performance incentives for 2016/17 performance cycle in respect of fully compliant documents submitted, were processed. A total of 7 960 officials received pay progressions and 1 387 officials were rewarded with performance bonus.

The department has implemented the performance improvement guideline, the purpose of which is to provide the required assistance to below norm officials and supervisors. To this end diagnostic interviews with 10 officials and their supervisors, were held. An additional oversight role is fostered through the DPSA and the AGSA, which monitor the implementation of identified interventions as contained in performance improvement plans. The department submitted a PMDS under-performance status report for SMS 2016/17 midyear assessment results on 31 March 2018.

2.8 BUILDING LEADERSHIP CAPABILITY AND CAPACITY

During the reporting year, 1 166 managers (819 junior, 308 middle and 39 senior) attended the following training interventions:

Emerging Management Development Programme

Advanced Management Development Programme

Risk Management

Coaching and Mentoring

Operations Management and Diversity Management

Performance Improvement Management (Managing Poor Performance)

Performance Management

Strategic Planning (Management) Process

Diversity Management.

2.9 LEAVE AND ABSENTEEISM MANAGEMENT

The improvement of the management of attendance and absenteeism has continued to receive priority attention within the department, in support of enhanced productivity, service delivery and reduced costs related to production days lost.

The full implementation of the National Absenteeism Management Framework is continuously monitored, together with the use of the improved management tools which was developed, during the 2013/14 financial year. To strengthen the monitoring process, monthly leave credit and trend analysis reports continue to be issued to all SMS members as well as monthly leave audit verifications which are undertaken by line 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 monitored and managed toward 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 on a monthly, bi-annual and annual basis.

2.10 EMPLOYEE WELLNESS PROGRAMMES

The employee wellness programmes are aligned to the government agenda in respect of health and wellness issues and the SA National Strategic Plan on HIV, TB and STI s 2017–2022. The department has embarked on rolling out HIV and Aids/STI/TB and other chronic diseases programmes and has achieved the following in the year under review:

- 580 employees tested for HIV, of which four tested positive.
- 877 employees' health screenings were conducted by Gems, (blood pressure, cholesterol, blood sugar, and body mass index (BMI)).
- 446 employees participated in the blood donations drive at New Corporate Building, Hallmark, NW and NC, of which 228 donated blood and 218 employees were declined due various illnesses.
- 39 912 male condoms and 1 550 female condoms were distributed.
- 4 national peer educators meetings were held at Western Cape (Cape Town provincial

office), North West (provincial office), KwaZulu-Natal (Pinetown) and Pretoria (Hallmark building). A total of 47 employees representing all provinces excluding the Eastern Cape were trained as HIV peer educators.

- Employee and wellness practitioner (EWP) health calendar events were commemorated through information sharing sessions and awareness campaigns at head office and all provinces, 8 775 employees were reached.
- A wellness service provider (ICAS) is contracted to offer wellness services in all provinces.
- Functional 24-hour toll free line and Ecare (online wellness service) are made accessible for all employees.
- 238 employees received face to face counselling from ICAS & 320 employees received telephone counselling.
- 333 employees were consulted with internal EWP for counselling and therapeutic interventions.

A total number of 8 775 employees were reached by rolling out of the HIV/AIDS/ STI management policy, wellness management policy and health and productivity policy. These policies and plans have been submitted to the presidency and DPSA.

2.11 RESEARCH, INFORMATION AND KNOWLEDGE MANAGEMENT (RIM)

The Research, Information and Knowledge Management (RIM) unit has enriched the HRM&D Branch with its support in conducting of impact assessments on various matters including the impact of training interventions on client services, feasibility studies and client satisfaction surveys. In addition, the unit provided much needed support in terms of research to support various strategic projects including the DHA Repositioning. The establishment of Communities of Practice (CoPs) to initiate dialogue with both Public and Private Sector on various thematic presentations has positively impacted the reputation of the Department. Knowledge harvesting as part of business continuity has also been the focus for the period under review. The RIM unit also ensures that Departmental staff have access to varied materials some of which can be accessed online, through the management of the Department's central repository.



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:

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

Table 3.1.1 Personnel costs by programme for the period 01 April 2017 to 31 March 2018

Programme	Personnel budget (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Consult: Business & Advisory Serv (R'000)	Agency & Support/ Outsourced Serv (R'000)	Personnel expenditure as % of personnel budget	Average personnel cost per employee (R'000)
Programme 1: Administration	519 599	494 370	5 347	20 748	1 482	95,14	471
Programme 2: Citizen Affairs	1 972 865	1 975 671	46	1 698	10 003	100,14	319
Programme 3: Immigration Affairs	705 712	722 529	0	3 145	131 703	102,38	346
Total as on financial systems (BAS)	3 198 176	3 192 570	5 393	25 591	143 188	99,82	342

Table 3.1.2 Personnel costs by salary band for the period 01 April 2017 to 31 March 2018

Salary band	Personnel expenditure including transfers (R'000)	% of total personnel cost	Average personnel cost per employee (R'000)	Number of employees
Skilled (Levels 3-5)	135 076	4,23	202,82	666
Highly skilled production (Levels 6-8)	2 399 219	75,15	310	7 733
Highly skilled supervision (Levels 9-12)	502 147	15,73	641	783
Senior management (Levels 13-16)	156 100	4,89	1 069	146
Contract (Levels 3-5)	13	0	1	24
Contract (Levels 6-8)	3	0	0	0
Contract (Levels 9-12)	5	0	0	0
Contract (Levels 13-16)	7	0	0	0
Periodical Remuneration	0	0	0	0
Total	3 192 570	100	341	9 352

Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 01 April 2017 to 31 March 2018

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel cost	Amount (R'000)	Overtime as a % of personnel cost	Amount (R'000)	HOA as a % of personnel cost	Amount (R'000)	Medical aid as a % of personnel cost
Programme 1: Administration	353 315	11,07	1 666	0,05	13 331	0,42	19 398	0,61
Programme 2: Citizen Affairs	1 419 904	44,48	3 874	0,12	82 254	2,58	134 962	4,23
Programme 3: Immigration Affairs	498 475	15,61	12 404	0,39	26 943	0,84	45 752	1,43
Total	2 271 694	71,16	17 944	0,56	122 528	3,84	200 112	6,27

Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 01 April 2017 to 31 March 2018

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel cost	Amount (R'000)	Overtime as a % of personnel cost	Amount (R'000)	HOA as a % of personnel cost	Amount (R'000)	Medical aid as a % of personnel cost
Skilled (Levels 3-5)	91 564	2,87	375	0,01	8 889	0,28	12 150	0,38
Highly skilled production (Levels 6-8)	1 694 700	53,08	15 317	0,48	103 366	3,24	171 184	5,36
Highly skilled supervision (Levels 9-12)	367 432	11,51	2 085	0,07	8 435	0,26	15 495	0,49
Senior management (Levels 13-16)	94 890	2,97	0	0	1 833	0,06	1 265	0,04
Contract (Levels 3-5)	11 200	0,35	167	0,01	0	0	0	0
Contract (Levels 6-8)	2 483	0,08	0	0	0	0	0	0
Contract (Levels 9-12)	4 188	0,13	0	0	5	0	18	0
Contract (Levels 13-16)	5 237	0,16	0	0	0	0	0	0
Periodic remuneration	0	0	0	0	0	0	0	0
Total	2 271 694	71,16	17 944	0,56	122 528	3,84	200 112	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 that are additional to the establishment.

This information is presented in terms of three key variables:

- programme
- salary band
- 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 2018

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Programme 1: Administration	1 140	1 050	7,89	3
Programme 2: Citizen Affairs	6 455	6 191	4,09	20
Programme 3: Immigration Affairs	2 189	2 087	4,66	1
Total	9 784	9 328	4,66	24

Table 3.2.2 Employment and vacancies by salary band as at 31 March 2018

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Skilled (Levels 3-5)	695	666	4,17	0
Highly Skilled Production (Levels 6-8)	8 031	7 733	3,71	0
Highly Skilled Supervision (Levels 9-12)	845	783	7,34	0
Senior Management (Levels 13-16)	177	146	17,51	0
Contract (Levels 3-5)	36	0	100	24
Contract (Levels 6-8)	0	0	0	0
Contract (Levels 9-12)	0	0	0	0
Contract (Levels 13-16)	0	0	0	0
Total	9 784	9 328	4,66	24

Table 3.2.3 Employment and vacancies by salary band as at 31 March 2018

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Identification experts	253	247	2,37	0
IT related	33	31	6,06	0
Legal related	17	14	17,65	0
Other IT personnel	121	111	8,26	0
Regulatory inspectors	2 061	1 987	3,59	0
Total	2 485	2 390	3,80	0

Notes

The CORE classification, as prescribed by the DPSA, should be used for completion of this table.

Critical occupations are defined as occupations or sub-categories within an occupation –

- 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;
- 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;

- where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and
- 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 senior management service by salary level. It also provides information on 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 2018

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
DG/ Head of Department	1	1	100	0	0
Salary Level 16	2	2	100	0	0
Salary Level 15	11	7	63,64	4	36,36
Salary Level 14	42	35	83,33	7	16,67
Salary Level 13	121	101	83,47	20	16,53
Total	177	146	82,49	31	17,51

Table 3.3.2 SMS post information as at 30 September 2017

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
DG/ Head of Department	1	1	100	0	0
Salary Level 16	3	3	100	0	0
Salary Level 15	10	5	50,00	5	50,00
Salary Level 14	41	30	73,17	11	26,83
Salary Level 13	120	98	81,67	22	18,33
Total	175	137	78,29	38	21,71

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2017 to 31 March 2018

SMS Level	Advertising	Filling of posts	
	Number of vacancies per level advertised in 6 months of becoming vacant	Number of vacancies per level filled in 6 months of becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months
DG/ Head of Department	0	0	0
Salary Level 16	0	0	0
Salary Level 15	0	0	0
Salary Level 14	5	0	5
Salary Level 13	14	0	14
Total	19	0	19

Table 3.3.4 Reasons for not having complied with the filling of funded vacant SMS - Advertised within 6 months and filled within 12 months for the period 01 April 2017 to 31 March 2018

Reasons for vacancies not advertised within six months
Not applicable

Reasons for vacancies not filled within 12 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 time frames.

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 2017 to 31 March 2018

Reasons for vacancies not advertised within six months
Not applicable

Reasons for vacancies not filled within 12 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

4.4 JOB EVALUATION

Within a nationally determined framework, executing authorities may evaluate or re-evaluate any job in his or her 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 2017 to 31 March 2018

Salary band	Number of posts on approved establishment	Number of jobs evaluated	& of posts evaluated by salary band	Posts upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Skilled (Levels 3-5)	695	0	0	0	0	0	0
Highly Skilled Production (Levels 6-8)	8 031	0	0	0	0	0	0
Highly Skilled Supervision (Levels 9-12)	845	0	0	0	0	0	0
SMS Band A	121	0	0	0	0	0	0
SMS Band B	42	0	0	0	0	0	0
SMS Band C	11	0	0	0	0	0	0
SMS Band D	3	0	0	0	0	0	0
Contract (Levels 3-5)	36	0	0	0	0	0	0
Total	9 784	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 2017 to 31 March 2018

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	0	0	0	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 2017 to 31 March 2018

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Administrative related	5	9	10	PSCBC Resolution
Administrative related	4	11	12	PSCBC Resolution
Bus and heavy vehicle drivers	1	7	8	Grade progression
Cashiers tellers and related clerks	3	5	7	Grade progression
Communication and information related	1	11	12	PSCBC Resolution
Finance and economics related	2	9	10	PSCBC Resolution
Finance and economics related	1	11	12	PSCBC Resolution
Financial and related professionals	1	7	8	Grade progression
Financial and related professionals	7	9	10	PSCBC Resolution
Financial and related professionals	8	11	12	PSCBC Resolution
Financial clerks and credit controllers	3	6	7	Grade progression
Human resources & organisational development & related professional	25	9	10	PSCBC Resolution
Human resources & organisational development & related professional	1	11	12	PSCBC Resolution
Human resources clerks	1	6	7	Grade progression
Human resources clerks	1	7	8	Grade progression
Human resources clerks	5	9	10	PSCBC Resolution
Human resources clerks	9	11	12	PSCBC Resolution
Identification experts	2	6	7	Grade progression
IT related	19	11	12	PSCBC Resolution
Language practitioners interpreters & other communication	4	9	10	PSCBC Resolution
Language practitioners interpreters & other communication	5	11	12	PSCBC Resolution
Library mail and related clerks	2	6	7	Grade progression
Logistical support personnel	1	9	10	PSCBC Resolution
Material-recording and transport clerks	1	6	7	Grade progression
Other administrative & related clerks and organisers	322	6	7	Grade progression

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Other administrative & related clerks and organisers	19	7	8	Grade progression
Other administrative policy and related officers	3	6	7	Grade progression
Other administrative policy and related officers	9	7	8	Grade progression
Other administrative policy and related officers	1	8	10	Structural amendment
Other administrative policy and related officers	55	9	10	PSCBC Resolution
Other administrative policy and related officers	36	11	12	PSCBC Resolution
Other IT personnel	47	9	10	PSCBC Resolution
Regulatory inspectors	42	6	7	Grade progression
Secretaries & other keyboard operating clerks	4	6	7	Grade progression
Secretaries & other keyboard operating clerks	2	7	8	Grade progression
Secretaries & other keyboard operating clerks	3	9	10	PSCBC Resolution
Security officers	31	9	10	PSCBC Resolution
Security officers	15	11	12	PSCBC Resolution
Total number of employees whose salaries exceeded the level determined by job evaluation				701
Percentage of total employed				7,16

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 2017 and 31 March 2018

Gender	African	Coloured	Asian	White	Total
Female	254	26	3	150	433
Male	214	13	5	36	268
Total	468	39	8	186	701
Employees with a disability	4	2	1	7	14

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 01 April 2017 to 31 March 2018

Salary band	Number of employees at beginning of period- 01 April 2017	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)	680	48	36	5,3
Highly Skilled Production (Levels 6-8)	7 709	332	290	3,8
Highly Skilled Supervision (Levels 9-12)	747	31	34	4,6
SMS Band A	103	11	11	10,7
SMS Band B	32	1	5	15,6
SMS Band C	8	0	2	25,0
SMS Band D	3	3	3	100,0
Contract (Levels 3-5)	316	45	326	103,2
Contract (Levels 6-8)	10	71	14	140,0
Contract (Levels 9-12)	8	7	11	137,5
Contract Band A	4	4	3	75,0
Contract Band B	1	3	2	200,0
Contract Band C	2	3	2	100,0
Contract Band D	0	1	1	0
Total	9 623	560	740	7,7

Table 3.5.2 Annual turnover rates by critical occupation for the period 01 April 2017 to 31 March 2018

Critical occupation	Number of employees at beginning of period- 01 April 2017	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Administrative related	31	7	4	12,9
Building and other property caretakers	32	1	2	6,3
Bus and heavy vehicle drivers	105	1	3	2,9
Cashier tellers and related clerks	143	10	7	4,9
Cleaners in offices workshops hospitals, etc.	336	25	17	5,1
Client inform clerks (switchboard reception inform clerks)	18	2	2	11,1
Communication and information related	2	0	0	0
Computer programmers	0	0	0	0
Finance and economics related	10	0	1	10,0
Financial and related professionals	82	1	2	2,4
Financial clerks and credit controllers	154	16	123	79,9
Food service aid and waiter	2	0	1	50,0
Head of department/chief executive officer	1	0	0	0
Human resources & organisational development & related professionals	95	1	2	2,1
Human resources clerks	65	1	3	4,6
Human resources related	23	2	3	13,0
Identification experts	252	0	3	1,2
IT related	25	4	1	4,0
Language practitioners interpreters & other communication	12	0	0	0
Legal related	15	0	1	6,7
Library mail and related clerks	63	4	4	6,3
Light vehicle drivers	37	10	6	16,2
Logistical support personnel	25	5	3	12,0
Material - recording and transport clerks	1	0	0	0,0
Messenger porters and deliverers	5	0	2	40,0

Critical occupation	Number of employees at beginning of period- 01 April 2017	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Other administration & related clerks and organisers	4 547	226	364	8,0
Other administrative policy and related officers	1 004	17	52	5,2
Other IT personnel	109	10	5	4,6
Other occupations	2	1	0	0,0
Regulatory inspectors	1 938	188	83	4,3
Secretaries & other keyboard operating clerks	129	2	8	6,2
Security guards	54	0	2	3,7
Security officers	156	1	7	4,5
Senior managers	149	25	29	19,5
Trade labourers	1	0	0	0,0
Total	9 623	560	740	7,7

Notes

The Core classification, as prescribed by the DPSA, should be used for completion of this table.

Critical occupations are defined as occupations or sub-categories within an occupation –

- 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;
- 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;
- where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and
- 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 2017 to 31 March 2018

Termination type	Number	% of Total resignations
Death	44	5,95
Resignation	162	21,89
Expiry of contract	331	44,73
Transfers	43	5,81
Discharged due to ill health	4	0,54
Dismissal – misconduct	58	7,84
Retirement	98	13,24
Total	740	100
Total number of employees who left as a percentage of total employment	8,00	

Table 3.5.4 Promotions by critical occupation for the period 01 April 2017 to 31 March 2018

Occupation	Employees at 01 April 2017	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progressions as a % of employees by occupation
Identification experts	252	3	1,19	0	0
IT related	25	3	12,00	0	0
Legal-related	15	2	13,33	1	100
Other IT personnel	109	8	7,34	0	0
Regulatory inspectors	1938	36	1,86	0	0
Total	2 339	52	2,22	1	100

Table 3.5.5 Promotions by salary band for the period 1 April 2017 to 31 March 2018

Salary band	Employees at 01 April 2017	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within salary level	Notch progressions as a % of employees by salary bands
Lower skilled (Levels 1-2)	0	0	0	0	0
Skilled (Levels 3-5)	680	1	0,15	0	0
Highly skilled production (Levels 6-8)	7 709	195	2,53	0	0
Highly skilled supervision (Levels 9-12)	747	54	7,23	1	100
Senior management (Levels 13-16)	103	6	5,83	0	0
Contract (Levels 3-5)	103	0	0	0	0
Contract (Levels 6-8)	32	0	0	0	0
Contract (Levels 9-12)	8	0	0	0	0
Contract (Levels 13-16)	3	0	0	0	0
Total	9 385	256	2,73	1	100

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 2018

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Clerks	1 427	100	18	40	2 900	229	33	266	5 013
Labourers and related workers	101	6	0	0	252	15	1	0	375
Plant and machine operator and assembler	130	7	0	1	9	0	0	0	147
Professionals	157	13	1	8	169	9	3	16	376
Senior officials and managers	60	8	3	8	54	1	4	8	146
Service shop and market sales work	1 074	87	10	55	880	58	7	23	2 194
Technicians and associate professionals	428	27	12	25	504	34	14	57	1 101
Total	3 377	248	44	137	4 768	346	62	370	9 352
Employees with disabilities	72	7	1	8	60	4	1	10	163

Table 3.6.2 Total number of employees (including employees with disabilities) in each of the occupational bands as at 31 March 2018

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	3	1	0	1	1	0	1	0	7
Senior management	53	6	2	6	51	1	3	8	130
Professionally qualified and experienced specialists and mid-management	336	27	13	31	254	21	8	31	721
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendent	2 746	193	26	94	4 064	290	49	321	7 783
Semi-skilled and discretionary decision making	226	20	0	4	369	34	1	10	664
Contract (top management)	2	1	0	0	0	0	0	0	3
Contract (senior management)	2	0	1	1	2	0	0	0	6
Contract (professionally qualified)	0	0	2	0	1	0	0	0	3
Contract (skilled technical)	3	0	0	0	6	0	0	0	9
Contract (semi-skilled)	6	0	0	0	20	0	0	0	26
Total	3 377	248	44	137	4 768	346	62	370	9 352

Table 3.6.3 Recruitment for the period 01 April 2017 to 31 March 2018

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	1	0	0	0	2	0	0	0	3
Senior management	2	0	0	0	9	1	0	0	12
Professionally qualified and experienced specialists and mid-management	8	0	0	0	8	1	0	0	17
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendent	158	24	2	1	129	26	7	3	350
Semi-skilled and discretionary decision making	19	1	0	0	21	2	1	0	44
Contract (top management)	4	0	0	0	0	0	0	0	4
Contract (senior management)	3	0	0	0	4	0	0	0	7
Contract (professionally qualified)	0	0	1	0	0	0	0	0	1
Contract (skilled technical)	33	0	0	0	44	0	0	0	77
Contract (semi-skilled)	13	0	0	0	32	0	0	0	45
Total	241	25	3	1	249	30	8	3	560
Employees with disabilities	7	0	1	0	0	0	0	0	8

Table 3.6.4 Promotions for the period 01 April 2017 to 31 March 2018

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	1	0	0	0	1
Senior Management	3	0	1	0	0	0	0	1	5
Professionally qualified and experienced specialists and mid-management	20	1	0	0	17	4	0	0	42
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendent	75	4	0	4	99	11	4	10	207
Semi-skilled and discretionary decision making	1	0	0	0	0	0	0	0	1
Contract (Senior Management)	0	0	0	0	0	0	0	0	0
Contract (Professionally qualified)	0	0	0	0	0	0	0	0	0
Contract (Skilled technical)	0	0	0	0	0	0	0	0	0
Contract (Semi-skilled)	0	0	0	0	0	0	0	0	0
Total	99	5	1	4	117	15	4	11	256
Employees with disabilities	4	0	0	1	2	0	0	0	7

Table 3.6.5 Terminations for the period 01 April 2017 to 31 March 2018

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	3	0	0	0	2	0	0	0	5
Senior Management	8	0	0	0	6	1	1	0	16
Professionally qualified and experienced specialists and mid-management	16	1	0	1	13	1	1	1	34
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendent	114	9	1	7	124	10	0	25	290
Semi-skilled and discretionary decision making	12	0	0	0	21	2	0	1	36
Contract (Top Management)	3	0	0	0	0	0	0	0	3
Contract (Senior Management)	2	0	0	0	3	0	0	0	5
Contract (Professionally qualified)	2	0	2	0	7	0	0	0	11
Contract (Skilled technical)	131	5	0	0	196	5	0	0	337
Contract (Semi-skilled)	2	0	0	0	1	0	0	0	3
Total	293	15	3	8	373	19	2	27	740
Employees with disabilities	3	0	0	0	2	1	0	0	6

Table 3.6.6 Disciplinary action for the period 01 April 2017 to 31 March 2018

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Corrective counselling	0	2	0	0	1	0	0	1	4
No outcome	4	0	0	0	2	0	0	0	6
Resignation prior to hearing conclusion	6	1	0	0	4	0	0	0	11
Suspended without payment	4	0	0	0	5	1	0	0	10
Discharged in terms of section 17	1	0	0	0	2	0	0	0	3
Written warning	3	0	0	0	0	0	0	0	3
Final written warning	7	0	0	0	4	0	0	0	11
Final written warning plus counselling	0	1	0	0	1	0	0	1	3
Dismissal	14	0	0	0	13	0	0	0	27
Total	39	4	0	0	32	1	0	2	78

Table 3.6.7 Skills development for the period 01 April 2017 to 31 March 2018

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	18	6	2	4	8	3	1	2	44
Professionals	25	9	2	4	25	8	3	5	81
Technicians and associate professionals	409	56	10	26	326	15	5	15	862
Clerks	299	9	3	7	461	25	8	20	832
Service and sales workers	16	0	0	0	18	0	0	0	34
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trade workers (labourers and related workers)	22	0	0	0	59	1	0	0	82
Plant and machine operators and assemblers	14	0	0	0	0	0	0	0	14
Elementary occupations	23	0	0	0	0	68	0	0	91
Employees with disabilities	8	0	0	2	7	1	1	1	20
Total	826	80	17	41	897	120	17	42	2040

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 is presented here.

