



DEPARTMENT OF HOME AFFAIRS
REPUBLIC OF SOUTH AFRICA

Annual Report

2005 - 2006

Prepared by the Chief Directorate, Strategic and Executive Support Services
Department of Home Affairs
270 Maggs Street, Watterlo, Pretoria

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Part 1

General Information

Department of Home Affairs Annual Report 2005 - 2006



home affairs

Department:
Home Affairs
REPUBLIC OF SOUTH AFRICA



DEPARTMENT OF HOME AFFAIRS
REPUBLIC OF SOUTH AFRICA

The Hon Ms N N Mapisa-Nqakula
Minister of Home Affairs
Private Bag X114
PRETORIA
0001

Honourable Minister

ANNUAL REPORT FOR THE YEAR ENDING 31 MARCH 2006

It is my honour to submit herewith the Report of the Department of Home Affairs for the financial year 1 April 2005 to 31 March 2006.

The Annual Report has been prepared as required by section 40 (1)(d) and section 55 (1) (d) of the Public Finance Management Act, 1999 (Act 1 of 1999) as amended.

M J Maqetuka
DIRECTOR-GENERAL OF HOME AFFAIRS

OVERVIEW OF REPORT

The Annual Report 2005/06 aims to convey to the reader what the Department of Home Affairs has achieved during the financial year of 2005/06.

Drawing mainly on the departmental Strategic Plan of 2005/06, it highlights both the achievements as well as the challenges facing the Department during the reporting period.

In order to meet the requirements set by the National Treasury, the Annual Report is structured in three main parts:

Part one gives a general overview of the Department, containing information on the Ministry, the departmental vision and mission, its mandate and the major departmental challenges and achievements during the year concerned.

Part two gives more insight into the various programmes of the Department, concentrating on achievements and challenges within this specific context. Detailed information on outputs, performance indicators and actual achievements is contained in tabulated format as an annexure.

Part three contains statutory information including Audit Reports, Annual Financial Statements and information concerning Human Resource Management.

GENERAL INFORMATION

Foreword by Director-General
Information on the Ministry
Vision and Mission
Legislative Mandate

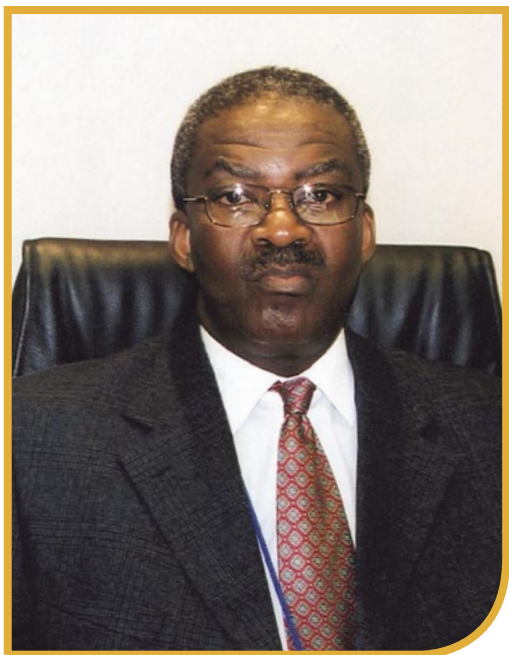
PROGRAMME PERFORMANCE

Introduction
Programme Summary
Programme 1
Programme 2
Programme 3
Annexures: Tabulated
detail on performance per
sub-programme

STATUTORY REQUIREMENTS

Report of the Audit
Committee
Annual Financial
Statements
Human Resource
Management

FOREWORD BY THE DIRECTOR-GENERAL



The Annual Report for the 2005/06 financial year is the second report since my arrival at the Department of Home Affairs. During the 2005/06 financial year, the Department has continued with its efforts to transform and to achieve the objectives set out in the Turnaround Strategy.

The Department of Home Affairs plays a key role in respect of Government's ability to deliver on key programmes. Capacity to carry out this mandate remains a critical challenge for the Department, mainly because of outdated systems and inadequate human resources. Despite capacity and systemic constraints, the Department has in the past twelve months made real progress in addressing some of the limitations hampering effective and efficient service delivery to our clients.

The year under review witnessed the launch of the National Immigration Branch which has moved us closer to the building of a professional Immigration Service that responds to our domestic needs as well as carry out international obligations.

As we continue to reposition immigration policy and the activities of the National Immigration Branch (NIB), we finalised the Immigration Regulations and publicised the determinations regarding quota work permits. This and other policy initiatives will form an important basis for shaping the role of immigration management in realising the macro priorities of Government. One key area of participation that will benefit from these policies will be the Joint Initiatives for Priority Skills Acquisition (JIPSA) launched by the Presidency in 2006.

Service delivery is central to a transformed Department of Home Affairs. The Department has added to the number of mobile offices that have been deployed to the provinces to provide services to remote rural areas. Currently all provinces have an allocation of these mobile units. We have also implemented a flexi-hour system that has made it possible for our offices to be open and extended hours of service during the week and on weekends. In the period under review, 50 public hospitals have been added to the 69 hospitals already on the system for the immediate capturing of births and deaths.

A number of ongoing campaigns also addressed service delivery challenges: the registration of undocumented citizens; correction of incorrectly recorded particulars; and dealing with fraudulent marriages and the registration of customary marriages.

We filled a number of critical management posts in the reporting period, including the five of the nine provincial managers who are at chief director level. In addition, the Minister approved a number of organisational changes that will enable the Department to function more efficiently.

The Department has made significant progress in normalising immigration practices between our neighbours and ourselves, including the signing of a reciprocal visa agreement with Mozambique.

The Department has also contributed significantly to our government's initiatives in supporting positive developments in the Democratic Republic of Congo. The Home Affairs function in a number of foreign missions was strengthened by the transfer of officials. There are plans to expand this service, particularly in respect of African countries where we do not have missions currently.

The further development of the Home Affairs National Identification System (HANIS) depends in part on the digital capture of existing records using the Automated Fingerprint Identification System (AFIS). By 31 March 2006 over 70% of records had been captured (over 21 million records).

The Department of Home Affairs supported the Local Government elections by assisting the Independent Electoral Commission (IEC) with the delivery of uncollected Identify Documents, working in partnership with the South African Post Office. Our staff in all our offices nationally worked extra hours to deliver this vital service.

Since August 2005 we have been embarking on a project to deal with the refugee backlog and construct modern Refugee Reception Centres in four provinces where we process asylum seekers. The centres are located in Johannesburg, Cape Town, Port Elizabeth and Durban.

While the Department has made progress as indicated above, we are fully aware that our service to the public often falls short of acceptable standards and the expectations of our clients. We are committed to facing these challenges so that we improve service delivery and provide a positive experience for our clients. To achieve this aim we are putting in place a technology-enabled environment that will transform our systems. Information systems development is closely linked to capacity building initiatives, the planned expansion of access to our services and the phased devolution of functions to provinces to enable operational efficiency.

This Annual Report indicates clearly that the Department of Home Affairs has entered a phase of rapid development to improve service delivery; with the focus on systems development and capacity building.



M J Maqetuka
DIRECTOR-GENERAL
DEPARTMENT OF HOME AFFAIRS

INFORMATION ON THE MINISTRY

The Ministry of Home Affairs is established according to the prescripts of Chapter 3 of the Constitution of the Republic of South Africa. The Ministry has national competency on all matters that relate to identification of persons as citizens or non-citizens who reside or visit the Republic.

The Ministry has executive authority over the Department of Home Affairs (DHA), the Independent Electoral Commission (IEC), the Government Printing Works (GPW), the Film and Publication Board (FPB), the Immigration Advisory Board and the Refugee Affairs Appeal Board.

During the financial year 2005/06, the Ministry committed itself that it would dedicate most of its time and resources towards ensuring that the Department of Home Affairs improves its services to the millions of South Africans and foreigners that interact with the Department. As a result of this undertaking, the Ministry was engaged on the following issues:

1. REFUGEE BACKLOG PROJECT

The Ministry has launched a major project aimed at addressing the current backlog with regard to the finalization of applications for refugee status determination.

The project was as a result of an acknowledgement on the part of the Ministry of Home Affairs that the backlog in processing these applications undermined our legal and international obligations to those who seek protection in our country.

The project is fully up and running consisting of a fully fledged National Project Office and project managers in four centres of refugee reception, namely Cape Town, Durban, Johannesburg and Port Elizabeth. A total of 164 Reception and Status Determination Officers have been trained and appointed specially for this project, while the normal work of handling new applications will continue to be done by the established Home Affairs' refugee reception offices.

2. HOSPITAL BIRTH REGISTRATION PROGRAMME

In line with the commitment to provide our clients convenient access to services of the Department, the Ministry has spear-headed the project for the provision of IT equipment and staff to render birth registration services for new mothers and their babies in hospitals.

Currently this facility is installed in over 100 hospitals all over the country. The project is currently helping a lot of South Africans who otherwise would have had to travel long distances to have access to similar services.

3. LOKISA DITOKOMANE CAMPAIGN

The Ministry has continued with the implementation of the Lokisa Ditokomane campaign started in the previous year.

The Lokisa Ditokomane campaign was aimed at correcting all the mistakes that appear on the enabling documents of all persons who reside within the boundaries of the Republic. These corrections relate to surnames, names, dates of birth, and marital status including having been declared dead while still alive. The corrections of these mistakes were done without charge to the affected persons.

The Ministry in its endeavour to restore the dignity of the people of the Republic through the provisioning to all South Africans of a common identity and citizenship documents, also launched a campaign to encourage the public to apply for ID's.

4. COMMUNITY OUTREACH PROGRAMMES

As part of Government's programme to reach out to the communities we serve, the Ministry has embarked on several outreach programmes, including participation in the Government's Imbizo activities.

Through this interaction, the Minister, the Deputy Minister and senior managers of the Department have had the opportunity to listen first hand to the challenges faced by the people we serve and to implement intervention programmes to address some of these challenges.

5. INTERNATIONAL OFFICIAL MEETINGS

The Minister of Home Affairs attended international official meetings in the following countries during the reporting year:

- a) Beijing
- b) London
- c) Geneva
- d) Senegal
- e) New York
- f) Libya
- g) Malaysia
- h) Ethiopia
- i) The Democratic Republic of Congo (DRC)

The Deputy Minister of Home Affairs undertook official visits abroad to the following countries during the reporting year: Germany, France, Malaysia, Canada, China, Hong Kong, Japan, Geneva, Nigeria, United Kingdom, India, Germany, Namibia and Mozambique.

6. LEGISLATION

The following amending acts were promulgated during the reporting year:

The Films and Publications Amendment Act, 2004 (Act No. 18 of 2004)

The main objective of this Act is to make provision for the prohibition of access to child pornography through the Internet and for matters incidental to the more effective investigation and prosecution of child pornography offenders.

It amends the Films and Publications Act, 1996 (Act No. 65 of 1996) so as to make further provision for the prohibition of access to child pornography.

Provide anew for the designation of the Chairperson of the Review Board. Further to make provision regarding the classification of films and publications, and to provide for the registration of Internet service providers. To further provide for an obligation to report offences involving child pornography and to increase penalties for offences involving child pornography.

The South African Citizenship Amendment Act, 2004 (Act No. 17 of 2004)

The South African Citizenship Amendment Act, 2004 amends the South African Citizenship Act, 1995 (Act No. 88 of 1995) so as to repeal a provision in terms of which a person may be deprived of citizenship by virtue of the use of the citizenship of another country; and to make provision for other penalties instead of the loss of citizenship, thereby bringing the South African Citizenship Act, 1995 in line with Section 20 of the Constitution of the Republic of South Africa (Act 108 of 1996) as far as dual citizenship is concerned.

The Immigration Amendment Act, 2004 (Act No. 19 of 2004)

The Amendment Act seeks to address a number of defects in the Immigration Act, 2002 (Act No. 13 of 2002), as well as concerns raised by the Department of Home Affairs as a result of its experience in implementing the principal Act in practice, by other departments and stakeholders, by the Immigration Advisory Board, and in Cabinet during its consideration of the draft Immigration Regulations early in 2004.

The Amendment Act amends the principal Act in the following manner:

- a. substitution of the Preamble of the Act;
- b. amendment of certain definitions in the principal Act;
- c. providing for the delegation of powers and review procedures;
- d. amending the composition and functions of the Immigration Advisory Board;
- e. providing afresh for interdepartmental cooperation;
- f. amplifying and redefining the Minister's powers to make regulations and to amend the procedure in that regard;
- g. providing for the clarification and revision of procedures and permits with regard to admission to, residence in and departure from the Republic;
- h. clarifying the appointment, powers and duties of inspectors;
- i. regulating the use of conveyances with regard to admission to the Republic;
- j. repealing the provisions that provide for Immigration Courts;
- k. providing afresh for the keeping of registers of lodgers by certain persons;
- l. clarifying the powers of immigration officers and police officers with regard to interviewing a person when they are not satisfied that the person is entitled to be in the Republic; and
- m. providing for the substitution for Schedule 3 to the Act of a new Schedule.



Ms NN Mapisa-Nqakula

**Minister of Home
Affairs**



Mr MKN Gigaba

**Deputy Minister of Home
Affairs**

VISION STATEMENT

The vision of the Department of Home Affairs is
“Rendering a World-class Service”.

MISSION STATEMENT

The mission of the Department of Home Affairs is ***to commit itself, as required by stipulated mandates, to determine and confirm status of persons by providing enabling documents in the interest of promoting and protecting the national integrity.***

MISSION SUCCESS FACTORS

In the quest for realising the mission of the Department the following factors have been identified as critical to ensure compliance with stakeholder, customer and staff members' expectations:

- Client focus orientation
- Reliable documentation
- Quality service
- Accessibility of services
- Professional staff orientation
- Compliance with mandates
- Corruption-free system
- Business process and systems redesign
- Change management

LEGISLATIVE MANDATE

The mandates of the Department of Home Affairs are embedded in the following legislation and policy documents:

CIVIC SERVICES:

The Births and Deaths Registration Act, 1992 (Act No. 51 of 1992), as amended;
The Marriage Act, 1961 (Act No. 25 of 1961);
The Recognition of Customary Marriages Act, 1998 (Act No. 120 of 1998);
The Identification Act, 1997 (Act No. 68 of 1997);
The South African Citizenship Act, 1995 (Act No. 88 of 1995) as amended;
The South African Passports and Travel Documents Act, 1994 (Act No. 4 of 1994) as amended;
The Alteration of Sex Description and Sex Status Act, 2003 (Act No. 49 of 2003).

IMMIGRATION:

The Immigration Act, 2002 (Act No. 13 of 2002) as amended;
The Refugees Act, 1998 (Act No. 130 of 1998);
The Criminal Procedures Act, 1977 (Act No. 51 of 1977);
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 United Nations High Commissioners for Refugees (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.

OTHER DEPARTMENTAL MANDATES

Public Holidays Act, 1994 (Act No. 36 of 1994);
Electoral Act, 1998 (Act No. 73 of 1998),
Electoral Laws Amendment Act, 2003 (Act No. 34 of 2003);
Electoral Laws Second Amendment Act, 2003 (Act No. 40 of 2003);
Electoral Commission Act, (Act No. 51 of 1996);
Films and Publications Act, 1996 (Act No. 65 of 1996), as amended;
Local Government: Municipal Electoral Act, 2000 (Act No. 27 of 2000).

OTHER MANDATES

The Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996);
The Public Service Act, 1994 (Proclamation No. 108 of 1994);
The Labour Relations Act, 1995 (Act No. 66 of 1995);
The Public Finance Management Act, 1999 (Act No 1 of 1999).

LEGISLATION AMENDED BY LEGAL SERVICES DURING 2005

Immigration Amendment Act 2004 (Act No. 19 of 2004) that came into effect on 01 July 2005.

The major implications of the Immigration Amendment Act are:

- It amplifies and redefines the powers of the Minister to make regulations and to amend the procedure in that regard;
- It regulates the use of conveyances with regard to admission to the Republic;
- It repeals the provisions that provide for immigration courts; and
- It repeals the provisions that provide for diplomatic permits.

The Immigrations Regulations also came into effect on 01 July 2005.

Part 2

Programme Performance

Department of Home Affairs Annual Report 2005 - 2006



home affairs

Department:
Home Affairs
REPUBLIC OF SOUTH AFRICA

INTRODUCTION

VOTED FUNDS

Appropriation	Main Appropriation R'000	Adjusted Appropriation R'000	Actual Amount R'000	Over/(Under) Expenditure R'000
	2 377 615	59 750	3 032 461	53 002
Responsible Minister	Minister of Home Affairs			
Administering Department	Department of Home Affairs			
Accounting Officer	Director-General			

Aim: The aim of the Department of Home Affairs is to protect and regulate the interests of the inhabitants of the Republic of South Africa, in respect of their individual status, identity and specific rights and powers, and to promote a supporting service to this effect.

Summary of Programmes

The activities of the Department are organised in the following three programmes:

- Programme 1: Administration
- Programme 2: Delivery of Services
- Programme 3: Auxiliary and Associated Services

Overview of the organisational environment for 2005/06

Change in the Department of Home Affairs is irreversible. The Turnaround Strategy that was devised in September 2003 is aimed at transforming the Department of Home Affairs into an effective 21st century provider of services to our citizens and clients.

The Turnaround Strategy is, of necessity, ambitious and aimed to create decisive interventions in all areas of work and at all levels of the organisation. It focuses on service delivery that is effective, efficient and convenient to clients. The Turnaround Strategy is embedded in the functioning of the Department and fully incorporated in strategy and operations.