Table 3.7.1 Signing of performance agreements by SMS members as at 31 May 2017

SMS level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as a % of total number of SMS members
DG/ Head of Department	1	1	1	100
Salary Level 16	2	2	0	0
Salary Level 15	7	7	7	100
Salary Level 14	36	36	36	100
Salary Level 13	122	122	122	100
Total	168	168	166	98,81

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 2017.

Table 3.7.2 Reasons for not having concluded performance agreements for all SMS members as at 31 May 2017

Reasons
Minister and Deputy Minister are political appointments, and therefore not applicable

Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded performance agreements as at 31 May 2017

Reasons
Not applicable

Notes

The reporting date in the heading of this table should be aligned with that of Table 3.7.1.

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.

Table 3.8.1 Performance rewards by race, gender and disability for the period 01 April 2017 to 31 March 2018

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African, Female	701	4 768	14,70	4 444	6 340
African, Male	450	3 377	13,30	3 342	7 427
Asian, Female	10	62	16,10	81	8 120
Asian, Male	6	44	13,60	55	9 107
Coloured, Female	64	346	18,50	401	6 265
Coloured, Male	50	248	20,20	365	7 289
Total Blacks, Female	775	5 176	15,00	4 926	6 357
Total Blacks, Male	506	3 669	13,80	3 762	7 434
White, Female	90	370	24,30	671	7 458
White, Male	16	137	11,70	173	10 803
Employees with a disability	18	163	11,00	119	6 630
Total	1 387	9 352	14,80	9 532	6 872

Table 3.8.2 Performance Rewards by salary band for personnel below SMS for the period 01 April 2017 to 31 March 2018

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Cost (R'000)	Average cost per beneficiary	
Skilled (Levels 3-5)	91	664	13,70	326	3 583	0,01
Highly Skilled Production (Levels 6-8)	1 104	7 727	14,30	6 420	5 815	0,20
Highly Skilled Supervision (Levels 9-12)	191	777	24,60	2 684	14 054	0,08
Contract (Levels 3-5)	0	26	0	0	0	0
Contract (Levels 6-8)	0	6	0	0	0	0
Contract (Levels 9-12)	0	6	0	0	0	0
Total	1 386	9 206	15,10	9 430	6 804	0,30

Table 3.8.3 Performance Rewards by critical occupation for the period 01 April 2017 to 31 March 2018

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Cost (R'000)	Average cost per employee
Administrative related	10	50	20,00	135	13 538
Building and other property caretakers	0	30	0	0	0
Bus and heavy vehicle drivers	13	105	12,40	84	6 454
Cashiers tellers and related clerks	27	136	19,90	175	6 474
Cleaners in offices workshops hospital etc	46	339	13,60	140	3 044
Client inform clerks (switchboard receipt inform clerks)	3	18	16,70	13	4 274
Communication and information related	1	2	50,00	22	21 788
Finance and economics related	3	9	33,30	31	10 127
Financial and related professionals	24	83	28,90	223	9 307
Financial clerks and credit controllers	10	38	26,30	51	5 132
Food service aids and waiters	0	1	00	0	0
Head of Department/Chief Executive Officer	0	1	0	0	0
Human resources & organisational development & related professionals	15	88	17,00	186	12 422
Human resources clerks	6	64	9,40	37	6 135
Human resources related	3	26	11,50	55	18 417

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Cost (R'000)	Average cost per employee
Identification experts	44	247	17,80	246	5 591
IT related	5	31	16,10	723	14 495
Language practitioners interpreters & other communication	2	12	16,70	30	14 828
Legal related	6	14	42,90	115	19 136
Library mail and related clerks	11	58	19,00	60	5 460
Light vehicle drivers	5	41	12,20	21	4 274
Logistical support personnel	11	26	42,30	89	8 062
Material-recording and transport clerks	0	1	0	0	0
Messengers porters and delivers	0	3	0	0	0
Other administration & related clerks and organisers	655	4 347	15,10	3 494	5 335
Other administrative policy and related officers	200	1 014	19,70	2 075	10 373
Other IT personnel	31	111	27,90	296	9 562
Other occupations	0	2	0	0	0
Regulatory inspectors	191	1987	9,60	1 224	6 406
Secretaries & other keyboard operating clerks	34	123	27,60	228	6 706
Security guards	5	50	10,00	15	3 016
Security officers	25	152	16,40	313	12 508
Senior managers	1	142	0,70	102	101 915
Trade labourers	0	1	0	0	0
Total	1 387	9 352	4,80	9 532	6 872

Notes

- The CORE classification, as prescribed by the DPSA, should be used for completion of this table.
- Critical occupations are defined as occupations or sub-categories 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 01 April 2017 to 31 March 2018

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total with salary bands	Total Cost (R'000)	Average cost per employee	
Band A	0	101	0	0	0	0
Band B	0	35	0	0	0	0
Band C	1	7	14,30	102	101 915	3,19
Band D	0	3	0	0	0	0
Total	1	146	0,70	102	101 915	3,19

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 01 April 2017 to 31 March 2018

Salary band	01 April 2017		31 March 2018		Change	
	Number	% of total	Number	% of total	Number	% of change
Highly skilled supervision (Levels 9-12)	1	100	1	100	0	0
Total	1	100	1	100	0	0

Table 3.9.2 Foreign workers by major occupation for the period 01 April 2017 to 31 March 2018

Major occupation	01 April 2017		31 March 2018		Change	
	Number	% of total	Number	% of total	Number	% of 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 01 January 2017 to 31 December 2017

Salary band	Total days	% days with medical certification	Number of employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated cost (R'000)
Lower skilled (Levels 1-2)	0	0	0	0	0	0
Skilled (Levels 3-5)	5 378	30,80	599	100	9	3 767
Highly skilled production (Levels 6-8)	67 982	31,70	7 211	100	9	76 289
Highly skilled supervision (Levels 9-12)	5 014	27,40	658	100	8	12 275
Senior management (Levels 13-16)	686	29,70	107	100	6	2 643
Contract (Levels 3-5)	832	28,20	216	100	4	266
Contract (Levels 6-8)	28	14,30	6	100	5	35
Contract (Levels 9-12)	48	22,90	7	100	7	133
Contract (Levels 13-16)	8	25,00	4	100	2	34
Total	79 976	31,30	8 808	100	9	95 441

Table 3.10.2 Disability leave (temporary and permanent) for the period 01 January 2017 to 31 December 2017

Salary band	Total days	% days with medical certification	Number of employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated cost (R'000)
Highly skilled production (Levels 6-8)	10 491	11,30	460	100	23	12 165
Highly skilled supervision (Levels 9-12)	1 466	4,60	34	100	43	3 839
Senior management (Levels 13-16)	53	13,20	4	100	13	209
Skilled (Levels 3-5)	2 164	6,20	55	100	39	1 494
Total	14 174	9,80	553	100	26	17 707

The table below summarises the utilisation of annual leave. The wage agreement concluded with trade unions in the PSCBC in 2000 requires management.

Table 3.10.3 Annual leave for the period 01 January 2017 to 31 December 2017

Salary band	Total days taken	Number of employees using annual leave	Average per employee
Contract (Levels 13-16)	62	8	8
Contract (Levels 3-5)	3 324	325	10
Contract (Levels 6-8)	124	12	10
Contract (Levels 9-12)	131	12	11
Highly skilled production (Levels 6-8)	193 275,29	7 828	25
Highly skilled supervision (Levels 9-12)	20 018,92	771	26
Lower skilled (Levels 1-2)	0	0	0
Senior management (Levels 13-16)	3 578,25	146	25
Skilled (Levels 3-5)	17 008,92	689	25
Total	237 522,38	9 791	24

Table 3.10.4 Capped leave for the period 01 January 2017 to 31 December 2017

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 at end of period
Contract (Levels 13-16)	0	0	0	0
Contract (Levels 3-5)	0	0	0	0
Contract (Levels 6-8)	0	0	0	0
Contract (Levels 9-12)	0	0	0	0
Highly skilled production (Levels 6-8)	672,59	91	7	49
Highly skilled supervision (Levels 9-12)	239	29	8	56
Senior management (Levels 13-16)	0	0	0	43
Skilled (Levels 3-5)	6	5	1	48
Total	917,59	125	7	50

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 01 April 2017 to 31 March 2018

Reason	Total amount (R'000)	Number of employees	Average payment per employee (R'000)
Leave payout for 2017/2018 due to non-utilisation of leave for the previous cycle	179	2	89
Capped leave payouts on termination of service for current financial year	12,800	154	83
Current leave payout on termination of service for current financial year	166	37	5
Total	13 145	193	68

3.11 HIV/AIDS & HEALTH PROMOTION PROGRAMMES

Table 3.11.1 Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
None	Not applicable

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 the funding thereof remains a problem due to the cost of employee budget constraints. A Deputy Director has in the meantime been appointed to act.
2. Does the department have a dedicated unit or have you designated specific staff members to promote 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 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 R 2 922 000,00.
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of the programme.	X		Hybrid Model: External service provider ICAS: Counselling, Trauma de-briefing, 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 are accessible to employees. Internal services: Work place based interventions: Quality of work life Management Sub-directorate.



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/services of the programme.</p>	X		<p>Health Calendar events conducted & 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:</p> <p>February: Sexually Transmitted Infection (STI) & Condom week awareness conducted.</p> <p>March: TB & promotion of healthy lifestyles and sports day conducted.</p> <p>April: Healthy lifestyle awareness, health screening and HIV awareness conducted.</p> <p>May: Know your HIV status campaign and candle-light memorial day conducted.</p> <p>June: Blood screening and blood donation clinic, substance abuse awareness and sports day conducted.</p> <p>July: Men's health day: Prostate cancer and Medical Male Circumcision awareness conducted.</p> <p>August: Choir competitions held.</p> <p>September: Heart, Mental health awareness and sports day conducted.</p> <p>October: Women's health day: Breast and Cervical cancer education conducted.</p> <p>November: Red Ribbon awareness campaigns conducted.</p> <p>December: World Aids Day & 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 & Healthy lifestyle brochures distributed, male & 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 lifestyles 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, parenting, etc).</p> <p>f) 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 (DG).</p>

Question	Yes	No	Details, if yes
<p>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.</p>	X		<p>91 DHA employees representing all the provinces were appointed as Employee Wellness Committee members and trained as HIV/ Aids Peer educators. 5-8 employees per Province, including the national Office. Their names are as follows:</p> <p>National office: J. Mathane, J. Mmekwa, M.Tlou, K. Siko, M. Molefe, D. Moabelo, M. Kobo, T. Sekhu, S. Phasha, S. Sibanyoni, L. Khoza, N. Masanabo, J. Ramalekana.</p> <p>North West Province: P. Masilela, T. Tlhone, L. Gaolae, L. Makhamba, SM Mogapi, KI Mathobela, ET Kolokoto.</p> <p>Free State Province: D. Moholo, T. Sebueng, M. Lepitsi, T. Khobotlo, I. Matona, D. Louw, P. Mohlabane, QM Justina, M. Mosoeu.</p> <p>Gauteng Province: M. Netshifhefhe, E. Motsiri, S. Sambo, N. Nkanyani, L. Molantoa, M. Mbebe, J. Segone, F. Bam, J. Hlalele, M. Kgosinaga, T. Gabayi.</p> <p>Limpopo Province: M. Nkanyane, PM Mashita, KM Komape, MR Komape, DW Ragolane, PC Madzivhandila, TJ Mudau, PI Moleba, MK Mabokelwa.</p> <p>Western Cape Province: N. Madolo, S.Mathiso, Z. Ndukwana, S. Mayekiso, N. Mtimkhulu.</p> <p>Eastern Cape Province: T. Sajini, P. Maeselana-Ndungane, S.Timakwe.</p> <p>Mpumalanga Province: Z. Mahlangu, G. Mashiane, T. Lusibane, M.Maluleke, M. Sibiya-Nhlambo, P. Mashishi, N. Masilela, T. Gazide, BJ Mnguni.</p> <p>Northern Cape Province: L Hlophe, E. Pretorius, M. Malinga, BM Maroane, NE Nel, TJ Selometsi.</p> <p>KwaZulu-Natal Province: S. Mofokeng, N. Ndlovu, N. Mhlongo, B. Gabela, P. Nduli, S. Mbanjwa, S. Cebekhulu, M. Masondo, S. Zondo.</p> <p>Ports of entry: R. Msinga, R. Mtungwa, TR Mosenogi, LT Montasi, A. Phelehu, PS Mabuza, TY Makhoba, LP Sibiya, NG Mkhondo, M. Tyhotyho, N. Vundla, V. Sunputh.</p> <p>All the above mentioned committee members will serve their 3 year term of office from 2018 to 2021.</p>
<p>5. Has the department reviewed the employment policies and practices of your department 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.</p>	X		<p>a) DHA HIV/ STI/ TB and Gender Rights Based Management Plan 2017-2018 (DHA Annual Plan signed by the director-general and submitted to the DPSA & Office of the Presidency).</p> <p>b) DHA HIV /STI/ TB Management Policy Developed.</p> <p>c) Wellness Management Policy.</p> <p>d) Health and Productivity Policy.</p> <p>e) SHERQ.</p> <p>f) HIV Aids Peer Education Programme implemented.</p> <p>g) Ongoing HIV/STI/TB education, awareness sessions conducted.</p>

Question	Yes	No	Details, if yes
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		<p>a) DHA HIV/ STI/ TB and Gender Rights Based Management Plan 2017-2018 - Annual Plan signed by the DG and submitted to the DPSA & Office of the Presidency: emphasises the protection of human rights, destigmatisation toward HIV-Positive employees, ongoing education about voluntary counselling and testing and voluntary disclosure.</p> <p>b) Annual EWP Operational Plan with HIV/ STI/ TB activities as set targets and compliance areas.</p> <p>c) HIV / Aids Peer Education Programme implemented: 1 meeting held per quarter, information sharing sessions conducted on monthly basis by peer educators, and monthly reports submitted to head office.</p> <p>d) 5 employees disclosed their status to EWP. Among them, one employee disclosed publicly to all employees of DHA. Ongoing care and support is provided to all.</p>
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	X		<p>a) Quarterly Voluntary HIV Counselling and Testing conducted by Gems: 580 employees tested, 576 employees tested negative, four employees tested positive. All enrolled to ARV clinics. 1 disclosed her status to the public and she is also an HIV Peer Educator.</p> <p>b) Quarterly health screenings conducted by Gems: 997 employees tested for Blood pressure, Blood sugar, BMI, and Cholesterol.</p> <p>c) 39 912 male condoms, 1 550 female condoms; 9 000 HIV/ STI/ TB, chronic illnesses and healthy living lifestyles brochures and desk drop calendars distributed.</p> <p>d) Blood Screening & Blood Donation Clinics after every 8 weeks: 446 regular blood donors screened blood, and 228 donated blood where 218 employees were declined due to various reasons, such as: low iron levels, being on antibiotics, operations undertaken, etc. 51 employees attended blood education.</p>
8. Has the department developed measures/indicators to monitor & evaluate the impact of your health promotion programme? If so, list these measures/indicators.	X		<p>a) Developed and submitted a costed operational plan with monthly, quarterly and annual targets.</p> <p>b) Monthly, quarterly and annual reports done and submitted with evidence of attendance registers, reports from Gems and ICAS Wellness service provider. 8 775 employees attended the calendar events awareness sessions, 580 employees tested for HIV, 576 tested negative and four tested positive, 997 employees tested for health screening: blood sugar, blood pressure, cholesterol, and BMI.</p> <p>c) Analysed Gems and ICAS reports and developed intervention programmes in the form of educational and awareness sessions.</p> <p>d) Annual EWP Health Calendar of events incorporated into DHA yearly planner.</p> <p>e) Minutes and reports with recommendations from Peer educators and SHE representatives submitted and incorporated into monthly and quarterly reports of the department.</p>

3.12 LABOUR RELATIONS

Table 3.12.1 Collective agreements for the period 01 April 2017 to 31 March 2018

Subject matter	Date
Working hours arrangements	15 June 2017

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 01 April 2017 to 31 March 2018

Outcome of disciplinary hearings	Number	% of total
Corrective counselling	4	5,13
No outcome	17	21,79
Suspended without payment	10	12,82
Dismissal	27	34,62
Written warning	3	3,85
Final written warning	14	17,95
Discharged in terms of section 17	3	3,85
Total	78	100

Table 3.12.3 Types of misconduct addressed and disciplinary hearings for the period 01 April 2017 to 31 March 2018

Type of misconduct	Number	% of total
Fails to comply with or contravenes an Act	42	9,91
Reg 20(Q) contravenes code of conduct in public service	0	0,00
Steals bribes or commit fraud	282	66,51
Wilfully or negligently mismanages finances	0	0,00
Absenteeism	7	1,65
Abscondment	4	0,94
Gross negligence	41	9,67
Gross dishonesty	42	9,91

Type of misconduct	Number	% of total
Assault	2	0,47
Sexual harassment	1	0,24
Theft	3	0,71
Total	424	100

Table 3.12.4 Grievances lodged for the period 01 April 2017 to 31 March 2018

Grievances	Number	% of total
Number grievances resolved	52	68,42
Number grievances not resolved	24	31,58
Total number of grievances lodged	76	100

Table 3.12.5 Disputes lodged with Councils for the period 01 April 2017 to 31 March 2018

Disputes	Number	% of total
Number of disputes upheld	63	81,82
Number of disputes dismissed	14	18,18
Total	77	100

Table 3.12.6 Strike actions for the period 01 April 2017 to 31 March 2018

Total number of persons working days lost	0
Total cost 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 01 April 2017 to 31 March 2018

Number of people suspended	23
Number of people whose suspension exceeded 30 days	23
Average number of days suspended	97,35
Cost of suspension (R'000)	1 068 490,13

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 01 April 2017 to 31 March 2018

Occupational category	Gender	Number of employees as at 1 April 2017	Training needs identified at start of reporting period			
			Learnerships	Skills programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	0	0	355	0	355
Legislators, senior officials and managers	Male	0	0	253	0	253
Professionals	Female	0	0	45	0	45
Professionals	Male	0	0	29	0	29
Technicians and associate professionals	Female	0	0	553	0	553
Technicians and associate professionals	Male	0	0	865	0	865
Clerks	Female	0	0	493	0	493
Clerks	Male	0	0	237	0	237
Service and sales workers	Female	0	0	8	0	8
Service and sales workers	Male	0	0	15	0	15
Skilled agriculture and fishery workers	Female	0	0	0	0	0
Skilled agriculture and fishery workers	Male	0	0	0	0	0
Craft and related trades workers (Labourers and Related Workers)	Female	0	0	0	0	0
Craft and related trades workers (Labourers and Related Workers)	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
Plant and machine operators and assemblers	Male	0	0	1	0	1
Elementary occupations	Female	0	0	76	0	76
Elementary occupations	Male	0	0	31	0	31
Gender sub-totals	Female	0	0	1 530	0	1 530
Gender sub-totals	Male	0	0	1 431	0	1 431
Total		0	0	2 961	0	2 961

Table 3.13.2 Training provided for the period 01 April 2017 to 31 March 2018

Occupational category	Gender	Number of employees as at 1 April 2017	Training needs identified at start of reporting period			
			Learnerships	Skills programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	0	0	14	0	14
Legislators, senior officials and managers	Male	0	0	30	0	30
Professionals	Female	0	0	41	0	41
Professionals	Male	0	0	40	0	40
Technicians and associate professionals	Female	0	0	361	0	361
Technicians and associate professionals	Male	0	0	501	0	501
Clerks	Female	0	0	514	0	514
Clerks	Male	0	0	318	0	318
Service and sales workers	Female	0	0	18	0	18
Service and sales workers	Male	0	0	16	0	16
Skilled agriculture and fishery workers	Female	0	0	0	0	0
Skilled agriculture and fishery workers	Male	0	0	0	0	0
Craft and related trades workers (Labourers and Related Workers)	Female	0	0	60	0	60
Craft and related trades workers (Labourers and Related Workers)	Male	0	0	22	0	22
Plant and machine operators and assemblers	Female	0	0	0	0	0
Plant and machine operators and assemblers	Male	0	0	14	0	14
Elementary occupations	Female	0	0	68	0	68
Elementary occupations	Male	0	0	23	0	23
Gender sub-totals	Female	0	0	1 076	0	1 076
Gender sub-totals	Male	0	0	964	0	964
Total		0	0	2,040	0	2,040



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 01 April 2017 to 31 March 2018

Nature of injury on duty	Number	Percentage of total
Required basic medical attention only	23	88,46
Temporary total disablement	3	11,54
Permanent disablement	0	0
Fatal	0	0
Total	26	100

3.15 UTILISATION OF CONSULTANTS

The following tables relates 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; and
- c. The execution of a specific task which 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 01 April 2017 to 31 March 2018

Project title	Total number of consultants that worked on the project	Duration (work days)	Contract value in Rand
Audit and Risk Management Services	Dependent on assignments	When required	3 417 766.77
Provision of telephonic interpretation services for Refugee Reception Offices, Standing Committee for Refugee Affairs and Refugee Appeal Board for a period of two (2) years	Dependent on interpretation and translation services as required	260	2 283 954.50
Competency assessments	12	When required	665 221.26
Preparation and implementation of a BMA Change Management Strategy	Dependent on assignments	60	1 686 727.37
Advisory consultants	Dependent on assignments	When required	2 381 591.35
Office Refurbishment	Dependent on assignments	When required	8 379 544.52
Health risk manager	1	When required	1 207 395.32
Employee Wellness Services	1	365	1 564 932.67
Resources to implement an integrated justice system for three years	3	260	3 162 994.24
Total		945	24 750 128

Table 3.15.2 Analysis of consultant appointments using appropriated funds, i.t.o. Historically Disadvantaged Individuals for the period 01 April 2017 to 31 March 2018

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

Table 3.15.3 Report on consultant appointments using donor funds for the period 01 April 2017 to 31 March 2018

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

Table 3.15.4 Analysis of consultant appointments using donor funds, i.t.o. Historically Disadvantaged Individuals for the period 01 April 2017 to 31 March 2018

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 01 April 2017 to 31 March 2018

Category	Number of applications received	Number of applications referred to MPSA	Number of applications supported by MPSA	Number of packages approved by department
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
SMS Band A	0	0	0	0
SMS Band B	0	0	0	0
SMS Band C	0	0	0	0
SMS Band D	0	0	0	0
Contract (Levels 3-5)	0	0	0	0
Contract (Levels 6-8)	0	0	0	0
Contract (Levels 9-12)	0	0	0	0
Contract Band A	0	0	0	0
Contract Band B	0	0	0	0
Contract Band C	0	0	0	0
Total	0	0	0	0



PART E: FINANCIAL INFORMATION



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 172 to 250, which comprise the appropriation statement, the statement of financial position as at 31 March 2018, the statement of financial performance, statement of changes in net assets and cash flow statement 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 2018, and its financial performance and cash flows for the year then ended in accordance with Modified Cash Standards (MCS) and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA).