The Turnaround Strategy resulted in a wide range of projects designed to address specific weaknesses, but was hampered by a lack of integrated planning, delivery and coordination. The need was also identified to strengthen management systems and capacitate managers to ensure effective planning, resource allocation, monitoring and evaluation and accountability.

Overview of the service delivery environment for 2005/06

The Department of Home Affairs is in essence a service delivery department. Delivery on outputs relating to core business of the Department is critical for the fundamental transformation of the Department. The impact of core business therefore has a direct influence on the quality of service delivery to customers.

The launch of the National Immigration Branch in 2005 aimed to improve the quality of services rendered in the sphere of immigration. The overall transformation of Civic Services in the next few years has been identified as the next critical intervention required by the Department.

The Department has over recent years been severely hampered in its quest to deliver world-class services to its entire customer base by the lack of capacity. The 2005/06 financial year has proven to be no exception. A concerted effort will therefore be made in the 2006/07 financial year to address this critical issue. The focus will therefore be on capacitating especially regional and district offices in terms of numbers and competencies.

The Department of Home Affairs has implemented a number of initiatives during 2005 to ensure adherence to the Batho Pele principles. The challenge is to strengthen and sustain adherence to Batho Pele in the future. The initiatives referred to are:

- Rollout of the “Client is always right campaign.”
- Launch of name badges to all officials in the Department.
- The introduction of flexible working hours.
- Internal and external signage for all DHA offices was introduced.
- Launch of 67 state of the art mobile units to improve access to services. 64 units were deployed in 2005/06. The deployment of an additional 42 mobile units will commence in the 2006/07 financial year.
- A proposal on the opening of ‘priority offices’ has been developed.
- The ten-year rollout plan of DHA representation abroad, with particular focus on Africa and countries of the South. Placement of officials in accordance with emphasis on strategic countries as identified by South Africa’s foreign policy has started.
- The training of officials to be placed abroad in line with the ten-year rollout plan of the Department.
- Review of the structure of the Department to align it with the strategy.
- A pilot Client Service Centre (CSC) is in place. The process of converting the pilot CSC into a 24-hour operation is in process and will be looked into in earnest in the 2006/07 financial year.
- Participation in 58 of the 66 Multi-Purpose Community Centres (MPCCs) in the country. This is critical in making DHA services more accessible to citizens.
- A uniform programme for provincial activities was developed in October 2005. This programme allows for frequent and structured identification of best practices from the provinces and consequent institutionalisation once such practice has been identified.

The impact of these service delivery issues has unfortunately only led to very slight improvements in service delivery thus far. The most critical aspect identified as needing specific attention is the front-desk service whose improvements will mean lower return rates and more positive perceptions towards the Department by clients. To this end, the identification of suitable front-desk staff and an associated training programme is critical for the 2006/07 financial year.

Strategic overview and key policy developments: 2005/06

The key strategic focus areas captured in the Strategic Plan for the period 2005/06 to 2009/10 were based on a thorough analysis of challenges and priorities arising from the Department's Turnaround Strategy. Most importantly, strategic planning must be seen within the broader context of integrated governance reforms as well as efforts to reflect our participation in intergovernmental structures, notably the five Clusters of FOSAD (Forum of South African Directors-General), of which the Department is a member. At the level of our citizen interface this is particularly shown in the Department's current exploration of seamless and integrated service delivery for the country as a whole by way of sharing of resources and infrastructure with partners and other stakeholders in a cost-effective manner.

Since the establishment of the Turnaround Strategy as the foremost action programme in the Department, four Deputy Directors-General were appointed and led the branches of the Department with a common understanding of improving service delivery in order to provide a better life to our clients.

Critical policy developments in progress in the Department, notably the enactment of the Immigration Act, e-governance and the implementation of the Home Affairs National Identification System (HANIS), have necessitated the fundamental redesign of the departmental organisational structure and business processes. A comprehensive new organisational structure for the Department was approved in March 2006.

The Immigration Amendment Act, no 19 of 2004, was promulgated and Immigration Regulations published to strengthen the policy framework for migration and specifically for permitting.

DEPARTMENT RECEIPTS

Income is generated mainly from the issuing of passports, identity, travel and other official documents.

Economic classification	Revenue outcome			Target 2005/06 R'000	Actual 2005/06 R'000	% Deviation from target
	Audited 2002/03 R'000	Audited 2003/04 R'000	Audited 2004/05 R'000			
Tax receipts						
Sales of goods and services produced by department (excl. capital assets)	241 740	316 623	295 416	291 980	225 273	(22.85)
Fines, penalties and forfeits	506	–	6 257	617	12 235	1 882.98
Interest, dividends and rent on land	–	–	(75)	793	172	(78.31)
Sales of other capital assets	–	–	–	–	26	–
Financial transactions in assets and liabilities	(299)	–	497	206	(138)	(166.99)
Total receipts	242 612	316 623	302 095	293 596	237 568	(19.08)

Departmental Expenditure

Summary of expenditure estimates by programmes	Appropriation 2005/06 R'000	Roll-overs and adjustments R'000	Virement R'000	Final appropriation R'000	Actual payments R'000	Variance R'000
1. Administration	355 897	(250)	76 718	432 365	442 433	(10 068)
2. Services to Citizens	1 642 306	–	-89 718	1 552 588	1 596 737	(44 149)
3. Auxiliary and Associated Services	974 508	60 000	13 000	1 047 508	1 046 293	1 215
Total	2 972 711	59 750	–	3 032 461	3 085 463	(53 002)

Transfer Payments

Name of Institution	Amount Transferred R'000	Estimated Expenditure R'000
1. Municipalities	2 306	2 754
2. Film and Publication Board	19 774	19 774
3. Government Printing Works	188	189
4. Independent Electoral Commission	944 258	944 258

1. **Municipalities** for Regional Council Service Levies
2. **Film and Publication Board (FPB)** funds the classification work of the Film and Publication Board and the Film and Publication Review Board.
3. **Government Printing Works (GPW)** provides for the augmentation of the Government Printing Works Trading Account for supplying printing and stationery to government.
4. **Independent Electoral Commission (IEC)** provides for the establishment and composition of the IEC to manage elections and referendums, and makes provision for the establishment of an electoral court, in terms of the Independent Electoral Commission Act (1996).

PROGRAMME SUMMARY

Programme purpose and measurable objective

- **Administration** provides for the overall management of the Department and provides information systems support to line functions.
- **Delivery of Services** delivers core services of the Department through the provision of services to citizens by granting rights and powers to members of the population, and the control of immigration according to South Africa's skills and investment needs.

Measurable objective: Grant specified rights and citizenship to eligible people by issuing valid documents within the targeted delivery period; control the immigration of various categories of foreigners into and out of the country within the prescribed delivery targets.

- **Auxiliary and Associated Services** supports the Film and Publication Board, the Government Printing Works and the Independent Electoral Commission; provide for the upgrading and maintenance of buildings and accommodation; and purchase vehicles for departmental use.

PROGRAMME 1: ADMINISTRATION

The aim of the **Administration** programme is to conduct the overall management and administration of the Department as well as the provision of information systems support to line functions. The programme provides for policy formulation by the Minister, Deputy Minister, Director-General and other members of the Department's management. This programme also comprises the following sub-programmes:

- Minister
- Deputy Minister
- Management Services
- Corporate Services

PROGRAMME POLICY DEVELOPMENTS

The sub-programme **Management Services** includes **Strategic and Executive Support Services (SESS)**, which provides a professional, evaluative, planning and coordinative capacity to the Director-General in order to enhance effective and efficient management of the diverse and specialist line function entities of the Department, in the context of sound and coherent policy requirements. SESS also manages the Department's involvement in the system of cooperative governance as prescribed in Chapter 3 of the Constitution, as well as the Department's participation in intergovernmental structures.

The sub-programme **Corporate Services (CoS)** includes Human Resources, Information Technology, Legal Services, Counter Corruption and Security, Communications, Internal Audit and Governance Relations.

Legal Services provides legal services to the Department, including the rendering of legal opinions, representing the Department at the Home Affairs Portfolio Committee during legislative programmes and drafting and amending legislation and legal documents.

Counter Corruption and Security (CCS) aims to ensure efficient counter corruption measures and the management of security in the Department.

Communications is responsible for the management of communication within the Department. It is responsible for media liaison, corporate communication, internal communications and media production.

Information Services (IS) enables the Department, through optimal utilisation of information technology, to address the service delivery requirements within the different business areas. One of the main strategic focus areas of the Department of Home Affairs is the deployment of information technology and systems to improve service delivery to all stakeholders.

Human Resources (HR) provides human resource services to the total personnel corps at all levels of the Department. The service includes human resources development, human resource management, employee wellness as well as employee relations services.

Internal Audit (IA) provides an audit assurance and consulting services to the Department.

Governance Relations (GR) manages the international affairs, governance relations and co-ordination of foreign offices.

ACHIEVEMENTS AND CHALLENGES

This section aims at providing information on the achievements and challenges pertaining to the various sub-programmes within Programme 1: Administration. In doing so, it draws mainly from the departmental Strategic Plan 2005/06.