Basis of 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 this auditor's 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) and 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 30 to the financial statements, the corresponding figures for the 31 March 2017 have been restated as a result of an error in the financial statements of the department at, and for the year ended, 31 March 2018.

Uncertainty relating to the future outcome of litigation

8. With reference to note 16 to the financial statements, the department is the defendant in various claims. The department is opposing the claims. The ultimate outcome of the matters cannot presently be determined.

Irregular expenditure

9. As disclosed in note 22 to the financial statements, the irregular expenditure closing balance of R552 962 000 includes an amount of R38 568 000 incurred in total in the 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 239 to 250 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 on it.

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 the accounting officer either intends to liquidate the department or to cease operations, or has 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 the 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 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 this 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 in the annual performance report of the department for the year ended 31 March 2018:

Programmes	Pages in the annual performance report
Programme 2: Civic Services	82 – 90
Programme 3: Immigration Services	91 – 107

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 raise 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

Other matters

21. I draw attention to the matters below.

Achievement of planned targets

22. Refer to the annual performance report on pages 62 to 107 for information on the achievement of planned targets for the year and explanations provided for the under and over achievement of a number of targets.

Adjustment of material misstatements

23. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were on the reported performance information of number of law enforcement operations/inspections conducted to ensure compliance with immigration and departmental legislation of immigration affairs. As management subsequently corrected the misstatements, I did not raise any material findings on the usefulness and reliability of the reported performance information.

Report on the audit of compliance with legislation

Introduction and scope

24. 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.

25. The material findings on compliance with specific matters in key legislations are as follows:

Annual financial statements, performance and annual report

26. I identified material misstatements in the financial statements during the audit. These misstatements were not prevented or detected by the Department's system of internal control. These material misstatements also constitute non-compliance with section 40(1) of the Public Finance Management Act (PFMA). The annual financial statements were adjusted to correct these misstatements

Procurement and contract management

27. Some of the goods and services of a transaction value above R500 000 were procured without inviting competitive bids and deviations were approved by the accounting officer but it was practical to invite competitive bids as required by treasury regulations 16A6.1 and 16A6.4.

Expenditure management

28. Effective and appropriate steps were not taken to prevent irregular expenditure amounting to R34 918 000, as disclosed in note 22 to the annual financial statements, as required by section 38(1) (c)(ii) of the PFMA and treasury regulation 9.1.1. The majority of the irregular expenditure was caused by non-compliance with treasury regulation 16A.6.1 and 16A.6.4.

Other information

29. The 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 and those selected programmes presented in the annual performance report that have been specifically reported in this auditor's report.
30. 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.
31. 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

32. 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 on it. 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

Action plans to address internal control deficiencies

33. Management did not adequately monitor the implementation of action plans to address the internal control deficiencies identified. Management's action plans to address the audit findings and internal control deficiencies identified in previous financial years were executed in a manner that lead to positive outcomes in most of the areas during the current year. It should be noted that there is still a few concerning areas.

Information Technology Governance Framework

34. Information Services vacant positions could not be filled due to lack of funding within the department.
35. ICT steering committee could not convene frequently due to failure to meet quorum stemming from conflicting priorities, some executives have been unable to attend the Committee meetings thus the meetings were postponed or cancelled. There were no escalations to a higher level to assist in enforcing Terms of References requirements.

Financial and performance management

Daily and monthly processing and reconciling of transactions

36. Management did not adequately ensure that daily and monthly processing and reconciling of transactions are effective. There were material adjustments (current assets and current liabilities) to the financial statements and the reported performance information.

Regular, accurate and complete financial and performance reports

37. Management did not adequately prepare accurate and complete financial and performance reports that are supported and evidenced by reliable information, as a result, there were material adjustments (current assets and current liabilities) to the financial statements and reported performance information.

Compliance monitoring

38. The monitoring of compliance with applicable laws and regulations is not effective. As a result, there was material non-compliance relating to procurement and contract management and expenditure management as the department did not take necessary steps to prevent irregular expenditure identified during the audit.



Information Technology system controls

39. Management did not adequately implement formal controls over information technology systems to ensure the reliability of the systems and the availability, accuracy and protection of information.

Other reports

40. 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

41. There were numerous cases noted during the year which are still under investigation.

Auditor-General

Pretoria

31 July 2018



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 this 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 accounting officer
 - 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’s 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 this auditor’s report. However, future events or conditions may cause the department to cease continuing 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, where applicable, related safeguards.



INDEX

Appropriation Statement	173
Notes to the Appropriation Statement	202
Statement of Financial Performance	203
Statement of Financial Position	203
Statement of Changes in Net Assets	204
Cash Flow Statement	204
Accounting Policies	205
Notes to the Annual Financial Statements (including Accounting policies)	213
Annexures	239

APPROPRIATION STATEMENT

FOR THE YEAR ENDED 31 MARCH 2018

Appropriation per programme									
	2017/18							2016/17	
	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									
Programme									
1. Administration	2 731 217	-	(214 791)	2 516 426	2 516 219	207	100.0%	2 222 834	2 210 834
2. Programme 1 Citizen Affairs	4 450 680	-	236 513	4 687 193	4 686 985	208	100.0%	4 787 170	4 786 988
3. Programme 1 Immigration Affairs	1 220 442	-	(21 722)	1 198 720	1 198 475	245	100.0%	1 145 801	1 145 702
Subtotal	8 402 339	-	-	8 402 339	8 401 679	660	100.0%	8 155 805	8 143 524
Statutory Appropriation									
TOTAL	8 402 339	-	-	8 402 339	8 401 679	660	100.0%	8 155 805	8 143 524
Reconciliation with statement of financial performance									
ADD									
Departmental receipts				1 159 278				1 099 536	
NRF Receipts									
Aid assistance									
Actual amounts per statement of financial performance (total revenue)				9 561 617				9 255 341	
ADD									
Aid assistance									
Prior year unauthorised expenditure approved without funding									
Actual amounts per statement of financial performance (total expenditure)						8 401 679		8 143 524	

APPROPRIATION STATEMENT

FOR THE YEAR ENDED 31 MARCH 2018

Appropriation per economic classification									
Economic classification	2017/18							2016/17	
	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	6 888 199	(323 773)	(174 466)	6 389 960	6 389 300	660	100.0%	6 104 670	6 104 389
Compensation of employees	3 198 176	-	(5 606)	3 192 570	3 192 570	-	100.0%	3 069 825	3 069 768
Salaries and wages	2 750 145	(1)	(51 371)	2 698 773	2 698 773	-	100.0%	2 604 200	2 604 200
Social contributions	448 031	1	45 765	493 797	493 797	-	100.0%	465 625	465 568
Goods and services	3 690 023	(323 773)	(168 860)	3 197 390	3 196 730	660	100.0%	3 034 845	3 034 621
Administrative fees	18 331	1 576	3 887	23 794	23 784	10	100.0%	10 002	10 002
Advertising	6 458	2 801	(1 096)	8 163	8 163	-	100.0%	5 742	5 742
Minor assets	32 373	9 221	(28 062)	13 532	13 532	-	100.0%	7 779	7 779
Audit costs: External	25 747	3 000	3 020	31 767	31 767	-	100.0%	31 185	31 185
Bursaries: Employees	2 060	1 734	646	4 440	4 440	-	100.0%	3 063	3 063
Catering: Departmental activities	3 761	2 300	(2 885)	3 176	3 176	-	100.0%	1 709	1 709
Communication	73 720	8 870	(32 427)	50 163	50 163	-	100.0%	81 850	81 725
Computer services	1 401 912	(227 938)	(540 381)	633 593	633 396	197	100.0%	583 387	583 387
Consultants: Business and advisory services	28 543	(38 565)	34 772	24 750	24 750	-	100.0%	39 538	39 538
Legal services	15 166	1 657	75 866	92 689	92 689	-	100.0%	39 925	39 925
Contractors	112 032	(135 195)	325 791	302 628	302 628	-	100.0%	307 856	307 856
Agency and support / outsourced services	43 643	4 755	95 035	143 433	143 188	245	99.8%	132 036	132 036
Entertainment	488	63	(295)	256	256	-	100.0%	204	204
Fleet services	18 396	31 650	44 757	94 803	94 595	208	99.8%	104 904	104 805
Inventory: Clothing material and supplies	20 905	(4 702)	(4 811)	11 392	11 392	-	100.0%	17 441	17 441
Inventory: Other supplies	45	(41)	206	210	210	-	100.0%	41	41
Consumable supplies	12 709	1 802	(6 677)	7 834	7 834	-	100.0%	15 221	15 221
Consumable: Stationery, printing and office supplies	856 927	7 412	72 181	936 520	936 520	-	100.0%	908 528	908 528
Operating leases	273 413	169 144	(35 806)	406 751	406 751	-	100.0%	348 806	348 806
Property payments	432 159	(134 905)	(94 502)	202 725	202 725	-	100.0%	190 074	190 074
Transport provided: Departmental activity	30 057	11 867	(16 385)	25 539	25 539	-	100.0%	21 035	21 035

APPROPRIATION STATEMENT

FOR THE YEAR ENDED 31 MARCH 2018

Appropriation per economic classification									
Economic classification	2017/18							2016/17	
	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	201 327	(53 229)	(45 281)	102 817	102 817	-	100.0%	116 632	116 632
Training and development	4 253	4 380	(3 240)	5 393	5 393	-	100.0%	2 603	2 603
Operating payments	64 317	5 752	(11 536)	58 533	58 533	-	100.0%	51 534	51 534
Venues and facilities	9 735	3 564	(1 042)	12 257	12 257	-	100.0%	12 701	12 701
Rental and hiring	1 546	(746)	(595)	205	205	-	100.0%	1 049	1 049
Transfers and subsidies	1 446 205	1 666	10 623	1 458 494	1 458 494	-	100.0%	1 815 653	1 815 653
Provinces and municipalities	1 780	193	(846)	1 127	1 127	-	100.0%	918	918
Municipalities	1 780	193	(846)	1 127	1 127	-	100.0%	918	918
Municipal bank accounts	1 780	193	(846)	1 127	1 127	-	100.0%	918	918
Departmental agencies and accounts	1 441 127	79	(51)	1 441 155	1 441 155	-	100.0%	1 792 405	1 792 405
Departmental agencies and accounts (non-business entities)	1 441 127	79	(51)	1 441 155	1 441 155	-	100.0%	1 792 405	1 792 405
Households	3 298	1 394	11 520	16 212	16 212	-	100.0%	22 330	22 330
Social benefits	3 298	1 059	10 861	15 218	15 218	-	100.0%	16 324	16 324
Other transfers to households	-	335	659	994	994	-	100.0%	6 006	6 006
Payments for capital assets	67 935	322 107	163 843	553 885	553 885	-	100.0%	235 482	223 482
Buildings and other fixed structures	50 115	(47 651)	58 447	60 911	60 911	-	100.0%	112 628	112 628
Buildings	50 115	(47 651)	58 444	60 908	60 908	-	100.0%	112 628	112 628
Other fixed structures	-	-	3	3	3	-	100.0%	-	-
Machinery and equipment	17 820	247 451	53 579	318 850	318 850	-	100.0%	92 977	81 574
Transport equipment	10 174	28 686	(1 549)	37 311	37 311	-	100.0%	7 282	7 282
Other machinery and equipment	7 646	218 765	55 128	281 539	281 539	-	100.0%	85 695	74 292
Software and other Intangible assets	-	122 307	51 817	174 124	174 124	-	100.0%	29 877	29 280
Total	8 402 339	-	-	8 402 339	8 401 679	660	100.0%	8 155 805	8 143 524

APPROPRIATION STATEMENT

FOR THE YEAR ENDED 31 MARCH 2018

Programme 1: [Administration]									
2017/18								2016/17	
	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
Sub programme									
1. Ministry	37 208	-	(8 575)	28 633	28 633	-	100.0%	36 905	36 905
2. Management Support Services	180 041	(346)	73 822	253 517	253 517	-	100.0%	190 478	190 478
3. Corporate Services	863 423	32 730	(168 642)	727 511	727 501	10	100.0%	667 434	667 434
4. Transversal Information Technology Management	1 162 944	346	(67 954)	1 095 336	1 095 139	197	100.0%	819 858	807 858
5. Office Accommodation	487 601	(32 730)	(43 442)	411 429	411 429	-	100.0%	508 159	508 159
Total for sub programmes	2 731 217	-	(214 791)	2 516 426	2 516 219	207	100.0%	2 222 834	2 210 834
Economic classification									
Current payments	2 660 887	(298 266)	(351 049)	2 011 572	2 011 365	207	100.0%	2 000 667	2 000 667
Compensation of employees	626 670	-	(132 300)	494 370	494 370	-	100.0%	481 382	481 382
Salaries and wages	582 566	(1)	(151 905)	430 660	430 660	-	100.0%	421 446	421 446
Social contributions	44 104	1	19 605	63 710	63 710	-	100.0%	59 936	59 936
Goods and services	2 034 217	(298 266)	(218 749)	1 517 202	1 516 995	207	100.0%	1 519 285	1 519 285
Administrative fees	14 438	515	3 983	18 936	18 926	10	99.9%	7 151	7 151
Advertising	5 877	1 617	(1 077)	6 417	6 417	-	100.0%	5 179	5 179
Minor assets	19 446	3 554	(15 148)	7 852	7 852	-	100.0%	6 050	6 050
Audit costs: External	25 747	3 000	3 020	31 767	31 767	-	100.0%	31 185	31 185
Bursaries: Employees	2 060	1 734	646	4 440	4 440	-	100.0%	3 063	3 063
Catering: Departmental activities	2 228	2 031	(1 895)	2 364	2 364	-	100.0%	736	736
Communication	72 222	8 380	(30 731)	49 871	49 871	-	100.0%	74 310	74 310
Computer services	1 019 855	(224 822)	(385 662)	409 371	409 174	197	100.0%	363 313	363 313
Consultants: Business and advisory services	21 134	2 162	(3 390)	19 906	19 906	-	100.0%	31 353	31 353
Legal services	15 166	1 657	75 866	92 689	92 689	-	100.0%	39 925	39 925
Contractors	29 659	(135 501)	295 510	189 668	189 668	-	100.0%	306 467	306 467
Agency and support / outsourced services	11 086	(1 846)	(7 758)	1 482	1 482	-	100.0%	12 767	12 767
Entertainment	317	61	(187)	191	191	-	100.0%	156	156
Fleet services	6 330	37 769	1 596	45 695	45 695	-	100.0%	54 653	54 653

APPROPRIATION STATEMENT

FOR THE YEAR ENDED 31 MARCH 2018

Programme 1: [Administration]									
2017/18								2016/17	
	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
Inventory: Clothing material and supplies	971	(17)	(834)	120	120	-	100.0%	570	570
Inventory: Other supplies	45	(41)	(4)	-	-	-	100.0%	41	41
Consumable supplies	5 599	701	(2 669)	3 631	3 631	-	100.0%	10 949	10 949
Consumable: Stationery, printing and office supplies	6 474	3 041	(4 564)	4 951	4 951	-	100.0%	4 892	4 892
Operating leases	239 981	163 551	(24 821)	378 711	378 711	-	100.0%	322 708	322 708
Property payments	430 072	(157 863)	(72 986)	199 223	199 223	-	100.0%	188 342	188 342
Travel and subsistence	89 181	(14 401)	(40 384)	34 396	34 396	-	100.0%	40 892	40 892
Training and development	3 962	4 480	(3 094)	5 348	5 348	-	100.0%	2 469	2 469
Operating payments	5 855	1 487	(3 420)	3 922	3 922	-	100.0%	4 822	4 822
Venues and facilities	6 262	251	(467)	6 046	6 046	-	100.0%	7 221	7 221
Rental and hiring	250	234	(279)	205	205	-	100.0%	71	71
Transfers and subsidies	2 395	947	(1 472)	1 870	1 870	-	100.0%	6 705	6 705
Provinces and municipalities	772	-	(651)	121	121	-	100.0%	107	107
Municipalities	772	-	(651)	121	121	-	100.0%	107	107
Municipal bank accounts	772	-	(651)	121	121	-	100.0%	107	107
Departmental agencies and accounts	8	65	(41)	32	32	-	100.0%	18	18
Departmental agencies	8	65	(41)	32	32	-	100.0%	18	18
Households	1 615	882	(780)	1 717	1 717	-	100.0%	6 580	6 580
Social benefits	1 615	882	(783)	1 714	1 714	-	100.0%	848	848
Other transfers to households	-	-	3	3	3	-	100.0%	5 732	5 732
Payments for capital assets	67 935	297 319	137 730	502 984	502 984	-	100.0%	215 462	203 462
Buildings and other fixed structures	50 115	(49 857)	45 020	45 278	45 278	-	100.0%	112 628	112 628
Buildings	50 115	(49 857)	45 020	45 278	45 278	-	100.0%	112 628	112 628
Machinery and equipment	17 820	225 072	40 690	283 582	283 582	-	100.0%	72 232	61 829
Transport equipment	10 174	13 552	(432)	23 294	23 294	-	100.0%	7 282	7 282
Other machinery and equipment	7 646	211 520	41 122	260 288	260 288	-	100.0%	65 950	54 547
Software and other Intangible assets	-	122 104	52 020	174 124	174 124	-	100.0%	29 602	29 005
Payments for financial assets									
Total	2 731 217	-	(214 791)	2 516 426	2 516 219	207	100.0%	2 222 834	2 210 834

APPROPRIATION STATEMENT

FOR THE YEAR ENDED 31 MARCH 2018

1 1 (SUB PROGRAMME 1 Ministry)									
Economic classification	2017/18							2016/17	
	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	37 204	(680)	(8 432)	28 092	28 092	-	100.0%	36 728	36 728
Compensation of employees	24 027	-	(5 862)	18 165	18 165	-	100.0%	21 776	21 776
Salaries and wages	21 786	-	(5 132)	16 654	16 654	-	100.0%	19 955	19 955
Social contributions	2 241	-	(730)	1 511	1 511	-	100.0%	1 821	1 821
Goods and services	13 177	(680)	(2 570)	9 927	9 927	-	100.0%	14 952	14 952
Administrative fees	300	129	(120)	309	309	-	100.0%	391	391
Advertising	-	5	(5)	-	-	-	-	-	-
Minor assets	-	25	(25)	-	-	-	-	-	-
Catering: departmental activities	319	-	(214)	105	105	-	100.0%	256	256
Communication (G&S)	113	(252)	180	41	41	-	100.0%	1 219	1 219
Legal services	329	(240)	(89)	-	-	-	-	240	240
Contractors	82	24	(95)	11	11	-	100.0%	51	51
Entertainment	86	61	(84)	63	63	-	100.0%	54	54
Fleet services (including government motor transport)	572	231	(251)	552	552	-	100.0%	480	480
Inventory: Clothing material and accessories	-	30	(30)	-	-	-	-	-	-
Consumable supplies	36	155	(127)	64	64	-	100.0%	20	20
Consumable: Stationery, printing and office supplies	312	287	(304)	295	295	-	100.0%	152	152
Operating leases	185	-	(185)	-	-	-	-	-	-
Travel and subsistence	9 883	(2 238)	(51)	7 594	7 594	-	100.0%	11 319	11 319
Training and development	46	(20)	(26)	-	-	-	-	44	44
Operating payments	396	720	(962)	154	154	-	100.0%	137	137
Venues and facilities	518	403	(182)	739	739	-	100.0%	589	589
Transfers and subsidies	4	432	(5)	431	431	-	100.0%	7	7
Departmental agencies and accounts	4	-	(4)	-	-	-	-	-	-
Departmental agencies	4	-	(4)	-	-	-	-	-	-
Households	-	432	(1)	431	431	-	100.0%	7	7
Social benefits	-	432	(1)	431	431	-	100.0%	7	7
Payments for capital assets	-	248	(138)	110	110	-	100.0%	170	170
Machinery and equipment	-	248	(138)	110	110	-	100.0%	170	170
Other machinery and equipment	-	248	(138)	110	110	-	100.0%	170	170
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	37 208	-	(8 575)	28 633	28 633	-	100.0%	36 905	36 905