Some of the more significant developments with regard to Human Resource Management and Development are as follows:

- Launch of name-tags for all officials in the Department.
- Filling of 634 posts out of 898 identified as critical.
- Introduction of flexible working hours to improve public access to services.
- Launch of internship programme – 734 appointed since launch.
- Launch of induction programme for SMS.
- National Performance Management Development System (PMDS) workshop held in August 2005 to sensitise managers on alignment of individual and organisational performance management.
- Approval of concept paper on professionalising DHA (Mabalane project).
- Chief Directorate: Governance Relations established and Chief Director appointed
- Placement of officials in foreign missions improved:

ACHIEVEMENTS AND CHALLENGES

- o Placement twice a year
 - o Placement of Senior Managers
 - o Signing of pledge of working honestly for DHA and RSA
- Two information technology (IT) training centres established and training conducted in IT, Immigration and Civic Services in the Democratic Republic of the Congo (DRC).
- Procurement of 57 mobile units in 2005/06 and 67 in total.
- National Counter Corruption workshop conducted in October 2005.

Some of the major achievements with regard to systems development (Information Services in particular); improving infrastructure and combating and reduction in corruption were:

- Implementation of Basic Accounting System (BAS) at an additional 46 offices bringing the total to 146 offices in provinces.
- Training on finance for Non-Financial Managers.
- Initiated connectivity for foreign offices with the Department of Foreign Affairs (DFA).
- Repair of 14 properties under Repair and Maintenance Project (RAMP).
- Delivery of 491 vehicles of which 323 were sent to provinces and 141 to NIB and 27 to Head Office.
- Forensic equipment acquired for testing of suspected fraudulent documentation.
- Forging of partnerships in fighting corruption - National Intelligence Agency (NIA), South African Police Services (SAPS), Directorate of Special Operations (DSO), South African Banking Risk Information Centre (SABRIC), Department of Social Development.
- Activation of confidential toll-free number for internal use.
- Publication of 1 million copies of "Know your Rights" Booklet.
- Launch of Intranet.
- Development and implementation of Knowledge and Information Management Policy and Strategy.
- Implementation of Information Services Security Policy and Standards.
- Implementation of Counter Corruption Plan and Whistle-blowing Policy.
- Review and update of Risk Management Strategy.
- Development of internal and external communication strategies.
- Disaster Recovery and Business Continuity in place.

- Audit of condition of current state – owned buildings occupied by Department of Home Affairs (DHA) conducted.
- Improvement of physical security at all offices as a consequence of audit of office security.
- Compilation of Master Information Systems Plan (MISP).
- Connectivity for local offices: 240 out of 263 offices computerised.

Challenges

The main challenges faced by the Department were as follows:

Capacity

This refers to an increase in capacity and capabilities to enable implementation and improve delivery, inadequate capacity to deliver satisfactory services, identification of the right type of frontline staff and turnaround times for filling of posts due to natural attrition and corruption-related dismissals.

Infrastructure

Infrastructure issues refer to lack of a planned and prioritised programme in place as well as the development of adequate infrastructure.

Systems

It is critical for the Department to replace outdated systems while taking interim measures to improve delivery in the short-term as well as the integration of processes and systems.

Corruption

To effectively combat corruption, the Department needs to build measures into major strategies.

Management

From a managerial perspective, it is important to improve management structures and processes, including monitoring and evaluation, the lack of pro-active media interaction and inadequate and untimely response to incorrect media reporting / coverage.

CAPITAL INVESTMENT, MAINTENANCE, AND ASSET MANAGEMENT PLAN

CAPITAL INVESTMENT PLAN

INTRODUCTION

The Department's financial allocation for the 2005/2006 financial year for Capital Works was R71, 776, 000 of which R71, 776,000 was spent. The major expenditure was for the RAMP Group 1 offices.

The Repair and Maintenance Programme (RAMP) facilities are:

Springs
Nigel
New Cooperation Building
Marabastad
Umtata
Ngqeleni
Engcobo
Phalaborwa
Mhala
Giyani
Pampierstad
Molopo
Atamalang

The Department also used capital funds for purposes of renovating the four (4) new Refugee Reception Offices in:

Durban
Port Elizabeth
Johannesburg (JHB) - Crown Mines
Cape Town

In addition to the above, the Department was forced to make use of the Capital Budget for purposes of leases for:

Provincial Manager Gauteng
Provincial Manager KwaZulu-Natal (KZN)
Provincial Manager Mpumalanga
Provincial Manager North West
Area Manager KZN
Area Manager Gauteng
Pinetown
Port Shepstone
Lease transfer for three (3) Refugee Reception Offices.
Heyfries Building (Archives)
Sanlam Sentrum (16th floor)

These funds were transferred to Department of Public Works (DPW). Unfortunately the funds were not spent by the Department of Public Works. DPW was requested to roll over the funds to the 2006/2007 financial year for purposes as originally committed.

An amount of R 6,000,000 was spent on Planned Maintenance Services in all the provinces.

Management of assets

(a) *Introduction*

An amount of R11.5 million was allocated to the Department to acquire Government-owned vehicles, of which 81 vehicles were procured and are in the process of being delivered. These vehicles will be equally distributed amongst all provincial offices. This was achieved through negotiation with Government Garage: Gauteng who contributed to the procurement of these vehicles.

(b) *Major maintenance projects undertaken*

The Department has introduced the Repair and Maintenance Programme (RAMP), which addresses all the requirements mentioned above. The Department has adjudicated 14 buildings and is in the process of considering another 14 state-owned buildings for the 2006/2007 financial year. The Department is committed to the Repair and Maintenance Programme initiated by the Department of Public Works for the continuous repair and maintenance of state-owned offices, occupied by the Department, over a three-year period. This will make a significant impact on improved service delivery and ensure compliance with the Occupational Health and Safety Act and other applicable legislation.

(c) *Control over assets*

The Department complies with the Public Finance Management Act, 1999 as amended, with regard to control over assets acquired by the Department.

The asset management system has been developed and introduced in the Department, which will account for all assets under the control of the Department in compliance with National Treasury's guidelines and instructions for the accounting of assets in departments.

(d) *Tendering process*

The Department complies with the Preferential Procurement Policy Framework Act, 2000, and the promulgated regulations regarding Supply Chain Management, 2003.

The Department annually invites suppliers to register on the database of suppliers, and BEE companies in particular are encouraged to register with the Department.

The Department has been empowered by the Office of the State Tender Board to procure in terms of the Supply Chain Management Regulations, and to arrange its own term and ad hoc contracts accordingly.

The challenge is to empower procurement officers to compare with global trends in procurement, and to develop capacity in the procurement division and provincial offices in order to devolve certain identified procurement delegations to Provincial Managers.

Conclusion

Improved service delivery would materialise once all offices have been automated, world-class systems implemented in the Procurement Division and in provincial offices to reduce pressure on procurement cycles. The issue of full capacity in the provincial offices and the Chief Directorate: Financial and Supply Chain Management is also of significance.

OUTPUTS AND SERVICE DELIVERY TRENDS

Detailed information on sub-programme related outputs, performance measures and actual performance during the reporting period appears in tabulated format as an annexure at the end of this Chapter.

PROGRAMME 2: DELIVERY OF SERVICES

Aim: Delivery of Services was formed by combining the previous services to Citizens and Immigration programmes since there is such a close relationship between the two kinds of services. The new programme delivers the Department's core services, using provincial office infrastructure, mobile units, client service centres, multi-purpose community centers (MPCCs), border posts, refugee reception centres and foreign offices. The programme provides services to citizens by granting rights and powers to members of the population, and dealing with travel and passport matters, citizenship and population registration. It also controls immigration according to South Africa's skills and investment needs, and controls visitors who enter the country temporarily.

The programme comprises seven sub-programmes:

- Travel Documents and Citizenship issues passports and other travel documents; provides financial assistance to citizens abroad; and determines and grants citizenship and its forfeiture.
- Population Register maintains a register of citizens and immigrants who have acquired the right to permanent residence, as well as registers births, deaths and marriages.
- Service Delivery develops systems for improving the Department's service delivery.
- Admissions issues temporary and permanent residence permits.
- Immigration Control provides for capturing / recording of travellers' particulars, movements and status at missions, offices and ports of entry.
- Refugee Affairs is tasked with the administration of refugees and asylum seekers.
- Board and Committees consider all the appeals made against the decisions of the Standing Committee for Refugee Affairs.

PROGRAMME POLICY DEVELOPMENTS

Civic Services Systems

A project for the Back Record Conversion (BRC) of the approximate 30 million manual fingerprint records archived by the Department commenced during April 2005. By the end of March 2006, 21 101 191 million (70%) records were completed and 13 001 095 million absorbed into HANIS.