APPROPRIATION STATEMENT

FOR THE YEAR ENDED 31 MARCH 2018

1.2 [SUB PROGRAMME 2 Management Support Services]									
2017/18								2016/17	
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	179 150	(2 452)	74 444	251 142	251 142	-	100.0%	183 846	183 846
Compensation of employees	133 732	-	3 923	137 655	137 655	-	100.0%	123 209	123 209
Salaries and wages	120 482	-	(595)	119 887	119 887	-	100.0%	107 454	107 454
Social contributions	13 250	-	4 518	17 768	17 768	-	100.0%	15 755	15 755
Goods and services	45 418	(2 452)	70 521	113 487	113 487	-	100.0%	60 637	60 637
Administrative fees	679	213	(502)	390	390	-	100.0%	321	321
Advertising	68	351	(419)	-	-	-	-	2	2
Minor assets	3 949	385	(4 129)	205	205	-	100.0%	138	138
Catering: departmental activities	257	88	(269)	76	76	-	100.0%	98	98
Communication (G&S)	2 482	(1 773)	(699)	10	10	-	100.0%	3 393	3 393
Computer services	978	(95)	(422)	461	461	-	100.0%	80	80
Consultants: Business and advisory services	2 520	1 785	5 923	10 228	10 228	-	100.0%	2 322	2 322
Legal services	14 837	-	74 355	89 192	89 192	-	100.0%	37 858	37 858
Contractors	764	11	(745)	30	30	-	100.0%	92	92
Agency and support/outsourced services	2 270	(1 646)	(624)	-	-	-	-	5 092	5 092
Entertainment	89	-	(43)	46	46	-	100.0%	46	46
Fleet services (including government motor transport)	298	(372)	346	272	272	-	100.0%	138	138
Inventory: Clothing material and accessories	34	-	(34)	-	-	-	-	-	-
Consumable supplies	183	98	(158)	123	123	-	100.0%	98	98
Consumable: Stationery, printing and office supplies	1 101	496	(981)	616	616	-	100.0%	650	650
Operating Leases	921	-	(921)	-	-	-	-	2	2
Travel and subsistence	10 304	(3 389)	1 883	8 798	8 798	-	100.0%	7 463	7 463
Training and development	502	58	(289)	271	271	-	100.0%	278	278
Operating payments	1 267	271	(1 154)	384	384	-	100.0%	799	799
Venues and facilities	1 915	1 067	(597)	2 385	2 385	-	100.0%	1 767	1 767
Transfers and subsidies	891	30	(799)	122	122	-	100.0%	2 349	2 349
Provinces and municipalities	119	-	(119)	-	-	-	-	4	4

APPROPRIATION STATEMENT

FOR THE YEAR ENDED 31 MARCH 2018

1.2 [SUB PROGRAMME 2 Management Support Services]									
Economic classification	2017/18							2016/17	
	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	119	-	(119)	-	-	-	-	4	4
Municipal bank accounts	119	-	(119)	-	-	-	-	4	4
Departmental agencies and accounts	4	1	(5)	-	-	-	-	-	-
Departmental agencies	4	1	(5)	-	-	-	-	-	-
Households	768	29	(675)	122	122	-	100.0%	2 345	2 345
Social benefits	768	29	(675)	122	122	-	100.0%	142	142
Other transfers to households	-	-	-	-	-	-	-	2 203	2 203
Payments for capital assets	-	2 076	177	2 253	2 253	-	100.0%	4 283	4 283
Machinery and equipment	-	2 076	(360)	1 716	1 716	-	100.0%	3 956	3 956
Transport equipment	-	-	-	-	-	-	-	2 266	2 266
Other machinery and equipment	-	2 076	(360)	1 716	1 716	-	100.0%	1 690	1 690
Software and other intangible assets	-	-	537	537	537	-	100.0%	327	327
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	180 041	(346)	73 822	253 517	253 517	-	100.0%	190 478	190 478

APPROPRIATION STATEMENT

FOR THE YEAR ENDED 31 MARCH 2018

1.3 [SUB PROGRAMME 3 Corporate Services]									
2017/18							2016/17		
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	844 224	23 630	(184 427)	683 427	683 417	10	100.0%	625 054	625 054
Compensation of employees	382 396	-	(114 158)	268 238	268 238	-	100.0%	271 593	271 593
Salaries and wages	361 276	(1)	(128 838)	232 437	232 437	-	100.0%	237 220	237 220
Social contributions	21 120	1	14 680	35 801	35 801	-	100.0%	34 373	34 373
Goods and services	461 828	23 630	(74 072)	411 386	411 376	10	100.0%	353 461	353 461
Administrative fees	13 364	138	4 682	18 184	18 184	10	99.9%	6 400	6 400
Advertising	5 809	1 261	(653)	6 417	6 417	-	100.0%	5 177	5 177
Minor assets	13 076	(1 391)	(9 312)	2 373	2 373	-	100.0%	2 159	2 159
Audit costs: External	25 747	3 000	3 020	31 767	31 767	-	100.0%	31 185	31 185
Bursaries: employees	2 060	1 734	646	4 440	4 440	-	100.0%	3 063	3 063
Catering: departmental activities	1 631	1 908	(1 373)	2 166	2 166	-	100.0%	375	375
Communication (G&S)	69 150	10 327	(29 657)	49 820	49 820	-	100.0%	68 057	68 057
Computer services	31 386	(213)	(19 390)	11 783	11 783	-	100.0%	7 935	7 935
Consultants: Business and advisory services	11 454	377	(6 848)	4 983	4 983	-	100.0%	5 009	5 009
Contractors	4 009	(11)	4 299	8 297	8 297	-	100.0%	2 929	2 929
Agency and support/outsourced services	8 816	(200)	(8 413)	203	203	-	100.0%	6 590	6 590
Entertainment	120	-	(58)	62	62	-	100.0%	47	47
Fleet services (including government motor transport)	5 390	19 810	3 759	28 959	28 959	-	100.0%	54 007	54 007
Inventory: Clothing material and accessories	937	(47)	(770)	120	120	-	100.0%	570	570
Inventory: other supplies	45	(41)	(4)	-	-	-	-	41	41
Consumable supplies	5 007	(631)	(1 514)	2 862	2 862	-	100.0%	8 144	8 144
Consumable: Stationery, printing and office supplies	4 636	2 148	(2 784)	4 000	4 000	-	100.0%	3 757	3 757
Operating Leases	2 141	77 000	20 937	100 078	100 078	-	100.0%	134	134
Property payments	180 687	(85 239)	13 728	109 176	109 176	-	100.0%	118 206	118 206

APPROPRIATION STATEMENT

FOR THE YEAR ENDED 31 MARCH 2018

1.3 [SUB PROGRAMME 3 Corporate Services]									
Economic classification	2017/18							2016/17	
	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	66 270	(8 807)	(40 871)	16 592	16 592	-	100.0%	20 608	20 608
Training and development	2 319	2 436	(1 676)	3 079	3 079	-	100.0%	1 729	1 729
Operating payments	3 993	1 039	(1 976)	3 056	3 056	-	100.0%	2 643	2 643
Venues and facilities	3 531	(1 202)	435	2 764	2 764	-	100.0%	4 638	4 638
Rental and hiring	250	234	(279)	205	205	-	100.0%	58	58
Transfers and subsidies	1 379	485	(634)	1 230	1 230	-	100.0%	4 158	4 158
Provinces and municipalities	653	-	(532)	121	121	-	100.0%	103	103
Municipalities	653	-	(532)	121	121	-	100.0%	103	103
Municipal bank accounts	653	-	(532)	121	121	-	100.0%	103	103
Departmental agencies and accounts	-	64	(32)	32	32	-	100.0%	18	18
Departmental agencies (non-business entities)	-	64	(32)	32	32	-	100.0%	18	18
Households	726	421	(70)	1 077	1 077	-	100.0%	4 037	4 037
Social benefits	726	421	(73)	1 074	1 074	-	100.0%	508	508
Other transfers to households	-	-	3	3	3	-	100.0%	3 529	3 529
Payments for capital assets	17 820	8 615	20 222	46 657	46 657	-	100.0%	38 222	38 222
Buildings and other fixed structures	-	-	3 803	3 803	3 803	-	-	21 023	21 023
Buildings	-	-	3 803	3 803	3 803	-	-	21 023	21 023
Machinery and equipment	17 820	8 615	15 885	42 320	42 320	-	100.0%	17 181	17 181
Transport equipment	10 174	-	(241)	9 933	9 933	-	100.0%	5 016	5 016
Other machinery and equipment	7 646	8 615	16 126	32 387	32 387	-	100.0%	12 165	12 165
Software and other intangible assets	-	-	534	534	534	-	100.0%	18	18
Payments for financial assets									
Total	863 423	32 730	(168 642)	727 511	727 501	10	100.0%	667 434	667 434

APPROPRIATION STATEMENT

FOR THE YEAR ENDED 31 MARCH 2018

1.4 [SUB PROGRAMME 4 Transversal Information Technology Management]									
Economic classification	2017/18							2016/17	
	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	1 162 823	(333 341)	(145 786)	683 696	683 499	197	100.0%	743 098	743 098
Compensation of employees	86 515	-	(16 203)	70 312	70 312	-	100.0%	64 804	64 804
Salaries and wages	79 022	-	(17 340)	61 682	61 682	-	100.0%	56 817	56 817
Social contributions	7 493	-	1 137	8 630	8 630	-	100.0%	7 987	7 987
Goods and services	1 076 308	(333 341)	(129 583)	613 384	613 187	197	100.0%	678 294	678 294
Administrative fees	95	35	(77)	53	53	-	100.0%	39	39
Minor assets	2 421	4 535	(1 690)	5 266	5 266	-	100.0%	3 111	3 111
Catering: departmental activities	21	35	(39)	17	17	-	100.0%	7	7
Communication (G&S)	477	78	(555)	-	-	-	-	1 641	1 641
Computer services	987 491	(224 514)	(365 850)	397 127	396 930	197	100.0%	355 237	355 237
Consultants: Business and advisory services	7 160	-	(2 465)	4 695	4 695	-	100.0%	8 218	8 218
Legal services	-	1 897	1 600	3 497	3 497	-	100.0%	1 827	1 827
Contractors	24 804	(135 525)	292 051	181 330	181 330	-	100.0%	303 021	303 021
Agency and support/outsourced services	-	-	1 279	1 279	1 279	-	100.0%	959	959
Entertainment	22	-	(2)	20	20	-	100.0%	9	9
Fleet services (including government motor transport)	70	18 100	(2 258)	15 912	15 912	-	100.0%	28	28
Consumable supplies	349	629	(726)	252	252	-	100.0%	483	483
Consumable: Stationery, printing and office supplies	425	(90)	(295)	40	40	-	100.0%	333	333
Operating leases	284	-	(284)	-	-	-	-	-	-
Property payments	48 373	-	(48 373)	-	-	-	-	-	-
Travel and subsistence	2 724	33	(1 345)	1 412	1 412	-	100.0%	1 502	1 502
Training and development	1 095	2 006	(1 103)	1 998	1 998	-	100.0%	409	409
Operating payments	199	(543)	672	328	328	-	100.0%	1 243	1 243
Venues and facilities	298	(17)	(123)	158	158	-	100.0%	227	227
Transfers and subsidies	121	-	(34)	87	87	-	100.0%	191	191
Households	121	-	(34)	87	87	-	100.0%	191	191
Social benefits	121	-	(34)	87	87	-	100.0%	191	191
Payments for capital assets	-	333 687	77 866	411 553	411 553	-	100.0%	76 569	64 569

APPROPRIATION STATEMENT

FOR THE YEAR ENDED 31 MARCH 2018

1.4 [SUB PROGRAMME 4 Transversal Information Technology Management]									
2017/18								2016/17	
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	-	211 583	26 917	238 500	238 500	-	100.0%	48 331	36 928
Transport equipment	-	13 552	(284)	13 268	13 268	-	100.0%	-	-
Other machinery and equipment	-	198 031	27 201	225 232	225 232	-	100.0%	48 331	36 928
Software and other intangible assets	-	122 104	50 949	173 053	173 053	-	100.0%	28 238	27 641
Payments for financial assets									
Total	1 162 944	346	(67 954)	1 095 336	1 095 139	197	100.0%	819 858	807 858

APPROPRIATION STATEMENT

FOR THE YEAR ENDED 31 MARCH 2018

1.5 [SUB PROGRAMME 5 Office Accommodation]									
Economic classification	2017/18							2016/17	
	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	437 486	14 577	(83 045)	369 018	369 018	-	100.0%	411 941	411 941
Goods and services	437 486	14 577	(83 045)	369 018	369 018	-	100.0%	411 941	411 941
Minor assets	-	-	8	8	8	-	100.0%	642	642
Computer services	-	-	-	-	-	-	-	61	61
Consultants: Business and advisory services	-	-	-	-	-	-	-	15 804	15 804
Contractors	-	-	-	-	-	-	-	374	374
Agency and support/outsourced services	-	-	-	-	-	-	-	126	126
Consumable supplies	24	450	(144)	330	330	-	100.0%	2 204	2 204
Consumable: Stationery, printing and office supplies	-	200	(200)	-	-	-	-	-	-
Operating Leases	236 450	86 551	(44 368)	278 633	278 633	-	100.0%	322 572	322 572
Property payments	201 012	(72 624)	(38 341)	90 047	90 047	-	100.0%	70 136	70 136
Training and development	-	-	-	-	-	-	-	9	9
Rental and hiring	-	-	-	-	-	-	-	13	13
Payments for capital assets	50 115	(47 307)	39 603	42 411	42 411	-	100.0%	96 218	96 218
Buildings and other fixed structures	50 115	(49 857)	41 217	41 475	41 475	-	100.0%	91 605	91 605
Buildings	50 115	(49 857)	41 217	41 475	41 475	-	100.0%	91 605	91 605
Machinery and equipment	-	2 550	(1 614)	936	936	-	100.0%	3 594	3 594
Transport equipment	-	-	93	93	93	-	100.0%	-	-
Other machinery and equipment	-	2 550	(1 707)	843	843	-	100.0%	3 594	3 594
Software and other intangible assets	-	-	-	-	-	-	-	1 019	1 019
Payments for financial assets									
Total	487 601	(32 730)	(43 442)	411 429	411 429	-	100.0%	508 159	508 159

APPROPRIATION STATEMENT

FOR THE YEAR ENDED 31 MARCH 2018

Programme 2: [Citizen Affairs]									
2017/18							2016/17		
	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
Sub programme									
1. SUB PROGRAMME 1 Citizen Affairs Management	36 433	(8 102)	(5 057)	23 274	23 274	-	100.0%	30 779	30 779
2. SUB PROGRAMME 2 Status Services	992 761	414	57 981	1 051 156	1 051 156	-	100.0%	1 029 594	1 029 412
3. SUB PROGRAMME 3 Identification Services	247 260	99	27 643	275 002	275 002	-	100.0%	140 120	140 120
4. SUB PROGRAMME 4 Service Delivery to Provinces	1 733 110	7 589	155 946	1 896 645	1 896 437	208	100.0%	1 794 296	1 794 296
5. SUB PROGRAMME 5 Independent Electoral Commission	1 299 912	-	-	1 299 912	1 299 912	-	100.0%	1 657 901	1 657 901
6. SUB PROGRAMME 6 Represented Political Parties' Fund	141 204	-	-	141 204	141 204	-	100.0%	134 480	134 480
Total for sub programmes	4 450 680	-	236 513	4 687 193	4 686 985	208	100.0%	4 787 170	4 786 988
Economic classification									
Current payments	3 007 255	3 158	209 885	3 220 298	3 220 090	208	100.0%	2 968 480	2 968 298
Compensation of employees	1 889 686	-	85 985	1 975 671	1 975 671	-	100.0%	1 879 947	1 879 890
Salaries and wages	1 568 663	-	87 557	1 656 220	1 656 220	-	100.0%	1 577 833	1 577 833
Social contributions	321 023	-	(1 572)	319 451	319 451	-	100.0%	302 114	302 057
Goods and services	1 117 569	3 158	123 900	1 244 627	1 244 419	208	100.0%	1 088 533	1 088 408
Administrative fees	2 004	544	(1 256)	1 292	1 292	-	100.0%	1 227	1 227
Advertising	28	1 720	(2)	1 746	1 746	-	100.0%	27	27
Minor assets	2 734	1 824	(2 553)	2 005	2 005	-	100.0%	716	716
Catering: Departmental activities	1 273	146	(693)	726	726	-	100.0%	831	831
Communication	648	74	(463)	259	259	-	100.0%	6 225	6 100
Computer services	28 645	2 538	10 141	41 324	41 324	-	100.0%	-	-
Consultants: Business and advisory services	-	259	1 440	1 699	1 699	-	100.0%	3 503	3 503
Contractors	67 483	(3 051)	23 067	87 499	87 499	-	100.0%	497	497
Agency and support / outsourced services	10 368	36	(401)	10 003	10 003	-	100.0%	10 030	10 030
Entertainment	122	-	(82)	40	40	-	100.0%	27	27
Fleet services (including government motor transport)	10 056	(7 234)	43 689	46 511	46 303	208	99.6%	48 302	48 302

APPROPRIATION STATEMENT

FOR THE YEAR ENDED 31 MARCH 2018

Programme 2: [Citizen Affairs]									
	2017/18						2016/17		
	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
Inventory: Clothing material and accessories	9 275	(4 071)	1 218	6 422	6 422	-	100.0%	8 806	8 806
Inventory: Other supplies	-	-	210	210	210	-	100.0%	-	-
Consumable supplies	6 031	1 097	(3 238)	3 890	3 890	-	100.0%	3 609	3 609
Consumable: Stationery, printing and office supplies	845 974	1 994	79 597	927 565	927 565	-	100.0%	901 115	901 115
Operating leases	29 877	5 330	(7 327)	27 880	27 880	-	100.0%	25 537	25 537
Property payments	676	481	83	1 240	1 240	-	100.0%	383	383
Travel and subsistence	43 560	2 877	(14 830)	31 607	31 607	-	100.0%	29 879	29 879
Training and development	103	(40)	(18)	45	45	-	100.0%	73	73
Operating payments	54 582	685	(3 732)	51 535	51 535	-	100.0%	44 502	44 502
Venues and facilities	2 834	(1 071)	(634)	1 129	1 129	-	100.0%	2 266	2 266
Rental and hiring	1 296	(980)	(316)	-	-	-	-	978	978
Transfers and subsidies	1 443 425	503	11 784	1 455 712	1 455 712	-	100.0%	1 807 620	1 807 620
Provinces and municipalities	1 008	193	(195)	1 006	1 006	-	100.0%	811	811
Municipalities	1 008	193	(195)	1 006	1 006	-	100.0%	811	811
Municipal bank accounts	1 008	193	(195)	1 006	1 006	-	100.0%	811	811
Departmental agencies and accounts	1 441 116	14	(7)	1 441 123	1 441 123	-	100.0%	1 792 385	1 792 385
Departmental agencies non business entities	1 441 116	14	(7)	1 441 123	1 441 123	-	100.0%	1 792 385	1 792 385
Households	1 301	296	11 986	13 583	13 583	-	100.0%	14 424	14 424
Social benefits	1 301	39	11 330	12 670	12 670	-	100.0%	14 274	14 274
Other transfers to households	-	257	656	913	913	-	100.0%	150	150
Payments for capital assets	-	(3 661)	14 844	11 183	11 183	-	100.0%	11 070	11 070
Buildings and other fixed structures	-	-	3	3	3	-	100.0%	-	-
other fixed structures	-	-	3	3	3	-	100.0%	-	-
Machinery and equipment	-	(3 661)	14 841	11 180	11 180	-	100.0%	10 795	10 795
Transport equipment	-	1 006	(1)	1 005	1 005	-	100.0%	-	-
Other machinery and equipment	-	(4 667)	14 842	10 175	10 175	-	100.0%	10 795	10 795
Software and other intangible assets	-	-	-	-	-	-	-	275	275
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	4 450 680	-	236 513	4 687 193	4 686 985	208	100.0%	4 787 170	4 786 988

APPROPRIATION STATEMENT

FOR THE YEAR ENDED 31 MARCH 2018

2.1 [SUB PROGRAMME 1 Citizen Affairs Management]									
2017/18							2016/17		
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	36 433	(8 492)	(5 067)	22 874	22 874	-	100.0%	30 294	30 294
Compensation of employees	19 242	-	(3 170)	16 072	16 072	-	100.0%	26 151	26 151
Salaries and wages	17 344	-	(3 136)	14 208	14 208	-	100.0%	24 986	24 986
Social contributions	1 898	-	(34)	1 864	1 864	-	100.0%	1 165	1 165
Goods and services	17 191	(8 492)	(1 897)	6 802	6 802	-	100.0%	4 143	4 143
Administrative fees	201	129	(188)	142	142	-	100.0%	121	121
Advertising	-	1 500	-	1 500	1 500	-	100.0%	-	-
Minor assets	30	81	(85)	26	26	-	100.0%	-	-
Catering: Departmental activities	19	30	(31)	18	18	-	100.0%	-	-
Communication	32	11	(43)	-	-	-	-	171	171
Computer services	-	(275)	275	-	-	-	-	-	-
Consultants: Business and advisory services	-	39	1 440	1 479	1 479	-	100.0%	-	-
Contractors	117	(45)	(19)	53	53	-	100.0%	112	112
Entertainment	8	-	(2)	6	6	-	100.0%	2	2
Fleet services (including government motor transport)	203	31	(199)	35	35	-	100.0%	46	46
Inventory: clothing material and accessories	-	(9 503)	9 529	26	26	-	100.0%	-	-
Consumable supplies	54	4	(41)	17	17	-	100.0%	18	18
Consumable: Stationery, printing and office supplies	305	20	(270)	55	55	-	100.0%	74	74
Operating leases	216	-	(216)	-	-	-	-	-	-
Property payments	45	(22)	(9)	14	14	-	100.0%	42	42
Travel and subsistence	13 578	(504)	(10 478)	2 596	2 596	-	100.0%	2 505	2 505
Training and development	103	(60)	(43)	-	-	-	-	73	73
Operating payments	175	84	(220)	39	39	-	100.0%	46	46
Venues and facilities	2 105	(12)	(1 297)	796	796	-	100.0%	933	933
Transfers and subsidies	-	-	-	-	-	-	-	42	42
Households	-	-	-	-	-	-	-	42	42
Social benefits	-	-	-	-	-	-	-	42	42
Payments for capital assets	-	390	10	400	400	-	100.0%	443	443
Machinery and equipment	-	390	10	400	400	-	100.0%	168	168
Other machinery and equipment	-	390	10	400	400	-	100.0%	168	168
Software and other intangible assets	-	-	-	-	-	-	-	275	275
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	36 433	(8 102)	(5 057)	23 274	23 274	-	100.0%	30 779	30 779