ACHIEVEMENTS AND CHALLENGES

Registration of undocumented citizens

The Department acknowledges that there are unregistered citizens, especially in rural areas of the Republic of South Africa (RSA). In order to reduce the number of unregistered citizens, the Department has pursued two strategies, namely; on-line birth and death registration at health facilities as well as the roll out of fully computerised mobile units. During the 2004/05 financial year, the Department computerised 69 health facilities and a further 50 health facilities during the 2005/06 financial year. This brings the total number of computerised health facilities (primarily hospitals) to 119 as at the end of March 2006. These registration points led to the registration of 92 160 births and 25 000 deaths. The Department intends expanding this programme during the 2006/07 financial year. A total of 57 fully computerised mobile units were manufactured during the 2005/06 financial year. The total number of mobile units manufactured since the inception of the project therefore amounts to 67. The total number of mobile units deployed to provinces since inception of the project amounts to 64. Three of these units are currently awaiting registration. These units have contributed to the registration of 29 641 births in rural areas. A total of 44 600 applications for identity documents were also canvassed by these units. The programme will be extended during the 2006/07 financial year.

Correction of incorrectly recorded personal particulars

A large number of citizens have complained regarding incorrect personal particulars recorded in enabling documents provided by the Department. In this regard, the Department launched the Lokisa Ditokomane Campaign. The campaign afforded citizens of all walks of life the opportunity to provide the Department with proof of these incorrectly recorded personal particulars and subsequently have these particulars changed, free of charge. The campaign was embraced by South Africans and by the end of the project (31 December 2005) a total of 205 924 applications were received for the rectification of personal particulars. The Department successfully rectified the personal details of 154 701 citizens. Unfortunately, the applications of 39 767 citizens were returned to the offices of application as these applicants did

not provide the necessary proof of incorrectly recorded details. By the end of March 2006, the Department had a balance of 17 733 applications still to be assessed and finalised.

Fraudulent marriages & registration of customary marriages

The fraudulent marriages and registration of customary marriages campaigns were launched jointly by the Department during August 2004. The campaigns intensified during the period under review. The Department received 212 399 marriage enquiries of which a total of 4 455 were identified as alleged fraudulent marriages. Of the 4 455 alleged fraudulent marriages identified, investigations revealed that 2 972 were indeed fraudulent marriages conducted without the consent of the complainant and these marriages were subsequently expunged from the national population register. The alleged fraudulent marriages of 442 citizens could not be expunged from the national population register as investigations revealed that the complainants signed the marriage registers, thereby consenting to marriages. These complainants were advised by the Department to refer the matter to Civil Courts for a decision. A total of 19 622 customary marriages were also registered with the Department during the review period.

STRATEGIC OVERVIEW AND KEY POLICY DEVELOPMENTS:

Immigration Control and Management

Subject to the provisions of the Immigration Act, 2002 (Act No 13 of 2002), the Department aims to process and approve immigration applications in the context of South Africa's skills and investment needs, and with due regard to the country's economic, social and cultural interests. The Act prescribes the structure and work of the Immigration Advisory Board (IAB), which is responsible for research, investigating and advising the Minister on all immigration related matters and for influencing further immigration policy.

Further to the tracing and removing of illegal immigrants, the Department will also concentrate on enforcing sanctions against persons who employ, accommodate, or otherwise assist foreigners in

contravening the Act. New systems to improve immigration services were implemented. These include:

- A computerised visa system to track forgery of South African visas that has been expanded to most South African missions abroad.
- The New National Immigration Branch structure that was approved by the Minister towards end of 2004 and included the following:-
 - o Immigration Directives
 - o Admissions
 - o Inspectorate
 - o Information Coordination
 - o Counter Xenophobia
 - o Refugee Affairs
- The NIB was launched on 12 April 2005.

Service delivery objectives and indicators

Recent outputs

Visas and permits

Key targets as set out in the Estimates of National Expenditure (ENE) could not be met in all instances in 2005/06, because parts of the Department's IT infrastructure required upgrading. During 2005/06 a total number of 470 779 visas were issued and 6 513 refused. Ninety-five per cent of the visa applications received was processed within the prescribed 10-day period. South African missions abroad process visa applications within three days of receipt. Delays that do occur are mainly caused by incomplete applications where missions have to request and await additional documentation and information. The Department is focusing on concluding visa agreements with SADC countries for diplomatic, ordinary and official passport holders. A visa agreement with Mozambique was concluded on 15 April 2005.

Illegal foreigners and refugees

A total of 167 137 illegal foreigners were deported in 2004, and 209 988 in 2005. A small percentage of detainees are released due to logistical or legal hindrances to deportation. Bilateral talks have taken place between RSA and three SADC countries namely: Zimbabwe, Mozambique and Lesotho.

ACHIEVEMENTS AND CHALLENGES

Transformation of Immigration

Following the approval of the new structure for the National Immigration Branch (NIB), an additional two Directors were appointed. The migration from the old structure to the new one is in progress.

The review of the business processes, aiming at enhancing the efficiency and eliminating unnecessary red tape, has been finalised. Implementation of the business processes is in progress.

Immigration Legislation

During the reporting year, the Immigration Amendment Act and Regulations were implemented, presented to Cabinet and promulgated. A long-term review of the Immigration Act will be undertaken and should be finalised by 2007.

Refugee Affairs

Prior to June 2005, the Directorate: Refugee Affairs was characterised by a lack of leadership, capacity at management level and a lack of integrated systems. These challenges have played a significant role in the backlog that resulted in asylum applications.

The Department has introduced a new integrated web-based refugee system. This system will ensure that all data is centrally stored and instantly available to all the refugee offices. The Department has embarked on endeavours to eradicate the backlog in refugee applications. Four additional offices have been acquired, and fully equipped to deal with the backlog. The refugee offices will have, amongst others, the following state of the art equipment:

- Digital fingerprint readers
- Networked digital camera per workstation
- Networked printer per workstation
- Digital signature pad
- Digital signage

A queue management system is being introduced .

Border Control

Coordination of Ports of Entry operations

To establish a DHA presence at ports of entry currently staffed by SAPS, a project has been registered with the Border Control Operational Coordinating Committee (BCOCC) to provide for office and housing accommodation. Posts have been created in the Department and joint site visits with the South African Police Services (SAPS) took place in order to assess the office accommodation situation. The proposed plans would be signed off once the BCOCC housing policy which is being fast tracked has been finalised.

The personnel component was increased at Johannesburg International Airport (JIA) and Cape Town International Airport (CTIA) in an effort to address the most critical needs. The remaining ports of entry still need to be capacitated in terms of their work volume requirements as reflected in their statistics.

The establishment of an Interdepartmental Liaison Committee was not undertaken since it has been deleted from the Immigration Act. All coordination with regard to border control matters is now vested in the BCOCC. The Department has also been given the mandate to chair and manage the BCOCC secretariats nationally and in the provinces.

With regard to the appointment of port managers, it can be reported that following the mandate given to DHA to manage all non-commercial ports of entry, a job evaluation exercise was conducted which would now be benchmarked with South African Revenue Services (SARS) to ensure compatibility between the levels of port managers at commercial and non-commercial ports of entry.

In terms of effectively equipping ports, it can be reported that the Movement Control System (MCS) is operational at all ports of entry (POE). The development of standard operating procedures (SOP's) at ports of entry has not yet been finalised.

A review on the recording of entry and exit of citizens was completed and implemented in terms of the new Immigration Amendment Act.

Strengthening multi-agency intergovernmental co-operation in fighting corruption.

Institutionalised cooperation in terms of Justice Crime Prevention and Security (JCPS) Cluster priorities is in process.

Facilitating scarce skills into the country.

In terms of partnerships with stakeholders (Department of Labour, Department of Trade and Industry, Environmental Affairs and Tourism, Tourism industry, etc.), ongoing consultation with stakeholders took place.

Bilateral talks on visa regime and entry requirements have taken place between the RSA and nine SADC countries, namely Mozambique, Lesotho, Botswana, Malawi, Namibia, DRC, Rwanda, Tanzania and Swaziland. A visa agreement with Mozambique has been concluded and various other agreements are in the process of being concluded.

In conjunction with partner departments, the visa regime was reviewed in terms of the Amendment Act and further review is ongoing. Transit visas were implemented with regard to certain categories of travellers in direct transit.

Xenophobia

With regard to Xenophobia, a Counter Xenophobia strategy was developed and adopted. The unit also focused on piloting internal awareness programmes. Awareness programmes have been conducted to 157 immigration trainees. A Counter Xenophobia peer education training workshop took place, including nominees from provinces. The unit acquired five (5) interns and a Deputy Director was appointed. Other posts were also advertised. Meetings with relevant stakeholders, i.e. National Consortium on Refugee Affairs, Forced Migrants Working Group, Non Governmental Organisations (NGOs), Local communities and United Nations High Commission for Refugees (UNHCR) were conducted.

OUTPUTS AND SERVICE DELIVERY TRENDS

Detailed information on sub-programme related outputs, performance measures and actual performance during the reporting period appears in a tabulated format as an annexure at the end of this Chapter.

PROGRAMME 3: AUXILIARY AND ASSOCIATED SERVICES

Aim: The main function of Auxiliary and Associated Services is to fund the Film and Publication Board, the Government Printing Works and the Independent Electoral Commission. Expenditure for departmental vehicles and capital works is also included in this programme.

- Film and Publication Board funds the classification work of the Film and Publication Board and the Film and Publication Review Board.
- Government Printing Works provides for the augmentation of the Government Printing Works Trading Account for the supply of printing and stationery to government departments and to make government publications available for sale to the public.
- Government Motor Transport funds the purchase of vehicles for departmental use, as well as allocations under the subsidised motor transport scheme.
- The Electoral Commission provides for the establishment and composition of an Electoral Commission to manage elections for national, provincial and local legislative bodies and referenda. It makes provision for the establishment and composition of an Electoral Court in terms of the Electoral Act of 1996.
- Property Management manages the properties occupied by the Department.

PROGRAMME POLICY DEVELOPMENTS

The Film and Publication Board (the “Board”),

A Schedule 3A National Public Entity in terms of the Public Finance Management Act, was established in terms of the Films and Publications Act, No 65 of 1996 (the “Act”), with the Deputy Minister of Home Affairs as its Executive Authority. The Board is responsible for the effective implementation of the Act, which regulates and controls the creation, production, possession, exhibition and distribution of certain films, interactive computer games and publications. The Act also makes the use of children in pornographic films or publications, or on the internet, a punishable offence. The Board is also responsible for the monitoring of the business

of adult premises to ensure that such businesses are conducted in strict compliance with their licence and registration terms and conditions.

For the 2005/06 review period, the Board classified 9 508 films. The Board is funded by annual grants of approximately R6.7 million over the medium term, as well as fees generated from its services which amounted to R7.5 million.

The Board submits its own separate audited financial statements and annual report to Parliament through the Minister of Home Affairs. It also submits monthly and quarterly cash-flow and activity reports to its Executive Authority through the Director-General of the Department.

The Independent Electoral Commission (IEC)

The Electoral Commission is a constitutional institution reporting directly to Parliament. Its vision is to strengthen constitutional democracy through the delivery of free and fair elections.

There were 14 994 voting stations that catered for registered voters for the 2000 municipal elections, and 16 966 voting stations that catered for registered voters for the national and provincial elections of 2004. A strategic aim of the IEC in preparing for the municipal elections of 2006 was to improve voter access to voting stations. The number of Voting Districts (VDs), and hence voting stations, increased considerably for Elections 2006 when 18 873 VDs were delimited. The change represents a 26% increase compared with the previous municipal elections in 2000. The increase in the number of voting stations is in part due to the increase in the number of registered voters, but is also aimed at facilitating broader participation by voters. This applies particularly to rural areas where voters initially had to travel long distances, but is as applicable in the many rapidly expanding informal settlements in urban areas. A registration campaign preceded the 2006 municipal elections.

In anticipation of the municipal elections in 2006, the IEC received a budget of R944.258 million to enable the IEC to cater for an increase in the number of electoral offices, voter education and other required logistical facilities.

The Government Printing Works (GPW)

Provides printing, stationery and related items to government departments, provincial governments and local authorities and publishers, markets and distributes government publications. It also provides related services to other African countries, such as printing high security documents for countries in the SADC region from time to time.

In the year under review, the work of the Government Printing Works continued to contribute cost effectively to the administrative processes of national and provincial departments in the execution of their functions towards bettering the lives of all South Africans, notwithstanding capacity constraints, which have seriously impacted on service delivery.

The following statistics reflect the activities of the Printing Branch of the Government Printing Works for 2005/06:

	2005/2006
Orders	3 780
Rubber stamps manufactured	23 437
Examination papers	7 110 654
Postage stamps: RSA (sheets)	10

During the year under review the Government Printing Works printed and distributed Provincial and National Gazettes. The statistics are as follows:

	2005/2006
Eastern Cape Province	182
Northern Cape Province	71
North West Province	124
Limpopo	122
Mpumalanga	130
Gauteng	548
National Government Gazettes	1 296

Outputs and service delivery trends

Sub-programme	Outputs	Performance measure / service delivery indicators	Actual performance / quantity
Film and Publication Board	To make timely transfer payments	Timely transfer payments done twice a year	Payments done twice a year
Government Printing Works	To make timely transfer payments	Timely transfer payments done annually	Payments done on an annual basis
Independent Electoral Commission	To make timely transfer payments	Timely transfer payments done monthly	Payments done on a monthly basis

Transfer payments

Name of Institution	Amount Transferred R'000	Estimated Expenditure R'000
Film and Publication Board	19 774	19 774
Government Printing Works	188	189
Independent Electoral Commission	944 258	944 258

Transformation of the Government Printing Works (GPW)

The Ministerial Advisory Committee has rounded up its work and has presented its report, which is a refinement of the Business Plan originally compiled by the GPW, to the Department of Home Affairs.

In addition to the appointment of the Chief Executive Officer with effect from 1 April 2005, urgent critical posts were filled. However, other key posts became vacant due to resignations of staff seeking better opportunities. Furthermore, key critical posts hitherto non-existent were created and filled. These are:

- Executive Director: Human Resources and Transformation.
- Executive Director: Marketing and Branding
- Director: Cost Accountant

The creation of the Marketing and Branding component has put the GPW in a position to aggressively and proactively market itself to create awareness of its existence and source in jobs, unlike previously when it had to rely on requisition for jobs forwarded by departments.

It can now be stated with a high degree of certainty that the process and personnel are in place to ensure that the conversion of the GPW into a viable public entity is achieved, and that the entity commences on a sound footing.

In pursuit of a secure working environment, plans are at an advanced stage to build an all purpose Security Printing Complex for the GPW. Stages 3A and 3B of site solutions Options and Needs Analysis have been completed.

ANNEXURE PROGRAMME 1: OUTPUTS AND SERVICE DELIVERY TRENDS

Sub-programme	Outputs	Performance measures / service delivery indicators / target	Actual performance / quantity
MANAGEMENT SERVICES	Strategic and Executive Support Services		
	<i>To capacitate and increase Civic Services efficiency</i>		
	Civic Services structure at both Head Office and provinces reviewed and enhanced	Structure approved New structure fully implemented	Head Office and Provincial organisational structures were reviewed and approved in September 2005 and March 2006 respectively
	<i>To enhance the alignment of structure to DHA strategy</i>		
	Organisational of structure reviewed	Degree of structure alignment with DHA strategy	Reviewed and approved in March 2006
	Job profiles developed	Job profiles in place	Not finalised
	Job evaluation conducted	All jobs evaluated and graded	68 posts were evaluated and graded in the 2005/06 financial year
	<i>To ensure that standard operating procedures are implemented throughout the Department:</i>		
	Standard Operating Procedures (SOP's) for all Business Units created / reviewed	Standard Operating Procedures (SOP's) for all Business Units in place	<p>The strategic objective entails the identification of the current business processes, the optimisation of these processes through a redesign / re-engineering effort and then the development of Standard Operating Procedures (SOP's). The development of SOP's can only be finalised after the business processes review.</p> <p>The "AS-IS" and "TO BE" processes for Civic Services have been determined and a total of 38 processes have been identified and 8 SOP's have been completed.</p> <p>In terms of Immigration, due to the dependencies of the SOP's on the business processes, review work started in this regard but sign-off has not been finalised due to constant changes in the business environment that impact on the SOP's. A total of 48 SOP's have been completed.</p> <p>The mapping of processes for Support Services commenced. Draft processes have been mapped for Management Services, International Relations, Legal Services and Integrated Governance. A total of 21 SOP's have been completed</p>

Sub-programme	Outputs	Performance measures / service delivery indicators / target	Actual performance / quantity
	<i>Office infrastructure: to bring world-class DHA services closer to the people</i>		
	Survey to determine office location conducted	Survey finalised	Office Expansion Plan - Provincial Reports and National Consolidated Report approved Number of locations determined to improve access per province include: Eastern Cape – 36 proposed permanent locations, Free State – 17 proposed permanent locations, Gauteng – 5 proposed permanent locations, KwaZulu – Natal - 49 proposed permanent locations, Limpopo – 16 proposed permanent locations, Mpumalanga - 23 proposed permanent locations, Northern Cape – 3 proposed permanent locations, North West - 10 proposed permanent locations, Western Cape - 13 proposed permanent locations. A total of 172 locations to be established to improve access to DHA services. 482 mobile stop-over points determined during the survey.
	<i>To strengthen the management team to promote good governance in the Department</i>		
	Integrated organisational performance management system fully implemented	Organisational and individual performance management linked	The Report on the Introduction of an Effective Performance Management System for DHA was approved by the DG. The issue was discussed in detail at the workshop on Performance Management from 10-12 August 2005.
	<i>To provide support services related to intergovernmental relations and cluster participation</i>		
	Department's participation in intergovernmental structures coordinated	Effective participation in and implementation of decisions taken in all intergovernmental for a representation of Department in provincial and local government/ intergovernmental structures recorded and monitored	The Department participates in all FOSAD Clusters and implementation of decisions is ensured. DHA participates in the Nodes Programme (URP and ISRDP) through the spread of its office location including MPCCs. Engagements with different stakeholders like SALGA and traditional leadership are being pursued.
	<i>To ensure that departmental planning priorities are integrated into the priorities of the FOSAD Clusters, and Cabinet structures</i>		
	Track, monitor and contribute to the agenda setting of Clusters with regard to departmental priorities and /or responsibilities.	Priorities of DHA reflected in the work of the Clusters.	The Department is well represented in all five clusters. The Department is starting to make an impact. Inputs to the clusters programme of action (POA) were provided during different workshops conducted.