APPROPRIATION STATEMENT

FOR THE YEAR ENDED 31 MARCH 2018

2.2 [SUB PROGRAMME 2 Status Services]									
2017/18							2016/17		
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	992 761	(137)	57 644	1 050 268	1 050 268	-	100.0%	1 027 339	1 027 157
Compensation of employees	100 083	-	(25 011)	75 072	75 072	-	100.0%	80 229	80 172
Salaries and wages	82 151	-	(19 564)	62 587	62 587	-	100.0%	66 985	66 985
Social contributions	17 932	-	(5 447)	12 485	12 485	-	100.0%	13 244	13 187
Goods and services	892 678	(137)	82 655	975 196	975 196	-	100.0%	947 110	946 985
Administrative fees	42	10	(34)	18	18	-	100.0%	33	33
Minor assets	391	260	(218)	433	433	-	100.0%	457	457
Catering: Departmental activities	10	-	(10)	-	-	-	-	-	-
Communication	-	(34)	34	-	-	-	-	619	494
Consultants: Business and advisory services	-	-	1	1	1	-	100.0%	3 503	3 503
Contractors	62	(60)	(2)	-	-	-	-	61	61
Agency and support / outsourced services	10 299	-	(299)	10 000	10 000	-	100.0%	10 000	10 000
Entertainment	10	-	(4)	6	6	-	100.0%	7	7
Fleet services (including government motor transport)	64	17	14	95	95	-	100.0%	47	47
Inventory: Clothing material and accessories	-	3	(1)	2	2	-	100.0%	-	-
Inventory: Other supplies	-	-	210	210	210	-	100.0%	-	-
Consumable supplies	85	(16)	(26)	43	43	-	100.0%	70	70
Consumable: Stationery, printing and office supplies	831 403	64	84 005	915 472	915 472	-	100.0%	890 159	890 159
Operating leases	394	-	(394)	-	-	-	-	22	22
Travel and subsistence	878	175	(481)	572	572	-	100.0%	606	606
Training and development	-	15	-	15	15	-	100.0%	-	-
Operating payments	49 040	(106)	(629)	48 305	48 305	-	100.0%	41 037	41 037
Venues and facilities	-	(465)	489	24	24	-	100.0%	489	489
Transfers and subsidies	-	1	264	265	265	-	100.0%	404	404
Departmental agencies and accounts	-	1	(1)	-	-	-	-	-	-
Departmental agencies (non-business entities)	-	1	(1)	-	-	-	-	-	-
Households	-	-	265	265	265	-	100.0%	404	404
Social benefits	-	-	265	265	265	-	100.0%	404	404
Payments for capital assets	-	550	73	623	623	-	100.0%	1 851	1 851
Machinery and equipment	-	550	73	623	623	-	100.0%	1 851	1 851
Other machinery and equipment	-	550	73	623	623	-	100.0%	1 851	1 851
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	992 761	414	57 981	1 051 156	1 051 156	-	100.0%	1 029 594	1 029 412

APPROPRIATION STATEMENT

FOR THE YEAR ENDED 31 MARCH 2018

2.3 [SUB PROGRAMME 3 Identification Services]									
2017/18								2016/17	
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	247 260	(775)	27 079	273 564	273 564	-	100.0%	138 546	138 546
Compensation of employees	143 658	-	(3 673)	139 985	139 985	-	100.0%	131 445	131 445
Salaries and wages	121 743	-	(4 486)	117 257	117 257	-	100.0%	109 927	109 927
Social contributions	21 915	-	813	22 728	22 728	-	100.0%	21 518	21 518
Goods and services	103 602	(775)	30 752	133 579	133 579	-	100.0%	7 101	7 101
Administrative fees	73	(3)	(30)	40	40	-	100.0%	74	74
Minor assets	381	167	(373)	175	175	-	100.0%	34	34
Catering: departmental activities	7	10	(10)	7	7	-	100.0%	-	-
Communication	-	(10)	12	2	2	-	100.0%	259	259
Computer services	28 640	2 813	9 871	41 324	41 324	-	100.0%	-	-
Consultants: Business and advisory service	-	220	(1)	219	219	-	100.0%	-	-
Contractors	66 642	(2 809)	23 361	87 194	87 194	-	100.0%	4	4
Entertainment	4	-	2	6	6	-	100.0%	1	1
Fleet services (including government motor transport)	2 609	(1 392)	(457)	760	760	-	100.0%	2 254	2 254
Inventory: Clothing material and supplies	23	(22)	(1)	-	-	-	-	22	22
Consumable supplies	56	(29)	(15)	12	12	-	100.0%	48	48
Consumable: Stationery, printing and office supplies	1 780	824	(195)	2 409	2 409	-	100.0%	1 602	1 602
Operating leases	789	-	(789)	-	-	-	-	-	-
Travel and subsistence	2 164	(331)	(575)	1 258	1 258	-	100.0%	2 233	2 233
Operating payments	329	157	(313)	173	173	-	100.0%	199	199
Venues and facilities	105	(370)	265	-	-	-	-	371	371
Transfers and subsidies	-	64	180	244	244	-	100.0%	551	551
Households	-	64	180	244	244	-	100.0%	551	551
Social benefits	-	64	180	244	244	-	100.0%	551	551
Payments for capital assets	-	810	384	1 194	1 194	-	100.0%	1 023	1 023
Machinery and equipment	-	810	384	1 194	1 194	-	100.0%	1 023	1 023
Other machinery and equipment	-	810	384	1 194	1 194	-	100.0%	1 023	1 023
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	247 260	99	27 643	275 002	275 002	-	100.0%	140 120	140 120

APPROPRIATION STATEMENT

FOR THE YEAR ENDED 31 MARCH 2018

2.4 [SUB PROGRAMME 4 Service Delivery to Provinces]									
2017/18							2016/17		
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	1 730 801	12 562	130 229	1 873 592	1 873 384	208	100.0%	1 772 301	1 772 301
Compensation of employees	1 626 703	-	117 839	1 744 542	1 744 542	-	100.0%	1 642 122	1 642 122
Salaries and wages	1 347 425	-	114 743	1 462 168	1 462 168	-	100.0%	1 375 935	1 375 935
Social contributions	279 278	-	3 096	282 374	282 374	-	100.0%	266 187	266 187
Goods and services	104 098	12 562	12 390	129 050	128 842	208	99.8%	130 179	130 179
Administrative fees	1 688	408	(1 004)	1 092	1 092	-	100.0%	999	999
Advertising	28	220	(2)	246	246	-	100.0%	27	27
Minor assets	1 932	1 316	(1 877)	1 371	1 371	-	100.0%	225	225
Catering: Departmental activities	1 237	106	(642)	701	701	-	100.0%	831	831
Communication	616	107	(466)	257	257	-	100.0%	5 176	5 176
Computer services	5	-	(5)	-	-	-	-	-	-
Contractors	662	(137)	(273)	252	252	-	100.0%	320	320
Agency and support / outsourced services	69	36	(102)	3	3	-	100.0%	30	30
Entertainment	100	-	(78)	22	22	-	100.0%	17	17
Fleet services (including government motor transport)	7 180	(5 890)	44 331	45 621	45 413	208	99.5%	45 955	45 955
Inventory: clothing material and accessories	9 252	5 451	(8 309)	6 394	6 394	-	100.0%	8 784	8 784
Consumable supplies	5 836	1 138	(3 156)	3 818	3 818	-	100.0%	3 473	3 473
Consumable: Stationery, printing and office supplies	12 486	1 086	(3 943)	9 629	9 629	-	100.0%	9 280	9 280
Operating leases	28 478	5 330	(5 928)	27 880	27 880	-	100.0%	25 515	25 515
Property payments	631	503	92	1 226	1 226	-	100.0%	341	341
Travel and subsistence	26 940	3 537	(3 296)	27 181	27 181	-	100.0%	24 535	24 535
Training and development	-	5	25	30	30	-	100.0%	-	-
Operating payments	5 038	550	(2 570)	3 018	3 018	-	100.0%	3 220	3 220
Venues and facilities	624	(224)	(91)	309	309	-	100.0%	473	473
Rental and hiring	1 296	(980)	(316)	-	-	-	-	978	978
Transfers and subsidies	2 309	438	11 340	14 087	14 087	-	100.0%	14 242	14 242
Provinces and municipalities	1 008	193	(195)	1 006	1 006	-	100.0%	811	811
Municipalities	1 008	193	(195)	1 006	1 006	-	100.0%	811	811

APPROPRIATION STATEMENT

FOR THE YEAR ENDED 31 MARCH 2018

2.4 [SUB PROGRAMME 4 Service Delivery to Provinces]									
Economic classification	2017/18							2016/17	
	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	1 008	193	(195)	1 006	1 006	-	100.0%	811	811
Departmental agencies and accounts	-	13	(6)	7	7	-	100.0%	4	4
Departmental agencies	-	13	(6)	7	7	-	100.0%	4	4
Households	1 301	232	11 541	13 074	13 074	-	100.0%	13 427	13 427
Social benefits	1 301	(25)	10 885	12 161	12 161	-	100.0%	13 277	13 277
Other transfers to households	-	257	656	913	913	-	100.0%	150	150
Payments for capital assets	-	(5 411)	14 377	8 966	8 966	-	100.0%	7 753	7 753
Buildings and other fixed structures	-	-	3	3	3	-	100.0%	-	-
other fixed structures	-	-	3	3	3	-	100.0%	-	-
Machinery and equipment	-	(5 411)	14 374	8 963	8 963	-	100.0%	7 753	7 753
Transport equipment	-	1 006	(1)	1 005	1 005	-	100.0%	-	-
Other machinery and equipment	-	(6 417)	14 375	7 958	7 958	-	100.0%	7 753	7 753
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1 733 110	7 589	155 946	1 896 645	1 896 437	208	100.0%	1 794 296	1 794 296

APPROPRIATION STATEMENT

FOR THE YEAR ENDED 31 MARCH 2018

2.5 [SUB PROGRAMME 5 Independent Electoral Commission]									
2017/18								2016/17	
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	1 299 912	-	-	1 299 912	1 299 912	-	100.0%	1 657 901	1 657 901
Departmental agencies and accounts	1 299 912	-	-	1 299 912	1 299 912	-	100.0%	1 657 901	1 657 901
Departmental agencies (non-business entities)	1 299 912	-	-	1 299 912	1 299 912	-	100.0%	1 657 901	1 657 901
Total	1 299 912	-	-	1 299 912	1 299 912	-	100.0%	1 657 901	1 657 901

2.6 [SUB PROGRAMME 6 Represented Political Parties' Fund]									
2017/18								2016/17	
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	141 204	-	-	141 204	141 204	-	-	134 480	134 480
Departmental agencies and accounts	141 204	-	-	141 204	141 204	-	-	134 480	134 480
Departmental agencies (non-business entities)	141 204	-	-	141 204	141 204	-	-	134 480	134 480
Total	141 204	-	-	141 204	141 204	-	-	134 480	134 480

APPROPRIATION STATEMENT

FOR THE YEAR ENDED 31 MARCH 2018

Programme 3: [Immigration Affairs]									
2017/18							2016/17		
	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
Sub programme									
1. SUB PROGRAMME 1 Immigration Affairs	48 367	(15 970)	(25 472)	6 925	6 925	-	100.0%	7 269	7 269
2. SUB PROGRAMME 2 Admission Services	778 729	(8 356)	(859)	769 514	769 514	-	100.0%	763 769	763 670
3. SUB PROGRAMME 3 Immigration Services	235 496	23 427	(14 954)	243 969	243 724	245	99.9%	249 199	249 199
4. SUB PROGRAMME 4 Asylum Seekers	157 850	899	19 563	178 312	178 312	-	100.0%	125 564	125 564
Total for sub programmes	1 220 442	-	(21 722)	1 198 720	1 198 475	245	100.0%	1 145 801	1 145 702
Economic classification									
Current payments	1 220 057	(28 665)	(33 302)	1 158 090	1 157 845	245	100.0%	1 135 523	1 135 424
Compensation of employees	681 820	-	40 709	722 529	722 529	-	100.0%	708 496	708 496
Salaries and wages	598 916	-	12 977	611 893	611 893	-	100.0%	604 921	604 921
Social contributions	82 904	-	27 732	110 636	110 636	-	100.0%	103 575	103 575
Goods and services	538 237	(28 665)	(74 011)	435 561	435 316	245	99.9%	427 027	426 928
Administrative fees	1 889	517	1 160	3 566	3 566	-	100.0%	1 624	1 624
Advertising	553	(536)	(17)	-	-	-	-	536	536
Minor assets	10 193	3 843	(10 361)	3 675	3 675	-	100.0%	1 013	1 013
Catering: Departmental activities	260	123	(297)	86	86	-	100.0%	142	142
Communication	850	416	(1 233)	33	33	-	100.0%	1 315	1 315
Computer services	353 412	(5 654)	(164 860)	182 898	182 898	-	100.0%	220 074	220 074
Consultants: Business and advisory services	7 409	(40 986)	36 722	3 145	3 145	-	100.0%	4 682	4 682
Contractors	14 890	3 357	7 214	25 461	25 461	-	100.0%	892	892
Agency and support / outsourced services	22 189	6 565	103 194	131 948	131 703	245	99.8%	109 239	109 239
Entertainment	49	2	(26)	25	25	-	100.0%	21	21
Fleet services (including government motor transport)	2 010	1 115	(528)	2 597	2 597	-	100.0%	1 949	1 850
Inventory: Clothing material and supplies	10 659	(614)	(5 195)	4 850	4 850	-	100.0%	8 065	8 065
Consumable supplies	1 079	4	(770)	313	313	-	100.0%	663	663

APPROPRIATION STATEMENT

FOR THE YEAR ENDED 31 MARCH 2018

Programme 3: [Immigration Affairs]									
2017/18							2016/17		
	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
Consumable: Stationery, printing and office supplies	4 479	2 377	(2 852)	4 004	4 004	-	100.0%	2 521	2 521
Operating leases	3 555	263	(3 658)	160	160	-	100.0%	561	561
Property payments	1 411	22 477	(21 599)	2 289	2 289	-	100.0%	1 349	1 349
Transport provide: Departmental activity	30 057	11 867	(16 385)	25 539	25 539	-	100.0%	21 035	21 035
Travel and subsistence	68 586	(41 705)	9 933	36 814	36 814	-	100.0%	45 861	45 861
Training and development	188	(60)	(128)	-	-	-	-	61	61
Operating payments	3 880	3 580	(4 384)	3 076	3 076	-	100.0%	2 210	2 210
Venues and facilities	639	4 384	59	5 082	5 082	-	100.0%	3 214	3 214
Transfers and subsidies	385	216	311	912	912	-	100.0%	1 328	1 328
Departmental agencies and accounts	3	-	(3)	-	-	-	-	2	2
Departmental agencies non business entities	3	-	(3)	-	-	-	-	2	2
Households	382	216	314	912	912	-	100.0%	1 326	1 326
Social benefits	382	138	314	834	834	-	100.0%	1 202	1 202
Other transfers to households	-	78	-	78	78	-	100.0%	124	124
Payments for capital assets	-	28 449	11 269	39 718	39 718	-	100.0%	8 950	8 950
Buildings and other fixed structures	-	2 206	13 424	15 630	15 630	-	100.0%	-	-
Buildings	-	2 206	13 424	15 630	15 630	-	100.0%	-	-
Machinery and equipment	-	26 040	(1 952)	24 088	24 088	-	100.0%	8 950	8 950
Transport equipment	-	14 128	(1 116)	13 012	13 012	-	100.0%	-	-
Other machinery and equipment	-	11 912	(836)	11 076	11 076	-	100.0%	8 950	8 950
Software and other intangible assets	-	203	(203)	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1 220 442	-	(21 722)	1 198 720	1 198 475	245	100.0%	1 145 801	1 145 702

APPROPRIATION STATEMENT

FOR THE YEAR ENDED 31 MARCH 2018

3.1 [SUB PROGRAMME 1 Immigration Affairs Management]									
2017/18							2016/17		
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	47 985	(16 100)	(25 081)	6 804	6 804	-	100.0%	7 168	7 168
Compensation of employees	16 225	-	(13 205)	3 020	3 020	-	100.0%	4 747	4 747
Salaries and wages	16 019	-	(13 278)	2 741	2 741	-	100.0%	4 445	4 445
Social contributions	206	-	73	279	279	-	100.0%	302	302
Goods and services	31 760	(16 100)	(11 876)	3 784	3 784	-	100.0%	2 421	2 421
Administrative fees	77	30	2 047	2 154	2 154	-	100.0%	27	27
Advertising	553	(536)	(17)	-	-	-	100.0%	536	536
Minor assets	35	2	(35)	2	2	-	100.0%	-	-
Catering: Departmental activities	105	-	(102)	3	3	-	100.0%	37	37
Communication	39	5	(44)	-	-	-	-	97	97
Contractors	29	73	(57)	45	45	-	100.0%	27	27
Agency and support / outsourced services	-	210	(3)	207	207	-	100.0%	-	-
Entertainment	5	-	(2)	3	3	-	100.0%	3	3
Fleet services (including government motor transport)	34	22	(40)	16	16	-	100.0%	4	4
Consumable supplies	24	37	(50)	11	11	-	100.0%	6	6
Consumable: Stationery, printing and office supplies	107	(3)	(103)	1	1	-	100.0%	87	87
Operating leases	63	-	(63)	-	-	-	-	-	-
Travel and subsistence	30 254	(16 160)	(12 990)	1 104	1 104	-	100.0%	1 359	1 359
Operating payments	11	3	(3)	11	11	-	100.0%	11	11
Venues and facilities	424	217	(414)	227	227	-	100.0%	227	227
Transfers and subsidies	382	-	(382)	-	-	-	-	32	32
Households	382	-	(382)	-	-	-	-	32	32
Social benefits	382	-	(382)	-	-	-	-	32	32
Payments for capital assets	-	130	(9)	121	121	-	100.0%	69	69
Machinery and equipment	-	130	(9)	121	121	-	100.0%	69	69
Other machinery and equipment	-	130	(9)	121	121	-	100.0%	69	69
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	48 367	(15 970)	(25 472)	6 925	6 925	-	100.0%	7 269	7 269

APPROPRIATION STATEMENT

FOR THE YEAR ENDED 31 MARCH 2018

3.2 (SUB PROGRAMME 3 Admission Services)									
Economic classification	2017/18							2016/17	
	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	778 727	(29 125)	(5 650)	743 952	743 952	-	100.0%	754 944	754 845
Compensation of employees	394 268	-	136 975	531 243	531 243	-	100.0%	494 216	494 216
Salaries and wages	368 465	-	81 034	449 499	449 499	-	100.0%	418 429	418 429
Social contributions	25 803	-	55 941	81 744	81 744	-	100.0%	75 787	75 787
Goods and services	384 459	(29 125)	(142 625)	212 709	212 709	-	100.0%	260 728	260 629
Administrative fees	1 271	117	(391)	997	997	-	100.0%	1 175	1 175
Minor assets	8 616	2 597	(8 555)	2 658	2 658	-	100.0%	1 010	1 010
Catering: Departmental activities	54	6	(52)	8	8	-	100.0%	4	4
Communication	688	219	(876)	31	31	-	100.0%	632	632
Computer services	333 581	(2 530)	(167 349)	163 702	163 702	-	100.0%	216 561	216 561
Consultants: Business and advisory services	-	(31 536)	31 536	-	-	-	-	-	-
Contractors	101	(89)	(12)	-	-	-	-	96	96
Entertainment	17	2	(12)	7	7	-	100.0%	3	3
Fleet services (including government motor transport)	976	463	(365)	1 074	1 074	-	100.0%	644	545
Inventory: clothing material and supplies	278	97	(295)	80	80	-	100.0%	2	2
Consumable supplies	584	(3)	(457)	124	124	-	100.0%	284	284
Consumable: Stationery, printing and office supplies	3 169	1 339	(2 301)	2 207	2 207	-	100.0%	1 528	1 528
Operating leases	1 972	-	(1 972)	-	-	-	-	49	49
Property payments	4	21 835	(21 694)	145	145	-	100.0%	-	-
Travel and subsistence	31 864	(27 085)	24 374	29 153	29 153	-	100.0%	37 932	37 932
Training and development	90	(45)	(45)	-	-	-	-	46	46
Operating payments	1 024	1 031	(1 231)	824	824	-	100.0%	592	592
Venues and facilities	170	4 457	(285)	4 342	4 342	-	100.0%	170	170
Transfers and subsidies	2	216	667	885	885	-	100.0%	1 065	1 065

APPROPRIATION STATEMENT

FOR THE YEAR ENDED 31 MARCH 2018

3.2 (SUB PROGRAMME 3 Admission Services)									
Economic classification	2017/18							2016/17	
	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	2	-	(2)	-	-	-	-	2	2
Departmental agencies non business entities	2	-	(2)	-	-	-	-	2	2
Households	-	216	669	885	885	-	100.0%	1 063	1 063
Social benefits	-	138	669	807	807	-	100.0%	1 063	1 063
Other transfers to households	-	78	-	78	78	-	100.0%	-	-
Payments for capital assets	-	20 553	4 124	24 677	24 677	-	100.0%	7 760	7 760
Buildings and other fixed structures	-	2 206	13 424	15 630	15 630	-	100.0%	-	-
Buildings	-	2 206	13 424	15 630	15 630	-	100.0%	-	-
Machinery and equipment	-	18 347	(1 943)	16 404	16 404	-	100.0%	7 760	7 760
Transport equipment	-	12 914	(1 116)	11 798	11 798	-	100.0%	-	-
Other machinery and equipment	-	5 433	(827)	4 606	4 606	-	100.0%	7 760	7 760
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	778 729	(8 356)	(859)	759 514	769 514	-	100.0%	763 769	763 670