Sub-programme	Outputs	Performance measures / service delivery indicators / target	Actual performance / quantity
	<i>To ensure governmental planning and priorities are properly injected into the priorities of the Department</i>		
	Alignment of departmental planning and implementation of cluster priorities and reporting tracked and monitored.	Priorities of DHA aligned to Government Planning Cycle and priorities.	Through the Cluster system, governmental planning and priorities are well reflected in DHA's broader strategic framework. Decisions taken at Cabinet level are properly injected into the Department i.e. nametags, extension of office hours, unannounced visits at high level, etc
	<i>To provide strategic support to the Minister, Deputy Minister and Director-General and to play a meaningful role with regard to intergovernmental relations</i>		
	Support provided and coordinated	Support systems in place and implemented	Regular reports are being drafted to the Minister, Deputy Minister, Director-General and SMC on cluster related issues
	<i>To coordinate the Department's International Relations programmes.</i>		
	International Relations Strategy finalised.	Strategy approved and implemented.	The restructuring of the Unit and capacity constraints delayed the process.
	Adequate International Relations capacity created.	Proposed new structure approved and capacitated.	Structure proposals on moving Integrated Governance to the Chief Directorate: Governance Relations were approved on 26 September 2005. Filling of critical vacancies commenced. Post of Deputy Director: International Relations filled
	Procedures and guidelines formulated to manage foreign engagement.	Approved and implemented procedures and guidelines.	Formulation to commence once the strategy has been finalised.
	Transformation		
	To concretise and finalise the change management and transformation plan.		
	Change management and Transformation Plan finalised.	Plan approved and implemented.	Transformation plan not yet in place.
CORPORATE SERVICES	Human Resources		
	<i>To strengthen the management team and to promote good governance in the Department.</i> Leadership and management capacity developed	Training and mentoring programmes monitored and implemented.	Newly appointed SMS members were inducted into the core business of the Department. SMS members received finance training for non-financial managers in March 2006.

Sub-programme	Outputs	Performance measures / service delivery indicators / target	Actual performance / quantity
	<i>To ensure the effective and professional functioning of Legal Services.</i>		
	Business processes developed to ensure integrated services.	Business processes approved and implemented.	Electronic and hard copy library set-up and functioning. Capacity (in the form of human capital) enhanced, as well as skills development through training. Smooth interaction between management and other officials of the Chief Directorate with resultant improvement in interpersonal relations. Work allocation is accompanied by specific guidelines and instructions.
	<i>To proactively provide legal support services to the Department and Ministry.</i>		
	Centrality and necessity of Legal Services in the Department asserted.	Full representation of Legal Service in core business.	Legal Services (Managers & other officials) actively participated in various fora dealing with core businesses of the Department (i.e. BCOCC and other instructions). Legal Services is involved in decision making on matters that have legal implications for DHA. Support provided with regard to legislation governing immigration in the Republic (Immigration Act, 2004, as well as the Regulations finalised).
		Litigation minimised	Coming into effect of Immigration Act, 2004 closed loopholes in the Act that often led to litigation. Active participation of Legal Services in the core business of the Department including involvement in decision making as well as constant provision of legal advice to line functions on handling of matters with legal implications resulted in the reduction of litigation against the Department.
	Quality of legislative drafting processes professionalised and enhanced.	Effective and efficient legislative drafting processes.	Effective and efficient legislative drafting processes developed through training of officials of the Directorate: Drafting. Stakeholder relationships established with the South African Law Reform Commission, as well as the Office of the State Law Advisor for assistance with Legislative review of legislation administered by the Department.

Sub-programme	Outputs	Performance measures / service delivery indicators / target	Actual performance / quantity
		Legislation re-aligned with Government policies and the Constitution.	Immigration Amendment Act, 2004 and the Regulations finalised. Workshop on the Refugees Act, 1998, held and proposed amendments recorded and submitted to Minister. Refugee Amendment Bill, 2006 currently being prepared (first draft). Legislative review of all legislation administered by the Department kick started (beginning 2006).
	<i>To develop optimal resource capacity levels</i>		
	Sourcing strategy developed (Recruitment and Placement Strategy)	Reduced vacancy rate	Draft policy developed and presented to Strategic Management Committee (SMC).
	Professionalisation of DHA services		Concept Paper on professionalisation developed (Mabalane document)
	Frameworks devised to manage talent through career retention and succession	% of critical skills retained Reduced employee mobility rate	Succession Plan Strategy, Recruitment and Selection as well as Career Management and Development strategies have been drafted. Recruitment Plan developed.
	<i>To align employee performance with DHA strategic objectives</i>		
	Revised PMDS policy for levels 1-12 implemented	Reduced number of grievances	PMDS policy for levels 1-12 reviewed and policy for SMS developed.
	Rewards and recognition framework developed	Increased productivity levels	Draft Rewards and Recognition guidelines developed.
	Clear performance objectives, targets and uniform standards set	Degree of alignment	PMDS standards and indicators not consolidated and communicated. Draft Employee Retention Guidelines developed.
	Consistent application of performance management and measurement systems facilitated	Number of grievances reduced. Increased productivity levels. Degree of alignment of performance and rewards.	A partnership was established with the National Productivity Institute (NPI) to identify gaps impacting on performance / productivity in DHA. NPI has conducted an audit within three identified offices (HR, IDs and Identification). Some provinces hosted reward and recognition ceremonies.
	<i>To promote Human Resources to become a strategic business partner</i>		
	HR strategy aligned with departmental Strategic Plan	Degree of alignment of HR strategy with DHA strategy	HR strategy aligned with departmental strategic plan and approved by Strategic Management Committee (SMC).
	HR service delivery model developed and implemented.	Improved HR services	
		Degree of alignment of HR services with business	HR service delivery model developed.

Sub-programme	Outputs	Performance measures / service delivery indicators / target	Actual performance / quantity
	HR service level agreements (SLAs) introduced	Degree of conformance to service standards Improved HR services Degree of alignment of HR services to business	Draft HR Service Charter and SLA in place
	HR communication strategy developed and implemented	Increased awareness on HR services	HR communication strategy not in place.
	<i>To promote sound employee relations</i>		
	Employee relations strategy developed and implemented	Consistent and fair application of labour relations practices	PSCBC Disciplinary Code implemented. Trained: 40 chairpersons (CALS-WITS), 120 line managers (CCMA) and Induction training as well as Foreign Missions. Established strategic partnerships with internal stakeholders (CCS, IA, LS & HR) and external stakeholders (DPSA, Department of Justice, GCIS, DPLG). 80% of cases ruled in favour of DHA.
	Culture of discipline instilled	Reduced levels of misconduct	Policies and procedures aligned in support of counter corruption and zero tolerance culture.
	<i>To maximise employee's contribution through competency development</i>		
	People development strategy developed and implemented	Degree of alignment of learning programmes and DHA requirements	Draft strategy in place. Internship programme- 734 interns appointed. 215 secured employment within DHA and 65 were appointed in other government departments. Interns attended life skills training presented by SAMDI and funded by Umsobomvu. Skills audit planned for all staff on salary levels 5 to 12. 12 months training programme for Immigration Officers developed. Middle Management Development Programme for levels 9-12 in place, Junior Management Development Programme in place, training in generic skills, line function, computers and customer care available.
	Leadership and management development programmes developed and implemented	Improved leadership proficiency levels Improved leadership performance levels Employee perception index	By the end of the financial year 2005/2006, 198 managers/ supervisors attended the Emerging Management and Development as well as the Advanced Management and Development Programme. Mentorship training took place and 78 officials were trained in this area. The programme will be rolled out in April 2006 with the implementation of the National Youth Service Programme.