APPROPRIATION STATEMENT

FOR THE YEAR ENDED 31 MARCH 2018

3.3 [SUB PROGRAMME 3 Immigration Services]									
2017/18									
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	235 496	22 984	(14 971)	243 509	243 264	245	99.9%	248 854	248 854
Compensation of employees	159 783	-	(87 804)	71 979	71 979	-	100.0%	98 901	98 901
Salaries and wages	114 425	-	(53 014)	61 411	61 411	-	100.0%	88 657	88 657
Social contributions	45 358	-	(34 790)	10 568	10 568	-	100.0%	10 244	10 244
Goods and services	75 713	22 984	72 833	171 530	171 285	245	99.9%	149 953	149 953
Administrative fees	470	315	(465)	320	320	-	100.0%	285	285
Minor assets	126	300	(426)	-	-	-	-	3	3
Catering: Departmental activities	21	59	(57)	23	23	-	100.0%	29	29
Communication	4	148	(152)	-	-	-	-	419	419
Computer services	3 290	470	(3 350)	410	410	-	100.0%	2 758	2 758
Contractors	5	-	(5)	-	-	-	-	39	39
Agency and support / outsourced services	22 189	6 355	103 197	131 741	131 496	245	99.8%	109 239	109 239
Entertainment	15	-	(7)	8	8	-	100.0%	8	8
Fleet services (including government motor transport)	1 000	404	(90)	1 314	1 314	-	100.0%	1 290	1 290
Inventory: clothing material and supplies	10 381	(713)	(4 899)	4 769	4 769	-	100.0%	8 062	8 062
Consumable supplies	29	19	(37)	11	11	-	100.0%	90	90
Consumable: Stationery, printing and office supplies	400	327	(223)	504	504	-	100.0%	245	245
Operating leases	320	-	(320)	-	-	-	-	(33)	(33)
Transport provided: Departmental activity	30 057	11 867	(16 385)	25 539	25 539	-	100.0%	21 035	21 035
Travel and subsistence	4 847	961	(1 094)	4 714	4 714	-	100.0%	5 006	5 006
Training and development	98	-	(98)	-	-	-	-	-	-
Operating payments	2 459	2 412	(2 747)	2 124	2 124	-	100.0%	1 478	1 478
Venues and facilities	2	60	(9)	53	53	-	100.0%	-	-
Transfers and subsidies	-	-	-	-	-	-	-	24	24
Households	-	-	-	-	-	-	-	24	24
Social benefits	-	-	-	-	-	-	-	24	24
Payments for capital assets	-	443	17	460	460	-	100.0%	321	321
Machinery and equipment	-	443	17	460	460	-	100.0%	321	321
Other machinery and equipment	-	443	17	460	460	-	100.0%	321	321
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	235 496	23 427	(14 954)	243 969	243 724	245	99.9%	249 199	249 199

APPROPRIATION STATEMENT

FOR THE YEAR ENDED 31 MARCH 2018

3.4 [SUB PROGRAMME 4 Asylum Seekers]									
2017/18								2016/17	
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	157 849	(6 424)	19 757	171 182	171 182	-	100.0%	124 557	124 557
Compensation of employees	111 544	-	4 743	116 287	116 287	-	100.0%	110 632	110 632
Salaries and wages	100 007	-	(1 765)	98 242	98 242	-	100.0%	93 390	93 390
Social contributions	11 537	-	6 508	18 045	18 045	-	100.0%	17 242	17 242
Goods and services	46 305	(6 424)	15 014	54 895	54 895	-	100.0%	13 925	13 925
Administrative fees	71	55	(31)	95	95	-	100.0%	137	137
Minor assets	1 416	944	(1 345)	1 015	1 015	-	100.0%		
Catering: Departmental activities	80	58	(86)	52	52	-	100.0%	72	72
Communication	119	44	(161)	2	2	-	100.0%	167	167
Computer services	16 541	(3 594)	5 839	18 786	18 786	-	100.0%	755	755
Consultants: Business and advisory services	7 409	(9 450)	5 186	3 145	3 145	-	100.0%	4 682	4 682
Contractors	14 755	3 373	7 288	25 416	25 416	-	100.0%	730	730
Entertainment	12	-	(5)	7	7	-	100.0%	7	7
Fleet services (including government motor transport)	-	226	(33)	193	193	-	100.0%	11	11
Inventory: clothing material and supplies	-	2	(1)	1	1	-	100.0%	1	1
Consumable supplies	442	(49)	(226)	167	167	-	100.0%	283	283
Consumable: Stationery, printing and office supplies	803	714	(225)	1 292	1 292	-	100.0%	661	661
Operating leases	1 200	263	(1 303)	160	160	-	100.0%	545	545
Property payments	1 407	642	95	2 144	2 144	-	100.0%	1 349	1 349
Travel and subsistence	1 621	579	(357)	1 843	1 843	-	100.0%	1 564	1 564
Training and development	-	(15)	15	-	-	-	-	15	15
Operating payments	386	134	(403)	117	117	-	100.0%	129	129
Venues and facilities	43	(350)	767	460	460	-	100.0%	2 817	2 817
Transfers and subsidies	1	-	26	27	27	-	100.0%	207	207
Departmental agencies and accounts	1	-	(1)	-	-	-	-	-	-

APPROPRIATION STATEMENT

FOR THE YEAR ENDED 31 MARCH 2018

3.4 [SUB PROGRAMME 4 Asylum Seekers]									
Economic classification	2017/18							2016/17	
	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 non business entities	1	-	(1)	-	-	-	-	-	-
Households	-	-	27	27	27	-	100.0%	207	207
Social benefits	-	-	27	27	27	-	100.0%	83	83
Other transfers to households	-	-	-	-	-	-	-	124	124
Payments for capital assets	-	7 323	(220)	7 103	7 103	-	100.0%	800	800
Machinery and equipment	-	7 120	(17)	7 103	7 103	-	100.0%	800	800
Transport equipment	-	1 214	-	1 214	1 214	-	100.0%	-	-
Other machinery and equipment	-	5 906	(17)	5 889	5 889	-	100.0%	800	800
Software and other intangible assets	-	203	(203)	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	157 850	899	19 563	178 312	178 312	-	100.0%	125 564	125 564

NOTES TO THE APPROPRIATION STATEMENT

FOR THE YEAR ENDED 31 MARCH 2018

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
Programme 1 Administration	2 516 426	2 516 219	207	0.01%
Programme 2 Citizen Affairs	4 687 193	4 686 985	208	0.00%
Programme 3 Immigration Affairs	1 198 720	1 198 475	245	0.00%

Programme 1: Administration. Spending at the end of March 2018 is 100.0% which is within the linear projection of 100.0%.

Programme 2: Citizen Affairs: Spending at the end of March 2018 is 100.0% which is within the linear projection. Furthermore, the transfer of funds to Public Entities in respect of Independent Electoral Commission and Represented Political Parties Fund is in line with the Entities' cash flow projections

Programme 3: Immigration Affairs: Spending at the end of March 2018 is 100.0% which is within the linear projection of 100.0%.

4. Explanations of material variances from Amounts Voted (after Virement):

4.2 Per economic classification

Current payments

Compensation of employees

Goods and services

Transfers and subsidies

Provinces and municipalities

Departmental agencies and accounts

Households

Payments for capital assets

Buildings and other fixed structures

Machinery and equipment

Software and other intangible assets

Payments for financial assets

Payments for financial assets

Payments for financial assets

Payments for financial assets

Payments for financial assets

	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	R'000
Current payments				
Compensation of employees	3 192 570	3 192 570	-	0.00%
Goods and services	3 197 390	3 196 730	660	0.02%
Transfers and subsidies				
Provinces and municipalities	1 127	1 127	-	0.00%
Departmental agencies and accounts	1 441 155	1 441 155	-	0.00%
Households	16 212	16 212	-	0.00%
Payments for capital assets				
Buildings and other fixed structures	60 911	60 911	-	0.00%
Machinery and equipment	318 850	318 850	-	0.00%
Software and other intangible assets	174 124	174 124	-	0.00%
Payments for financial assets				
Payments for financial assets				
Payments for financial assets				
Payments for financial assets				
Payments for financial assets				

The expenditure at the end March 2018 is 100.0% against the linear projection of 100.0% which is within the linear projection.

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 31 MARCH 2018

	Note	2017/18 R'000	2016/17 R'000
REVENUE			
Annual appropriation	1	8 402 339	8 155 805
Departmental revenue	2	1 159 278	1 099 536
TOTAL REVENUE		9 561 617	9 255 341
EXPENDITURE			
Current expenditure			
Compensation of employees	3	3 192 570	3 069 768
Goods and services	4	3 196 729	3 034 621
Total current expenditure		6 389 299	6 104 389
Transfers and subsidies			
Transfers and subsidies	5	1 458 494	1 815 653
Total transfers and subsidies		1 458 494	1 815 653
Expenditure for capital assets			
Tangible assets	6	379 762	194 202
Intangible assets	6	174 124	29 280
Total expenditure for capital assets		553 886	223 482
TOTAL EXPENDITURE		8 401 679	8 143 524
SURPLUS/(DEFICIT) FOR THE YEAR		1 159 938	1 111 817
Reconciliation of Net Surplus/(Deficit) for the year			
Voted funds			
Annual appropriation		660	12 281
Conditional grants		-	-
Departmental revenue and NRF Receipts	12	1 159 278	1 099 536
SURPLUS/(DEFICIT) FOR THE YEAR		1 159 938	1 111 817

STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 31 MARCH 2018

	Note	2017/18 R'000	2016/17 R'000
ASSETS			
Current assets			
Cash and cash equivalents	8	1 056 616	1 141 850
Prepayments and advances	9	2 700	2 707
Receivables	10	97 309	810 463
Non-current assets		853 243	9 435
Receivables	10	853 243	9 435
TOTAL ASSETS		2 009 868	1 964 455
LIABILITIES			
Current liabilities			
Voted funds to be surrendered to the Revenue Fund	11	528	12 149
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	12	2 001 292	1 890 805
Bank overdraft	13	-	-
Payables	14	5 875	59 130
TOTAL LIABILITIES		2 007 695	1 962 084
NET ASSETS		2 173	2 371

STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED 31 MARCH 2018

	Note	2017/18 R'000	2016/17 R'000
Represented by:			
Recoverable revenue		2 173	2 371
TOTAL		2 173	2 371
	Note	2017/18 R'000	2016/17 R'000
Recoverable revenue			
Opening balance		2 371	2 009
Transfers:		(198)	362
Debts recovered (included in departmental receipts)		(198)	362
Debts raised			
Closing balance		2 173	2 371
TOTAL		2 173	2 371

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2018

	Note	2017/18 R'000	2016/17 R'000
CASH FLOWS FROM OPERATING ACTIVITIES		9 249 732	8 953 496
Receipts			
Annual appropriated funds received	1.1	8 402 339	8 155 805
Statutory appropriated funds received	2	-	-
Departmental revenue received	3	846 855	797 075
Interest received	3.3	538	616
NRF Receipts		-	-
Aid assistance received	4	-	-
Net (increase)/decrease in working capital		39 411	1 066 341
Surrendered to Revenue Fund		(972 500)	(958 574)
Surrendered to RDP Fund/Donor		-	-
Current payments		(6 389 299)	(6 104 389)
Interest paid	7	-	-
Payments for financial assets		-	-
Transfers and subsidies paid		(1 458 494)	(1 815 653)
Net cash flow available from operating activities	23	468 850	1 141 221
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	10	(553 886)	(223 482)
Proceeds from sale of capital assets	3.4	-	3 058
Net cash flows from investing activities		(553 886)	(220 424)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		(198)	362
Increase/(decrease) in non-current payables		-	-
Net cash flows from financing activities		(198)	362
Net increase/(decrease) in cash and cash equivalents		(85 234)	921 159
Cash and cash equivalents at beginning of period		1 141 850	220 691
Unrealised gains and losses within cash and cash equivalents		-	-
Cash and cash equivalents at end of period	24	1 056 616	1 141 850

ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 MARCH 2018

Summary of significant accounting policies

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.

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.

1. Basis of preparation

The financial statements have been prepared in accordance with the Modified Cash Standard.

2. Going concern

The financial statements have been prepared on a going concern basis.

3. Presentation currency

Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.

4. Rounding

Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).

5. Foreign currency translation

Cash flows arising from foreign currency transactions are translated into South African Rands using the spot exchange rates prevailing at the date of payment / receipt.

6. Comparative information

6.1 Prior period comparative information

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.

6.2 Current year comparison with budget

A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.



ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 MARCH 2018

7. Revenue

7.1 Appropriated funds

Appropriated funds comprises of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation).

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.

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.

7.2 Departmental revenue

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.

Due to the Accounting Policy change with effect from 2015/16 National Treasury has to manually update the Foreign Revenue figures on the Cash Flow Statement to reflect Non-Cash Items.

7.3 Accrued departmental revenue

Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when:

- 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.

Write-offs are made according to the department's debt write-off policy

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.

ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 MARCH 2018

8. Expenditure (continued)

8.3 Accruals and payables not recognised

Accruals and payables not recognised are recorded in the notes to the financial statements at cost at the reporting date.

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.

The Department does not disclose lease commitments where the Department continues to occupy leased premises in the absence of a signed lease agreement on a month to month basis.

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:

- 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.

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.



ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 MARCH 2018

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.

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 its 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

Payables recognised in the statement of financial position are recognised at cost.

16. Capital Assets

16.1 Immovable capital assets

Immovable assets reflected in the asset register of the department are recorded in the notes to the financial statements at cost or fair value where the cost cannot be determined reliably. Immovable assets acquired in a non-exchange transaction are recorded at fair value at the date of acquisition. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment.

Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.

Additional information on immovable assets not reflected in the assets register is provided in the notes to financial statements.

ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 MARCH 2018

16. Capital Assets (continued)

16.2 Movable capital assets

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.

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.

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.

Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.

Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.

16.3 Intangible assets

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.

Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project.

16.3 Intangible assets (continued)

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.

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.

Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.

Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.

16.4 Project Costs: Work-in-progress

Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid.

Amounts paid towards capital projects are separated from the amounts recognised and accumulated in work-in-progress until the underlying asset is ready for use. Once ready for use, the total accumulated payments are recorded in an asset register. Subsequent payments to complete the project are added to the capital asset in the asset register.

Where the department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.



ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 MARCH 2018

17. Provisions and Contingents

17.1 Provisions

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.

17.2 Contingent liabilities

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.

17.3 Contingent assets

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.

17.4 Commitments

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.

18. Unauthorised expenditure

Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either:

- 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.

Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.

19. Fruitless and wasteful expenditure

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.

Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables for recovery.

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.

ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 MARCH 2018

20. Irregular expenditure

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.

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.

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.

21. Changes in accounting policies, accounting estimates and errors

Changes in accounting policies that are affected 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.

Changes in accounting estimates are applied prospectively in accordance with MCS requirements.

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.

22. Events after the reporting date

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.

23. Principal-Agent arrangements

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.

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.

Additional disclosures have been provided in the notes to the financial statements where appropriate.

24. Departures from the MCS requirements

There is no departure from MCS in the current financial year.



ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 MARCH 2018

25. Capitalisation reserve

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 Revenue Fund when the underlying asset is disposed and the related funds are received.

26. Recoverable revenue

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.

27. Related party transactions

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.

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.

28. Inventories

At the date of acquisition, inventories are recognised at cost in the statement of financial performance.

Where inventories are acquired as part of a non-exchange transaction, the inventories are measured at fair value as at the date of acquisition.

Inventories are subsequently measured at the lower of cost and net realisable value or where intended for distribution (or consumed in the production of goods for distribution) at no or a nominal charge, the lower of cost and current replacement value.

The cost of inventories is assigned by using the weighted average cost basis.

29. Public-Private Partnerships

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.

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.

30. Employee benefits

The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is disclosed in the Employee benefits note.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

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):

	2017/18			2016/17	
	Final Ap- propriation	Actual Funds Received	Funds not requested/ not received	Final Ap- propriation	Appo- riation received
	R'000	R'000	R'000	R'000	R'000
Programme 1 Administration	2 731 217	2 731 217	-	2 222 833	2 222 833
Programme 2 Citizen Affairs	4 450 680	4 450 680	-	4 787 170	4 787 170
Programme 3 Immigration Affairs	1 220 442	1 220 442	-	1 145 802	1 145 802
Total	8 402 339	8 402 339	-	8 155 805	8 155 805

2. Departmental revenue

	Note	2017/18 R'000	2016/17 R'000
Tax revenue			
Sales of goods and services other than capital assets	2.1	1 134 430	1 074 164
Fines, penalties and forfeits	2.2	15 375	10 271
Interest, dividends and rent on land	2.3	538	616
Sales of capital assets	2.4	-	3 058
Transactions in financial assets and liabilities	2.5	8 935	10 265
Transfer received	2.6	-	1 162
Total revenue collected		1 159 278	1 099 536
Less: Own revenue included in appropriation	19	-	-
Departmental revenue collected		1 159 278	1 099 536

2. Departmental revenue (continued)

Dirco collected Foreign Revenue on behalf of the department to the total value of R 311 million (R298 million in 2016/17) of which they paid R 88 million (R210 million in 2016/17) to NRF and the balance that remains is R 223 million (R97 million 2016/17).

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.

2.1 Sales of goods and services other than capital assets

Note	2017/18 R'000	2016/17 R'000
Sales of goods and services produced by the department	1 134 403	1 074 147
Administrative fees	1 134 385	1 074 113
Other sales	18	34
Sales of scrap, waste and other used current goods	27	17
Total	1 134 430	1 074 164

2.2 Fines, penalties and forfeits

Note	2017/18 R'000	2016/17 R'000
Fines	2 151	2 716
Penalties	10 490	7 555
Forfeits	2 734	-
Total	15 375	10 271

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

2. Departmental revenue (continued)

2.3 Interest, dividends and rent on land

	Note	2017/18 R'000	2016/17 R'000
Interest	2	538	616
Total		538	616

2.4 Sale of capital assets

	Note	2017/18 R'000	2016/17 R'000
Tangible assets		-	3 058
Buildings and other fixed structures		-	-
Machinery and equipment	25	-	3 058
Land and subsoil assets		-	-
Total		-	3 058

2.5 Transactions in financial assets and liabilities

	Note	2017/18 R'000	2016/17 R'000
Loans and advances	2		
Receivables		7 475	5 302
Other Receipts including Recoverable Revenue		1 460	4 963
Total		8 935	10 265

2.6 Transfers received

	Note	2017/18 R'000	2016/17 R'000
Public corporations and private enterprises	2	-	1 162
Total		-	1 162

The Department did not receive any cash donations during the 2017/18 financial year.

3. Compensation of employees

3.1 Salaries and Wages

	Note	2017/18 R'000	2016/17 R'000
Basic salary		2 271 695	2 151 397
Performance award		12 391	8 556
Service Based		5 203	3 491
Compensative/circumstantial		49 854	61 418
Other non-pensionable allowances		359 629	379 339
Total		2 698 772	2 604 201

'Compensative/ Circumstantial' represents overtime payment, periodic payments, acting allowances and internship allowances.
'Other non-pensionable allowances' are inclusive of Housing allowance, Non-pensionable allowances and foreign allowances for deployed officials.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

3. Compensation of employees (continued)

3.2 Social contributions

	Note	2017/18 R'000	2016/17 R'000
Employer contributions			
Pension		292 925	276 018
Medical		200 113	188 847
Bargaining council		760	702
Total		493 798	465 567
Total compensation of employees		3 192 570	3 069 768
Average number of employees		9 456	9 792

There is an increase in the total compensation of employees to R 3, 1 billion in 2017/18 (R3, 0 billion 2016/17). It can be attributed to cost of living adjustment.

4. Goods and services

	Note	2017/18 R'000	2016/17 R'000
Administrative fees		23 784	10 003
Advertising		8 163	5 741
Minor assets	4.1	13 531	7 779
Bursaries (employees)		4 440	3 063
Catering		3 176	1 709
Communication		50 163	81 726
Computer services	4.2	633 396	583 387
Consultants: Business and advisory services		24 750	39 533
Legal services		92 689	39 926
Contractors		302 629	307 855
Agency and support / outsourced services		143 188	132 034
Entertainment		256	201
Audit cost – external	4.3	31 767	31 185
Fleet services		94 594	104 805
Inventory	4.4	11 602	17 440
Consumables	4.5	944 354	923 797
Operating leases		406 751	348 806
Property payments	4.6	202 750	190 076
Rental and hiring		205	1 049
Transport provided as part of the departmental activities		25 539	21 035
Travel and subsistence	4.7	102 817	116 632
Venues and facilities		12 257	12 703
Training and development		5 393	2 601
Other operating expenditure	4.8	58 535	51 535
Total		3 196 729	3 034 621

There is an increase in the total Goods & Services Expenditure to R 3, 1 billion in 2017/18 as compared to prior year (R3, 0 billion 2016/17).

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

4. Goods and services (continued)

4.1 Minor assets

	Note	2017/18	2016/17
		R'000	R'000
Tangible assets	4	13 531	7 779
Machinery and equipment		13 531	7 779
Total		13 531	7 779

4.2 Computer services

	Note	2017/18	2016/17
		R'000	R'000
SITA computer services	4	195 172	194 436
External computer service providers		438 224	388 951
Total		633 396	583 387

4.3 Audit cost – External

	Note	2017/18	2016/17
		R'000	R'000
Regularity audits	4	31 767	31 185
Total		31 767	31 185

4.4 Inventory

	Note	2017/18	2016/17
		R'000	R'000
Clothing material and accessories	4	11 392	17 440
Other supplies		210	-
Total		11 602	17 440

4.4 Inventory (continued)

4.4.1 Other supplies

	Note	2017/18	2016/17
		R'000	R'000
Other	4.4	210	-
Total		210	-

4.5 Consumables

	Note	2017/18	2016/17
		R'000	R'000
Consumable supplies	4	7 834	15 268
Uniform and clothing		104	-
Household supplies		6 066	5 291
Building material and supplies		122	5
Communication accessories		1	3
IT consumables		312	289
Other consumables		1 229	9 680
Stationery, printing and office supplies		936 520	908 529
Total		944 354	923 797

'Other consumables expenditure' represents materials, accessories and security access expenditure.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

4. Goods and services (continued)

4.6 Property payments

	Note	2017/18 R'000	2016/17 R'000
Municipal services	4	7	4
Property management fees		77 644	73 301
Property maintenance and repairs		20 318	11 260
Other		104 781	105 511
Total		202 750	190 076

'Other' property payments represent gardening, cleaning, security and safe-guarding expenditure.

4.7 Travel and subsistence

	Note	2017/18 R'000	2016/17 R'000
Local	4	95 513	107 981
Foreign		7 304	8 651
Total		102 817	116 632

4.8 Other operating expenditure

	Note	2017/18 R'000	2016/17 R'000
Professional bodies, membership and subscription fees	4	81	100
Resettlement costs		1 651	1 592
Other		56 803	49 843
Total		58 535	51 535

'Other' operating expenditure represents Courier services, printing and storage costs.

5. Transfers and subsidies

	Note	2017/18 R'000	2016/17 R'000
Provinces and municipalities	31	1 127	918
Departmental agencies and accounts	Annex 1A	1 441 155	1 792 405
Households	Annex 1B	16 212	22 330
Total		1 458 494	1 815 653

Departmental agencies represent IEC (budget R 1, 2 billion) & Represented Political Parties Fund (budget R 141 million) in 2017/18.

6. Expenditure for capital assets

	Note	2017/18 R'000	2016/17 R'000
Tangible assets		379 762	194 202
Buildings and other fixed structures	27	60 909	112 628
Machinery and equipment	25	318 853	81 574
Intangible assets		174 124	29 280
Software	26	174 124	29 280
Total		553 886	223 482

There is an increase in the Capital Expenditure in 2017/18 to R 553 million as compared to prior year (R223 million in 2016/17).

The Department has embarked on a project to upgrade the technology of the current HANIS to Automated Biometric Identification System (ABIS) under the modernization programme. ABIS Project implementation commenced in November 2017.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

6. Expenditure for capital assets (continued)

6.1 Analysis of funds utilised to acquire capital assets – 2017/18

	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
Tangible assets	379 762	-	379 762
Buildings and other fixed structures	60 909	-	60 909
Machinery and equipment	318 853	-	318 853
Intangible assets	174 124	-	174 124
Software	174 124	-	174 124
Total	553 886	-	553 886

6.2 Analysis of funds utilised to acquire capital assets – 2016/17

	Voted funds	Aid assistance	Total
	R'000	R'000	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

6.3 Finance lease expenditure included in Expenditure for capital assets

	Note	2017/18 R'000	2016/17 R'000
Tangible assets			
Machinery and equipment		19 037	14 114
Total		19 037	14 114

Finance lease expenditure includes Cell phones, modems & Photocopiers fixed amounts.

7. Unauthorised expenditure

7.1 Reconciliation of unauthorised expenditure

	Note	2017/18 R'000	2016/17 R'000
Opening balance			1 088 221
Prior period error		-	
As restated		-	1 088 221
Less: Amounts approved by Parliament/ Legislature with funding		-	(1 088 221)
Closing balance		-	-
Analysis of closing balance			
Unauthorised expenditure awaiting authorisation			
Unauthorised expenditure approved without funding and not derecognised	11.6		
Total		-	-

The Department did not incur any Unauthorised expenditure.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

8. Cash and cash equivalents

	Note	2017/18 R'000	2016/17 R'000
Consolidated Paymaster General Account		1 054 100	1 139 346
Cash on hand		2 516	2 504
Total		1 056 616	1 141 850

The Consolidated Paymaster General Account also includes the Immigration Control Account (ICA) balance. As at end of 2016/17 the account had a closing balance of R 2, 1 million of which cheques were issued to claimants. At the end of March 2018 the balance remained in the account is R 1, 6 million.

9. Prepayments and advances

	Note	2017/18 R'000	2016/17 R'000
Travel and subsistence		2 700	2 707
Prepayments (Not expensed)	14.2	-	-
Advances paid (Not expensed)	14.1	-	-
Total		2 700	2 707

10. Receivables

	Note	2017/18			2016/17		
		Current R'000	Non-current R'000	Total R'000	Current R'000	Non-current R'000	Total R'000
Claims recoverable	10.1	95 580	805 053	900 633	803 956	(43 981)	759 975
Recoverable expenditure	10.2	704	35 820	36 524	3 121	42 978	46 099
Staff debt	10.3	1 025	12 039	13 064	2 594	10 107	12 701
Other debtors	10.4	-	331	331	792	331	1 123
Total		97 309	853 243	950 552	810 463	9 435	819 898

During 2016/17 the Department restated the Receivables balances in relation to foreign revenue; the total amount of R 1,7 billion was split between a confirmed amount of R 652 million and an Unconfirmed amount of R1 billion. The unconfirmed amount had related to transactions passed by Dirco for which no supporting documentation was received by the Department.

During the 2017/18 Dirco confirmed a balance of R 749 million for prior year 2016/17 and R 896 million for year ended in 2017/18. Department had to restate the 2016/17 as a result of the confirmation which also caused a reduction of the balances.

Further reduction to the receivable balance is due to Dirco's payment of R 40 million to NRF in 2017/18 in relation to prior year balances and a payment adjustment of R 44 million that Dirco paid to NRF in 2016/17 also reduced the balance.

The difference between foreign revenue collected of R 311 million and revenue paid to NRF of R 88 mil is R 223 million which has been included as a Receivable under Claims Recoverable.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

10. Receivables (continued)

10.1 Claims recoverable

	Note	2017/18	2016/17
	10 and Annex 4	R'000	R'000
National departments		897 428	750 081
Provincial departments		188	210
Public entities		1 334	9 684
Private enterprises		1 683	-
Households and non-profit institutions		-	-
Total		900 633	759 975

The 'Claims Recoverable' balance is inclusive of the foreign revenue amount that Dirco has not yet paid to NRF, the amount for 2017/18 is R 223 million (R97 million 2016/17).
Restatement of prior year balances are explained above under note 10.

10.2 Recoverable expenditure (disallowance accounts)

	Note	2017/18	2016/17
	10	R'000	R'000
Disallowance Payment Fraud		13 490	13 490
Disallowance Damages and Losses		22 330	32 459
Sal: Deduction disallowance Account		-	4
Sal: Reversal Control Account		704	146
Total		36 524	46 099

During the 2016/17 financial year the balances for foreign revenue were restated to address prior year findings. After the audit of 2016/17 there was still an un-reconciled balance of R 21 million. In order to clear the difference the Department has accounted for it under Disallowance Losses & Damages account. The amount is then reduced by the R 11 million which was secondary information (Dirco payable) during the 2015/16 accounting policy changes that was effected as primary information payables. The Department will engage NT to clear the remaining balance in the next financial year.

10.3 Staff debt

	Note	2017/18	2016/17
	10	R'000	R'000
Sal: Tax Debt		38	31
Debt Account		13 026	12 670
Total		13 064	12 701

No debts were written off during the 2017/18 financial year.

10.4 Other debtors

	Note	2017/18	2016/17
	10	R'000	R'000
Financial Assistances		331	331
Sal: GEHS Refund Control Acc: CL		-	792
Total		331	1 123

The debts that emanate from Fruitless & Wasteful expenditure are accounted for under sub-note 10.3 Staff Debts because it is for in-service employees.

10.5 Impairment of receivables

	Note	2017/18	2016/17
		R'000	R'000
Estimate of impairment of receivables		45 279	27 651
Total		45 279	27 651

No debt written off during the 2017/18 financial year.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

11. Voted funds to be surrendered to the Revenue Fund

	Note	2017/18 R'000	2016/17 R'000
Opening balance		12 149	5 215
Prior period error	11.2	-	-
As restated		12 149	5 215
Transfer from statement of financial performance (as restated)		660	12 281
Paid during the year		(12 281)	(5 347)
Closing balance		528	12 149

The amount of R 12 million from 2016/17 was rolled over to the department, in the year under review the under spending on the budget is R 660 k.

12. Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund

	Note	2017/18 R'000	2016/17 R'000
Opening balance		1 890 805	2 023 179
Prior period error	12.1	-	21 976
As restated		1 890 805	2 045 155
Transfer from Statement of Financial Performance (as restated)		1 159 278	1 099 536
Transfer to payables		-	(54 736)
Adjustment (Dirco)		(35 240)	-
Paid during the year		(1 013 551)	(1 199 150)
Closing balance		2 001 292	1 890 805

During the 2016/17 financial year the balances for foreign revenue were restated to address prior year findings. After the audit of 2016/17 there was still an un-reconciled balance of R 21 million which the department have been able to identify that it was on the NRF payable, but not on the Receivable Dirco, as a solution to clear that difference the department has accounted for it under Disallowance Losses & Damages account which is still a receivable account and the other entry has restated the NRF balance.

During the 2017/18 Dirco confirmed a balance of R 749 million for prior year 2016/17 and R 896 million for year ended in 2017/18. Department had to restate the 2016/17 as a result of the confirmation which also caused a reduction of the balances. There are also adjustments that Dirco made during the financial year 2017/18 which necessitated the insertion of the line 'Adjustments (Dirco)' to reflect those adjustments.

'Paid during the year' includes the amount that Dirco paid to NRF for foreign revenue for R 88 million for 2017/18; R 40 million was paid by Dirco to NRF for prior year amounts. The department also paid an amount of R 41 million to NRF during the 2017/18 financial year which had been received from Dirco in 2016/17, this payment was made from the Repatriation Dirco account and not from Revenue hence the difference of R 41 million against the NRF's received amounts.

12.1 Prior period error

	Note	2016/17 R'000
Nature of prior period error		
Relating to 2015/16 <i>[affecting the opening balance]</i>		(934 277)
Opening balance restated to reduce Unconfirmed Receivables from Dirco		(934 277)
Relating to 2016/17		(22 848)
Restatement of prior year foreign revenue		21 976
Restatement of prior year payment made to NRF by Dirco		(44 824)
Total prior period errors		(957 125)

The 2016/17 opening balances had to be restated during the 2017/18 financial year after reconciling the Confirmed amounts between Dirco and the department.

The 2016/17 balance was restated to correct a payment of R 44 million which was not accounted for as paid by Dirco to NRF and to correct an un-reconciled balance of R 21 million as explained in sub-note 10.2.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

13. Payables – current

	Note	2017/18 R'000	2016/17 R'000
Amounts owing to other entities		-	-
Advances received	13.1	-	-
Clearing accounts	13.2	2 937	56 644
Other payables	13.3	2 938	2 486
Total		5 875	59 130

The reduction on the 'Clearing accounts' is explained under sub-note 13.1 below.

13.1 Clearing accounts

	Note	2017/18 R'000	2016/17 R'000
Sal: Medical Aid	13	18	211
Pension Recoverable Account		-	97
Sal: Income Tax		926	865
Sal: ACB recall		38	-
Sal: Pension Fund		22	4
Sal: Insurance Deductions		-	104
Sal: Garnishee order		1	-
Sal: GEHS refund control acc:c		271	-
Repatriation Foreign dep Dirco		-	53 190
Repatriation Foreign dep Dirco (ICA related)		1 661	2 173
Total		2 937	56 644

During the 2016/17 financial year the department restated amounts that related to the Immigration Control Account (ICA) and it remained with a balance of R 2, 1 million, as at 2017/18 the balance that remains is R 1, 6 million as not all cheques were cashed.

Repatriation Foreign dep Dirco had a balance of R53 million in 2016/17 which comprised of an amount of R 41 million which Dirco had paid into the Department's account instead of NRF, during 2017/18 the Department paid this to NRF.

The amount of R 11 million emanated from 2015/16 accounting policy changes which were secondary information (Payable to Dirco) and the Department processed it as primary information in the Department's payables.

13.1 Other payables

	Note	2017/18 R'000	2016/17 R'000
Debt Receivable Interest	13	2 938	2 486
Total		2 938	2 486

14. Net cash flow available from operating activities

	Note	2017/18 R'000	2016/17 R'000
Net surplus/(deficit) as per Statement of Financial Performance		1 159 938	1 111 817
Add back non cash/cash movements not deemed operating activities		(691 088)	29 404
(Increase)/decrease in receivables – current		(130 654)	(109 891)
(Increase)/decrease in prepayments and advances		7	206
(Increase)/decrease in other current assets		-	1 088 221
Increase/(decrease) in payables – current		(53 255)	(9 883)
Proceeds from sale of capital assets		-	(3 058)
Expenditure on capital assets		553 886	223 482
Surrenders to Revenue Fund		(1 061 072)	(1 159 673)
Net cash flow generated by operating activities		468 850	1 141 221

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

15. Reconciliation of cash and cash equivalents for cash flow purposes

	Note	2017/18 R'000	2016/17 R'000
Consolidated Paymaster General account		1 054 100	1 139 346
Cash on hand		2 516	2 504
Total		1 056 616	1 141 850

The Consolidated Paymaster General Account also includes the Immigration Control Account (ICA) balance. As at end of 2016/17 the account had a closing balance of R 2, 1 million of which cheques were issued to claimants. At the end of March 2018 the balance remained in the account is R 1, 6 million.

16. Contingent liabilities and contingent assets

16.1 Contingent liabilities

Liable to	Nature	Note	2017/18 R'000	2016/17 R'000
Motor vehicle guarantees	Employees	Annex 3A	-	-
Housing loan guarantees	Employees	Annex 3A	155	143
Other guarantees		Annex 3A	-	-
Claims against the department		Annex 3	2 045 099	1 989 701
Intergovernmental payables (unconfirmed balances)		Annex 5	-	-
Environmental rehabilitation liability		Annex 3B	-	-
Other		Annex 3	717	85 717
Total			2 045 971	2 075 561

The Contingent Liability 'Other' balance has reduced as the R85 million matters for IBM was settled during the 2017/18 financial year.

16.2 Contingent assets

	Note	2017/18 R'000	2016/17 R'000
Incapacity leave and ill health retirement (Pilir) application not yet approved		2 044	409
Possible recovery of the theft of state funds-cell-Cellphone usage exceeded allowable limits		5 485	5 485
Total		7 529	5 894

The Contingent Asset relating to Incapacity leave (Pilir) has increased to R 2 million in 2017/18 (R409 k in 2016/17) as the number of Pilir applications have increased as a result of the 3 year sick leave cycle coming to an end in December 2018 and most officials have exhausted their sick leave credits. In addition the cost of Pilir increased due to cost of living adjustments and notch progressions.

17. Commitments

	Note	2017/18 R'000	2016/17 R'000
Current expenditure			
Approved and contracted		4 753 718	4 242 192
Approved but not yet contracted		48 501	-
		4 802 219	4 242 192
Capital expenditure			
Approved and contracted		67 285	43 062
Approved but not yet contracted		-	-
		67 285	43 062
Total Commitments		4 869 504	4 285 254

The Commitments have increased to R 4, 8 billion in 2017/18 (R 4, 2 billion in 2016/17) due to more projects that the Department is engaged on such as ABIS.

The Commitments balance consists of an amount of R4, 2 billion which represents commitments that are longer than a year.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

18. Accruals and payables not recognised

18.1 Accruals

	2017/18 R'000			2016/17 R'000
Listed by economic classification				
	30 Days	30+ Days	Total	Total
Goods and services	58 347	5 754	64 101	213 631
Interest and rent on land	-	-	-	-
Transfers and subsidies	-	-	-	-
Capital assets	211	261	472	1 540
Other	-	-	-	-
Total	58 558	6 015	64 573	215 171

18.1 Accruals (continued)

	Note	2017/18 R'000	2016/17 R'000
Listed by programme level			
Programme 1: Administration		45 206	80 198
Programme 2: Citizen Affairs		11 183	100 836
Programme 3 Immigration Affairs		8 184	34 137
Total		64 573	215 171

The Department's Accruals have reduced significantly to R 64 million in 2017/18 (R 215 million in 2016/17) as the Department improved on payments of invoices processes.

18.2 Payables not recognised

	2017/18 R'000			2016/17 R'000
Listed by economic classification				
	30 Days	30+ Days	Total	Total
Goods and services	53 585	9	53 594	169 917
Interest and rent on land	-	-	-	-
Transfers and subsidies	-	-	-	-
Capital assets	112	21	133	1 153
Other	-	-	-	-
Total	53 697	30	53 727	171 070

18.2 Payables not recognised (continued)

	Note	2017/18 R'000	2016/17 R'000
Listed by programme level			
Programme 1: Administration		7 401	97 721
Programme 2: Citizen Affairs		44 949	72 054
Programme 3 Immigration Affairs		1 377	1 295
Total		53 727	171 070

	Note	2017/18 R'000	2016/17 R'000
Included in the above totals are the following:			
Confirmed balances with other departments	Annex 5	37 953	97 877
Confirmed balances with other government entities	Annex 5	59 276	205 959
Total		97 229	303 836

The department's Payables not recognised have reduced significantly to R53 million in 2017/18 (R 171 million in 2016/17) as departments improved on payments of invoices processes.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

19. Employee benefits

	Note	2017/18 R'000	2016/17 R'000
Leave entitlement		115 057	106 015
Service bonus (Thirteenth cheque)		99 281	92 758
Performance awards		499	16
Capped leave commitments		114 568	116 844
Other		7 965	3 871
Total		337 370	319 504

The negative leave amount of R6,735,645.68 will reflect since an employee is granted her/his full leave entitlement at the beginning of the leave cycle, and if an employee utilises more leave than the monthly leave accrual, a negative leave credit will be reflected.

20. Lease commitments

20.1 Operating leases

2017/18	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	-	-	219 801	20 445	240 246
Later than 1 year and not later than 5 years	-	-	694 402	3 402	697 804
Later than five years	-	-	79 564		79 564
Total lease commitments	-	-	993 767	23 847	1 017 614

2016/17

	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
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	-	-	589 103	58 402	647 505

Operating leases include GFleet, Forklift and Buildings leases.

With regard to Building leases, the department has not disclosed the amount of R 87 million for offices whose leases have expired but as at 31 March 2018 the Department is still occupying those offices on a month to month basis.

20.2 Finance leases **

2017/18

	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	-	-	-	6 925	6 925
Later than 1 year and not later than 5 years	-	-	-	2 907	2 907
Later than five years	-	-	-	-	-
Total lease commitments	-	-	-	9 832	9 832

2016/17

	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	-	-	-	6 913	6 913
Later than 1 year and not later than 5 years	-	-	-	2 834	2 834
Total lease commitments	-	-	-	9 747	9 747

**This note excludes leases relating to public private partnership as they are separately disclosed in note no. 35.

Finance leases include Cell-phones & Modems and Photocopiers leases.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

21. Accrued departmental revenue

	Note	2017/18 R'000	2016/17 R'000
Fines, penalties and forfeits		140 793	112 098
Other		45 227	47 861
Total		186 020	159 959

'Other' Accrued departmental revenue relates to the GIJIMA settlement agreement matter with the cost values of R80 million. This amount was set aside as credit for DHA against which DHA would set-off services performed by GIJIMA. The balance remaining as at 31 March 2018 is R 45 million.

21.1 Analysis of accrued departmental revenue

	Note	2017/18 R'000	2016/17 R'000
Opening balance		159 959	147 423
Less: amounts received		10 490	16 359
Add: amounts recorded		36 551	28 895
Closing balance		186 020	159 959

22. Irregular expenditure

22.1 Reconciliation of irregular expenditure

	Note	2017/18 R'000	2016/17 R'000
Opening balance		516 102	381 489
Prior period error			
As restated		516 102	381 489
Add: Irregular expenditure – relating to prior year		3 650	70 581
Add: Irregular expenditure – relating to current year		34 918	75 424
Less: Prior year amounts condoned		(1 705)	(11 184)
Less: Current year amounts condoned		(3)	(208)
Less: Amounts not condoned and not recoverable		-	-
Closing balance		552 962	516 102

Analysis of awaiting condonation per age classification

Current year	34 918	75 216
Prior years	518 044	440 886
Total	552 962	516 102

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

22. Irregular expenditure (continued)

22.1 Reconciliation of irregular expenditure (continued)

The opening balance of R 516 million consists of the following significant balances:

R 278 million: Relates to WAIO of which department has engaged NT to Condone; This irregular expenditure emanates from a contract which was facilitated by the State Information Technology Agency in April 2006. In terms of the SITA Act, 1998 (Act 88 of 1998), SITA issued a tender on behalf of DHA for a turnkey solution that would modernise a wide range of DHA's systems and services. The modernisation programme, known as the Who AM I Online (WAIO) project, was intended to enhance the movement control system at the South Africa's entry points, introduce an efficient and secure identity system for South African residents, upgrade civic and immigration services and increase the efficiency, speed and security of DHA's operations by migrating from a paper-based systems and processes to electronic environment.

During the audit of the procurement processes the Auditor-General had found that some processes within this contract were found to be irregular and as such deemed that part of the contract irregular. This was mainly the leasing portion of the contract which included the leasing of equipment, hardware and software. The lease constituted a finance lease in terms of Treasury Regulation 13.2.2 due to the significant risks and rewards of ownership of the assets being transferred to the Department.

R 199 million: Relates to the Security tender of which department has engaged NT to Condone; **R 42 million** for Human Resource related Irregular which NT advised department that the DG can Condone, which was done post 31 May 2018. Department will request NT to Condone last year's Toilet paper irregular to the value of R 1,3 million once all internal processes have been concluded.

During the audit in 2017/18, irregular expenditure for splitting of Cleaning services quotations was identified and the amount of R 5 million was added to the Irregular Expenditure balance.

22.2 Details of irregular expenditure – added current year (relating to current and prior years)

Incident	Disciplinary steps taken/criminal proceedings	2017/18 R'000
Work performed in excess of contract	LCC still to adjudicate	358
Three quotations not obtained	LCC still to adjudicate	183
Security tender	NT requested to condone tender	31 510
Toilet paper procured outside NT Contract (prior year)	LCC still to adjudicate	1 365
Transgression of delegated signatories	LCC still to adjudicate	56
Contract not terminated at end of term (prior year)	LCC still to adjudicate	3
Cleaning Services (split orders)	LCC still to adjudicate	5 093
Total		38 568

The amount of R 31 million relates to the Security Tender, it was payments made in 2017/18.
The amount of R 1, 3 million is for Toilet paper irregular expenditure that was confirmed in 2017/18.
The amount of new Irregular discovered in 2017/18 is the remaining R 5,6 million.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

22. Irregular expenditure (continued)

22.3 Details of irregular expenditure condoned

Incident	Condoned by (condoning authority)	2017/18 R'000
2011/12: Emergency plumbing and toilets	Accounting officer	72
2012/13: Three quotations not obtained	Accounting officer	23
2013/14: Contract used beyond contract period	Accounting officer	250
2015/16: Overtime over 30%	Minister	1 328
2015-2018: Three quotations not obtained	Accounting officer	33
2016/17: Contract used beyond contract period	Accounting officer	2
Total		1 708

The Loss Control Committee dealt with back-log cases and recommended for DG to condone the listed above. The other cases have been referred to NT as the Condoning authority.

22.4 Details of irregular expenditures under investigation (not included in the main note)

Incident	2017/18 R'000
Services were not part of specification goods & services obtained without order	44
Deviation not supported by NT (Deportation services)	1 577
Total	1 621

The amounts that total R 1, 6 million are still going to be tested and confirmed if they meet the Irregular expenditure criteria. Department is in communication with NT about the Deportation services as a deviation for extension of contract was approved by DG.

23. Fruitless and wasteful expenditure

23.1 Reconciliation of fruitless and wasteful expenditure

	Note	2017/18 R'000	2016/17 R'000
Opening balance		494	1 078
Prior period error		-	-
As restated		494	1 078
Fruitless and wasteful expenditure – relating to prior year		125	40
Fruitless and wasteful expenditure – relating to current year		46	201
Less: Amounts resolved		(470)	(799)
Less: Amounts transferred to receivables for recovery	15.6	(11)	(26)
Closing balance		184	494

Loss Control Committee resolved cases to the value of R 470 k during the financial year.

23.2 Analysis of awaiting resolution per economic classification

	2017/18 R'000	2016/17 R'000
Current	184	494
Total	184	494

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

23. Fruitless and wasteful expenditure (continued)

23.3 Analysis of Current year's (relating to current and prior years) fruitless and wasteful expenditure

Incident	Disciplinary steps taken/criminal proceedings	2017/18 R'000
Interest paid (2017/18)		1
No shows (Shuttles & Accommodation)		28
Penalty charges on rescheduling		17
No shows (2016/2017)		52
Interest paid to GEPP for reinstatements (2016/17)		73
Total		171

24. Related party relationships

- Electoral Commission: The Electoral Commission is a Chapter 9 institution that reports directly to Parliament and only receives their budget allocation through the DHA Vote. The Electoral Commission manages the national, provincial and municipal elections.
- Government Printing Works: For the provision of security printing services to the departmental including the stationery and printing on the goods and services.

25. Key management personnel

	No. of Individuals	2017/18 R'000	2016/17 R'000
Political office bearers (provide detail below)			
Officials:	4	4 345	4 211
Level 15 to 16	14	14 774	16 613
Level 14 (incl. CFO if at a lower level)	42	44 032	36 248
Total		63 151	57 072

26. Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing Balance R'000
MACHINERY AND EQUIPMENT	1 336 575	-	301 680	28 827	1 609 428
Transport assets	191 865	-	37 311	6 041	223 135
Computer equipment	856 732	-	242 252	17 480	1 081 504
Furniture and office equipment	137 299	-	9 760	4 017	143 042
Other machinery and equipment	150 679	-	12 357	1 289	161 747
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	1 336 575	-	301 680	28 827	1 609 428

The Department has embarked on a project to upgrade the technology of the current HANIS to Automated Biometric Identification System (ABIS) under the modernization programme. ABIS Project implementation commenced in November 2017.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

26. Movable Tangible Capital Assets (continued)

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:		
Heritage assets	-	-
Machinery and equipment	7 604	1 612
Specialised military assets	-	-

26.1 Additions

ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018

	Cash*	Non-cash**	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000

MACHINERY AND EQUIPMENT

	318 853	2 658	(19 037)	(794)	301 680
Transport assets	37 311	-	-	-	37 311
Computer equipment	239 654	2 598	-	-	242 252
Furniture and office equipment	10 302	42	-	(584)	9 760
Other machinery and equipment	31 586	18	(19 037)	(210)	12 357

TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS

	318 853	2 658	(19 037)	(794)	301 680
--	----------------	--------------	-----------------	--------------	----------------

26.2 Disposals

DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018

	Sold for cash	Non-cash disposal	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	-	28 827	28 827	-
Transport assets	-	6 041	6 041	-
Computer equipment	-	17 480	17 480	-
Furniture and office equipment	-	4 017	4 017	-
Other machinery and equipment	-	1 289	1 289	-
TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS	-	28 827	28 827	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

26. Movable Tangible Capital Assets (continued)

26.3 Movement for 2016/17

MOVEMENT IN TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	1 346 027	(8 937)	30 075	30 590	1 336 575
Transport assets	205 488	-	1 361	14 984	191 865
Computer equipment	846 896	-	18 701	8 865	856 732
Furniture and office equipment	146 566	(8 937)	4 859	5 189	137 299
Other machinery and equipment	147 077	-	5 154	1 552	150 679
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	1 346 027	(8 937)	30 075	30 590	1 336 575

26.3.1 Prior period error

	Note	2016/17 R'000
Nature of prior period error		
Relating to 2015/2016		(8 937)
Reclassification of Furniture and Office Equip		(8 937)
Relating to 2016/17		451
Reclassification of Transport (disposals)		(350)
Reclassification of Computer Equip (disposals)		(462)
Reclassification of Furniture (disposals)		1 552
Reclassification of Other Mach & Equip (disposals)		(289)
Total prior period errors		(8 486)

26.4 Minor assets

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2018

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	-	-	198 061	-	198 061
Value adjustments	-	-	-	-	-	-
Additions	-	-	-	13 897	-	13 897
Disposals	-	-	-	9 214	-	9 214
TOTAL MINOR ASSETS	-	-	-	202 744	-	202 744

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2017

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	-	-	202 000	-	202 000
Additions	-	-	-	5 851	-	5 851
Disposals	-	-	-	9 790	-	9 790
TOTAL MINOR ASSETS	-	-	-	198 061	-	198 061

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

26. Movable Tangible Capital Assets (continued)

26.4.1 Prior period error

Note	2016/17 R'000
Relating to 2016/17	(167)
Additions decreased to correct classification	(167)
Total prior period errors	(167)

27. Intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing Balance R'000
SOFTWARE	506 483	-	176 911	-	683 394
TOTAL INTANGIBLE CAPITAL ASSETS	506 483	-	176 911	-	683 394

Additions of 2,734 was restated against additions to correct 2016/2017 figures.

The Department has embarked on a project to upgrade the technology of the current HANIS to Automated Biometric Identification System (ABIS) under the modernization programme. ABIS Project implementation commenced in November 2017.

ABIS Hardware was procured at a value of R 107 million and related Software at R 109 mil, spent by 31 March 2018.

Other significant software acquisitions include:

R 33 million for Capitalised Software licences and R 32 million spend on Live Capture upgrades during the 2017/18 period.

The Department has developed Visa Adjudication System (VAS); the Department will determine the cost of the internally generated software in the next financial year.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

27. Intangible Capital Assets (continued)

27.1 Additions

ADDITIONS TO INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018

	Cash	Non-Cash	(Development work in progress – current costs)	Received current year, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	174 124	-	-	2 787	176 911
TOTAL ADDITIONS TO INTANGIBLE CAPITAL ASSETS	174 124	-	-	2 787	176 911

27.2 Movement for 2016/17

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	481 299	-	31 039	5 855	506 483
TOTAL INTANGIBLE CAPITAL ASSETS	481 299	-	31 039	5 855	506 483

27.3.1 Prior period error

	Note	2016/17 R'000
Nature of prior period error		
Relating to 2016/17		2 734
Additions restated		2 734
Total prior period errors		2 734

The prior period error transaction is to correct the additions of 2016/17 financial year.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

28. Immovable Tangible Capital Assets

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018

	Opening balance	Value adjustments	Additions	Disposals	Closing Balance
	R'000		R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	369 375	-	63 458	426	432 407
Non-residential buildings	369 375	-	63 458	426	432 407
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	369 375	-	63 458	426	432 407

Immovable Tangible Capital Assets under investigation

	Number	Value R'000
Included in the above total of the immovable tangible capital assets per the asset register are assets that are under investigation:		
Buildings and other fixed structures	-	-
Heritage assets	-	-
Land and subsoil assets	-	-

28.1 Additions

ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018

	Cash	Non-cash	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
BUILDING AND OTHER FIXED STRUCTURES	60 909	-	-	2 549	63 458
Non-residential buildings	60 909	-	-	2 549	63 458
TOTAL ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS	60 909	-	-	2 549	63 458

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

28. Immovable Tangible Capital Assets (continued)

28.2 Disposals

DISPOSALS OF IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018

	Sold for cash	Non-cash disposal	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	-	426	426	-
Non-residential buildings	-	426	426	-
TOTAL DISPOSALS OF IMMOVABLE TANGIBLE CAPITAL ASSETS	-	426	426	-

Department vacated Malmesbury offices during the financial year

28.3 Movement for 2016/17

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	247 799	7 065	114 511	-	369 375
Non-residential buildings	247 799	7 065	114 511	-	369 375
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	247 799	7 065	114 511	-	369 375

Prior year addition balance had to be restated to include counters at modernised office.

28.3.1 Prior period error

	Note	2016/17 R'000
Nature of prior period error		
Relating to 2013/14 to 2015/16 <i>[affecting the opening balance]</i>		7 065
		7 065
Relating to 2016/17		5 385
		5 385
Total prior period errors		12 450

Opening balances had to be restated to include counters at modernised office.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

28. Immovable Tangible Capital Assets (continued)

28.4 Capital Work-in-progress

CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2018

Note	Opening balance 1 April 2018	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing balance 31 March 2017
	R'000	R'000	R'000	R'000
Annexure 7				
Buildings and other fixed structures	5 800	-	5 800	-
TOTAL	5 800	-	5 800	-

During the financial year 2016/17 the Department had an un-completed project at Beit-bridge which has since been completed in 2017/18.

CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2017

Note	Opening balance 1 April 20XX	Prior period error	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing balance 31 March 2018
	R'000	R'000	R'000	R'000	R'000
Annexure 7					
Buildings and other fixed structures	-	-	-	-	5 800
TOTAL	-	-	-	-	5 800

28.5 S42 Immovable assets

Assets subjected to transfer in terms of S42 of the PFMA – 2017/18

	Number of assets	Value of assets R'000
BUILDINGS AND OTHER FIXED STRUCTURES	-	-
Dwellings	-	-
Non-residential buildings	-	-
Other fixed structures	-	-
HERITAGE ASSETS	-	-
Heritage assets	-	-
LAND AND SUBSOIL ASSETS	-	-
Land	-	-
Mineral and similar non-regenerative resources	-	-
TOTAL	-	-

Assets subjected to transfer in terms of S42 of the PFMA – 2016/17

	Number of assets	Value of assets R'000
BUILDINGS AND OTHER FIXED STRUCTURES	-	56 591
Dwellings	-	-
Non-residential buildings	-	56 591
Other fixed structures	-	-
Heritage assets	-	-
LAND AND SUBSOIL ASSETS	-	-
Land	-	-
TOTAL	-	56 591

The R56 million represents S42 Transfer of 2016/17 to Department of Public Works subject to their acceptance

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

29. Principal-agent arrangements

29.1 Department acting as the principal

	Fee paid	
	2017/18 R'000	2016/17 R'000
Include a list of the entities acting as agents for the department and the fee paid as compensation to the agent	-	-
Total	-	-

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 are 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. Prior period errors

30.1 Correction of prior period errors

	Note	Amount bef error correction	Prior period error	Restated Amount
		2016/17	2016/17	2016/17
		R'000	R'000	R'000
Revenue				
Revenue to be surrendered closing balance	12	2 847 930	(957 125)	1 890 805
Receivable: Claims recoverable: Non-current	10	843	(44 824)	(43 981)
Receivable: Claims recoverable: current	10	1 738 233	(934 277)	803 956
Receivable: Recoverable		-	-	-
Expenditure: Non-Current	10	42 978	(21 976)	21 002
Net effect		4 629 984	(1 958 202)	2 671 782

Material restatements on Dirco balances affects the Receivable balance and the NRF Payable balances. During 2016/17 the Department restated the Receivables balances in relation to foreign revenue; the total amount of R 1,7 billion was split between a confirmed amount of

R 652 million and an Unconfirmed amount of R1 billion. The unconfirmed amount had related to transactions passed by Dirco for which no supporting documentation was received by the Department.

During the 2017/18 Dirco confirmed a balance of R 749 million for prior year 2016/17 and R 896 million for year ended in 2017/18. Department had to restate the 2016/17 as a result of the confirmation which also caused a reduction of the balances.

Further reduction to the receivable balance is due to Dirco's payment of R 40 million to NRF in 2017/18 in relation to prior year balances and a payment adjustment of R 44 million that Dirco paid to NRF in 2016/17 also reduced the balance.

During the 2016/17 financial year the balances for Foreign Revenue were restated to address prior year findings. After the audit of 2016/17 there was still an un-reconciled balance of R 21 million.

In order to clear the difference the Department has accounted for it under Disallowance Losses & Damages account. The amount is then reduced by the R 11 million which was secondary information (Dirco payable) during the 2015/16 accounting policy changes that was effected as primary information payables. The Department will engage NT to clear the remaining balance in the next financial year.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

30. Prior period errors (continued)

30.1 Correction of prior period errors (continued)

	Note	Amount bef error correction	Prior period error	Restated Amount
		2016/17	2016/17	2016/17
		R'000	R'000	R'000
Additions to intangible assets	26	28 305	2 734	31 039
Minor assets additions to account for correct classification	25	5 851	(167)	5 684
Reclassification of Transport (disposals)	25	15 344	(350)	14 984
Reclassification of Computer Equip (disposals)	25	9 327	(462)	8 865
Reclassification of Furniture (disposals)	25	3 637	1 552	5 189
Reclassification of Other Mach & Equip (disposals)	25	1 841	(289)	1 552
Immovable additions: Capitalization of counters for modernised offices	29	109 126	5 385	114 511
Net effect		173 421	8 403	181 824

Minor Assets
Intangible Assets
The prior period error transaction is to correct the additions of 2016/17 financial year.
Immovable Assets:
Opening balances had to be restated to include counters at modernised office

	Note	Amount bef error correction	Prior period error	Restated Amount
		2016/17	2016/17	2016/17
		R'000	R'000	R'000
Other:				
Contingent assets: Labour	16	63 081	434	63 515
Net effect		63 081	434	63 515

The amount restated for Labour related contingency was a case that was erroneously omitted last financial year.

31. STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES

NAME OF MUNICIPALITY	GRANT ALLOCATION			TRANSFER			
	DoRA and other transfers	Roll Overs	Adjust-ments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department
	R'000	R'000	R'000	R'000	R'000	R'000	%
Various municipalities: Vehicle Licences	-	-	-	-	1 127	-	-
TOTAL	-	-	-	-	1 127	-	-

National Departments are reminded of the DORA requirements to indicate any re-allocations by the National Treasury or the transferring department, certify that all transfers in terms of this Act were deposited into the primary bank account of a province or, where appropriate, into the CPD account of a province as well as indicate the funds utilised for the administration of the receiving officer.

Departments are required to include a summary of expenditure per conditional grant to aid in the identification of under- / over spending of such funds and to allow the department to provide an explanation for the variance

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

ANNEXURE 1A

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENTAL AGENCY/ ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2016/17
	Adjusted Appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000
Independent Electoral Commission	1 441 116	-	-	1 441 116	1 441 116	100%	1 792 381
Communication Licences (Radio and TV)	11	-	-	11	39	355%	24
TOTAL	1 441 127	-	-	1 441 127	1 441 155		1 792 405

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

ANNEXURE 1B

STATEMENT OF TRANSFERS TO HOUSEHOLDS

HOUSEHOLDS	TRANSFER ALLOCATION				EXPENDITURE		2016/17
	Adjusted Appropriation Act	Roll Overs	Adjust-ments	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
H/H Emp: S/Ben: Leave Gratuity	3 298	-	-	3 298	15 217	461%	16 324
H/H Claims Against State	-	-	-	-	995	-	6 006
Subsidies	3 298	-	-	3 298	16 212		22 330
TOTAL	3 298	-	-	3 298	16 212		22 330

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

ANNEXURE 1C

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2017/18	2016/17
		R'000	R'000
Received in cash			
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
Client at ORTIA	A traveller gave an IMS official at OR Tambo an R200.00 note as a token of appreciation for good service. The office was then advised to bank the money and put the money as part of revenue for the dept because there is a 'No acceptance of gifts policy'	1	-
Subtotal		1	1 162
Received in kind			
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	-	-
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
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
UNHCR	100 black chairs, 3 Water coolers & 2 Tv sets donated by UNHCR to Musina RRO	28	-
VODACOM	Wireless mouse&keyboard; Graphics card, power supply & HP 500B	9	-

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

ANNEXURE 1C (continued)

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2017/18	2016/17
		R'000	R'000
SITA	Gov-tech award in a form of office chairs	100	-
UNODC	Smuggling of Migrants Survey in Musina: Sponsored Accommodation.	43	-
UNODC	Smuggling of Migrants Survey in Lebombo: sponsored Accommodation.	58	-
UNODC	Smuggling of Migrants Survey in Maseru: Sponsored Accommodation.	55	-
British High Commission	UK Forgery Training in Cape Town: Sponsored Flights and Accommodation.	93	-
UNHCR	Computer equipment as a donation from UNHCR to the Refugee Appeal Board.	184	-
BIDVEST	Chairs donated to Scottburgh local office (KZN)	1	-
TELKOM	Telephone management system, Routers, switches and telephones instruments For VOIP	6 294	-
Subtotal		6 865	3 898
TOTAL		6 866	5 060

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

ANNEXURE 1D

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE

NATURE OF GIFT, DONATION OR SPONSORSHIP (Group major categories but list material items including name of organisation)	2017/18	2016/17
	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 fees(revenue) for ID, Temporary ID Certificates, Birth certificates, Marriage & Death certificates for residents at Malboro Alexendra township due to fire on the 15th July 2017	9	-
Waiving of fees at Gugulethu (WC) following a fire disaster	4	-
Waiving of fees after 57 passports were lost by Skynet during January 2018	23	-
Waiving of fees at Houtbay following a fire disaster	64	-
TOTAL	100	573

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

ANNEXURE 1E

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 2017	Guarantees draw downs during the year	Guarantees repayments/ cancelled/ reduced/ released during the year	Revaluations	Closing balance 31 March 2018	Guaranteed interest for year ended 31 March 2018	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
	Housing								
Other									
ABSA BANK		687	107	23	-	-	130	-	-
NEDCOR		127	25	-	-	-	25	-	-
STANDARD BANK		11	11	-	11	-	-	-	-
Subtotal		825	143	23	11	-	155	-	-
TOTAL		825	143	23	11	-	155	-	-

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

ANNEXURE 3

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2018

Nature of Liability	Opening Balance 1 April 2017	Liabilities incurred during the year	Liabilities paid/ cancelled/ reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing Balance 31 March 2018
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Litigation and Legal Enquiries	1 926 186	47 871	1 437	-	1 972 620
Claims against the department: Labour matters	63 515	22 697	13 733	-	72 479
Subtotal	1 989 701	70 568	15 170	-	2 045 099
Other					
Penalty Interest claimed by Wes Bank	21	-	-	-	21
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	85 717	-	85 000	-	717
TOTAL	2 075 418	70 568	100 170	-	2 045 816

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

ANNEXURE 4

CLAIMS RECOVERABLE

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2017/18 *	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017	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	-	-	109	944	109	944	-	-
Provincial Department : Salary Recoverable	-	-	188	210	188	210	-	-
Department of International Relations and Cooperation	895 656	749 135	-	-	895 656	749 135	-	-
Public Entities	-	9 684	1 334	-	1 334	9 684	-	-
TOTAL	895 656	758 819	1 631	1 154	897 287	759 973	-	-

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

ANNEXURE 5

INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL		Cash in transit at year end 2017/18 *	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017	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
DEPARTMENTS								
Current								
Department of International Relations and Cooperation	59	-	-	-	59	-	-	-
Department of Justice and Constitutional Development	6 605	29 019	-	-	6 605	29 019	-	-
National Department: Public Works	16 283	66 057	-	-	16 283	66 057	-	-
Department Public Service Administration	-	1 140	-	-	-	1 140	-	-
Gauteng Provincial Department	539	1 647	-	-	539	1 647	-	-
National Prosecuting Authority	18	-	-	-	18	-	-	-
Gauteng Provincial Treasury	66	-	-	-	66	-	-	-
The Presidency	-	7	-	-	-	7	-	-
Government Communication & Inf	37	7	-	-	37	7	-	-
Department of Education	36	-	-	-	36	-	-	-
KZN Dept of transport	27	-	-	-	27	-	-	-
Subtotal	23 670	97 877	-	-	23 670	97 877	-	-
Total Departments	13 634	97 877	-	-	13 634	97 877	-	-
OTHER GOVERNMENT ENTITY								
Current								
TELKOM	3 266	3 543	-	-	3 266	3 543	-	-

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

ANNEXURE 5 (continued)

INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL		Cash in transit at year end 2017/18 *	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017	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
SA QUALIFICATION AUTHORITY (SAQA)	27	43	-	-	27	43	-	-
STATE INFORMATIONTECHNOLOGY AGENCY (SITA)	3 536	30 929	-	-	3 536	30 929	-	-
SA REVENUE SERVICES (SARS)	3 011	6 195	-	-	3 011	6 195	-	-
GPW	49 399	160 529	-	-	49 399	160 529	-	-
CITY OF TSHWANE	6	9	-	-	6	9	-	-
AUDITOR GENERAL	-	3 607	-	-	-	3 607	-	-
SSA / INTELLIGENCE ACADEMY	-	1 104	-	-	-	1 104	-	-
GMT WP	31	-	-	-	31	-	-	-
Subtotal	59 276	205 959	-	-	59 276	205 959	-	-
Total Other Government Entities	59 276	205,959	-	-	59 276	205,959	-	-
TOTAL INTERGOVERNMENTAL	97 229	303,836	-	-	97 229	303,836	-	-

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

ANNEXURE 6

INVENTORIES

Inventories [Per major category]	Note	Quantity	2017/18	Quantity	2016/17
			R'000		R'000
Opening balance		1 011 024	254 383	118 270	11 353
Add/(Less): Adjustments to prior year balance		-	-	-	83
Add: Additions/Purchases - Cash		128 002	108	97 109	36 838
Add: Additions - Non-cash		15 982	3 842	126 130	-
(Less): Disposals		-	-	-	-
(Less): Issues		(147 634)	(3 385)	(338 615)	(68 528)
Add/(Less): Adjustments		(2 141)	(241 200)	525 917	441
Add/(less) Weighted Ave Price Variance		-	-	-	32 148
Closing balance		1 005 233	13 748	528 811	12 335

Opening balance of 2017/18 adjusted to address prior year errors.

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

ANNEXURE 7

MOVEMENT IN CAPITAL WORK IN PROGRESS

MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2017


BUILDINGS AND OTHER FIXED STRUCTURES

Dwellings
Non-residential buildings
Other fixed structures

TOTAL

Opening balance	Current Year Capital WIP	Ready for use (Asset register) / Contract terminated	Closing balance
R'000	R'000	R'000	R'000
5 800	-	(5 800)	-
-	-	-	-
5 800	-	(5 800)	-
-	-	-	-
5 800	-	(5 800)	-





Layout and Design by:
Branch: Communication Services
Department of Home Affairs
Private Bag X114
Pretoria
0001

www.dha.gov.za
Facebook/DepartmentofHomeAffairs
Twitter.com/HomeAffairsSA

ISBN: 978-0-621-46475-7
RP: 276/2018