Sub-programme	Outputs	Performance measures / service delivery indicators / target	Actual performance / quantity
	<i>To enhance employee morale and well-being</i>		
	Integrated wellness strategy and programmes developed and implemented	Reduced absenteeism and employee turnover rate Improved morale and productivity	Employee wellness action plan developed and implemented. Employee wellness calendar distributed. Workshop with regional employee wellness representatives conducted.
	HIV /AIDS, and other life threatening diseases' management strategy developed	Health trends index in place	An integrated Wellness Programme of Action was developed focusing on employee well-being (HIV/ AIDS, Sport and Recreation and Occupational Health and Safety).
	<i>To promote a culture that values people and is performance driven</i>		
	Culture change strategy developed and implemented	Employee satisfaction index in place Improved client satisfaction levels Improved integration and cohesion Increased knowledge sharing Improved teamwork Reduced rate of corruption	National sports and cultural day was held in Limpopo on 23 and 24 September 2005 to celebrate Heritage Day.
	Batho Pele principles institutionalised	Improved client satisfaction	DHA has made significant progress in terms of institutionalising Batho Pele: Active participation in MPCCs, deployment of mobile units to deeply rural and marginalised urban areas, on-line registration of births and deaths at hospitals, working of flexi-hours, use of internal signage at provincial offices, the introduction of a Client Service Centre, the introduction of the "client is always right" campaign, training on customer care, launch of campaigns (fraudulent marriages, Lokisa Ditokomane, etc), DHA services made visible by means of leaflets, booklets ("Know your DHA services") etc, use of suggestion boxes, review of service standards, etc. Conformation to Batho Pele forms part of the departmental strategic plan and is incorporated in the performance contracts of managers via their business plans. Performance agreements are also in the process of being cascaded down to lower levels.

Sub-programme	Outputs	Performance measures / service delivery indicators / target	Actual performance / quantity
	<i>To enhance Human Resources efficiency</i>		
	HR structure reviewed and implemented	Degree of HR structure alignment	HR structure reviewed
	Integrated HR Information Systems implemented <ul style="list-style-type: none"> • e-recruitment • e-learning • Integrated performance management • e-leave management • Self service (HR on-line) 	Improved HR efficiency Improved turnaround times Degree of systems alignment	E-Recruitment system developed and implemented. Process of acquiring integrated human resource information systems being discussed with Information Services.
	HR policies, procedures and processes refined and implemented	Degree of HR systems alignment	11 policies reviewed
	HR delegations reviewed and implemented	Adherence to delegations	Draft HR delegations developed.
CORPORATE SERVICES	COUNTER-CORRUPTION AND SECURITY		
	Counter-Corruption		
	<i>To decisively address corruption within the DHA</i>		
	Counter Corruption plan implemented	100% compliance in implementation	Plan has been approved and is in the process of being implemented. National Workshop on Counter Corruption took place from 10 - 12 October 2005. Action plan approved by SMC.
	Corruption reporting policies and mechanisms introduced	Number of reported corruption activities	Approved Whistle-blowing Policy introduced to all employees of DHA with effect from 9 May 2005. Rolled out to Provinces. 218 cases were received and 36 finalised.
	<i>To strengthen multi-agency intergovernmental cooperation and other partnerships in fighting corruption</i>		Working relationships established with lead organisations
	Cooperation in terms of JCPS Cluster priorities institutionalised	Successful operation of the multi-agency system	
	Partnerships with other role players established	Successful working relationships with partners	Sound relations and co-operation exist with other stakeholders, e.g. SAPS, NIA, DSO, SARS, SOCIAL DEVELOPMENT, SABRIC, Post Office, etc. Number of operations was undertaken with Organised Crime Unit of SAPS.
	Security		
	<i>To improve physical security at all offices</i>		
	Head Office - Electronic access control system installed	Installation of operational access control system completed	Electronic access control system developed (biometric system), 24-hour control room established.

Sub-programme	Outputs	Performance measures / service delivery indicators / target	Actual performance / quantity
	<i>To develop and formalise security policies and the Master Security Plan</i>		
	Security policies developed and approved by management Master Security Plan developed and approved by Management	Consistent application and adherence to security policies	Physical security appraisals conducted in most offices. A tender was awarded for all offices in the provinces, the tender will cater for the following security services: cash-in-transit, armed response (alarm systems) and access control (security guards). Electronic security equipment was installed at Pretoria Regional Office and HANIS Disaster Recovery Site (SITA). The Refugee Reception Offices in Port Elizabeth, Cape Town, Durban and Crown Mines were also appraised. Eight posts (Control Security Officers) for provincial offices filled.
	Risk Management		
	<i>To ensure the implementation of the risk management strategy in DHA</i>		
	Enterprise wide risk management system in place	Risk assessment undertaken Adequate and effective reaction to management of new risks	Risk Management Policy reviewed. Risk Committee in place at Head Office. Risk assessment exercise undertaken during January 2006.
		Sub-risk committees fully operational in provinces	Not achieved.
	Communication		
	<i>To enhance and promote effective and efficient communication in the Department</i>		
	Internal communication programme was developed.	Programme approved and implemented	The Programme was developed and implemented
	Capacity built in the Directorate	Internal Communication Directorate adequately capacitated	Capacity was built in the Directorate
	<i>To enhance and promote effective and efficient communication to build public trust and confidence in the Department</i>		
	External Communication programme was developed	Programme approved and implemented	The programme was developed and implemented.
	Capacity built in the Directorate: External Communication	Directorate fully capacitated	Capacity was built in the Directorate.
	Public educated and awareness raised about services offered by the Department	Public awareness campaign rolled out	The Public Education Unit was established. Public awareness campaign was rolled out.

Sub-programme	Outputs	Performance measures / service delivery indicators / target	Actual performance / quantity
		Improved access to information using different communication mediums	Intranet launched on 15 July 2005. Staff informed of key decisions and issues via e-mail. Publications inform internal staff on regular basis. Government portal was edited - 46 DHA services posted on website.
	Information Services		
	<i>To establish a secure and integrated identification and verification system for all South African citizens and non-citizens who transact with SA</i>		
	An integrated ID system that is secure, effective and efficient established	Secure and effective ID system in place	Draft business processes for Births, IDs, Visas, Citizenship and Travel Documents delivered as part of the design of a new integrated system for DHA. Tender for "WHO AM I ONLINE" was published
	Permanent unique ID number implemented	Each citizen has unique permanent ID number	Legislative review being considered for fixing the ID number. Interim design being considered for WHO AM I ONLINE project.
	Integrated Immigration and Civic Services system introduced	Improved efficiency	Enterprise architecture being developed in order to design the Department's information systems needs. Tender now published to integrate Movement Control System (MCS), National Population Register (NPR), Integrated Electronic Document Management System (IEDMS) and Automated Fingerprint Identification System (AFIS). The WHO AM I ONLINE project is to be completed in 2009
	All fingerprint records digitised (BRC).	BRC completed and managed effectively	21 101 191 of approximately 30 million records digitised (70%). 13 001 095 records from BRC absorbed into HANIS
	Smart ID card introduced	First 6 million cards issued	Introduced the Smart Refugee Card. The National Smart ID card is being handled at Inter Ministerial level (IMC)
	e-passport system developed and implemented	Improve service at ports of entry	GPW to implement proof of concept (POC) and 6 000 e-passports targeted to have been issued to official and diplomatic passport applicants by 31 March 2007
	<i>To establish an enterprise wide Management Information System</i>		

Sub-programme	Outputs	Performance measures / service delivery indicators / target	Actual performance / quantity
	All paper and microfilm records digitised	Digitised records easily accessible	IEDMS tender about to be awarded. Will be implemented over a three-year period starting from 2006/07 financial year.
	Master Information Systems plan developed	Portfolio of integrated initiatives supporting DHA business architecture	Plan developed. It lays a strong foundation for Enterprise Architecture and related governance frameworks
	Enterprise wide document management and workflow systems developed	Documents easily accessible and secured	IEDMS tender about to be awarded. Will be implemented over a three-year period starting from 2006/07 financial year
	A computerised system to handle the tracking and tracing of applications developed and implemented	Management information on applications readily available	Dependent on IEDMS (Workflow)
	Data warehouse and Business Intelligence established	One operational view of business	Being implemented, To be signed off by July 2006. The interviews with different managers took longer than expected.
	Disaster Recovery and Business Continuity plans in place	Ability to recover from any possible disaster and resume business	Equipment being installed. Project will be signed off in financial year 2006/07
	<i>To ensure Information Systems Security in the Department</i>		
	IS Security policy and standards implemented	Compliance with Public Service Regulations in terms of information security	Achieved. Our network is more secure, with all necessary firewalls and HSM.
	<i>To accomplish office computerisation</i>		
	All identified non-computerised DHA offices computerised	No manual paper based processing	240 of 263 offices completed.
	<i>To develop and establish KIM capacity and systems within the Department</i>		
	Information management capacity in DHA created	Capacity in place	Achieved. The unit is sufficiently capacitated
	<i>To develop a knowledge management policy and strategy</i>		
	KIM Policy and Strategy developed and implemented	Effective KIM Strategy and Policy successfully implemented	Policy and strategy implemented.
	<i>To provide effective and efficient service</i>		
	Business processes reviewed and optimised	Improved turnaround times	Draft business processes for Births, IDs, Visas, Citizenship and Travel Documents delivered as part of the design of a new integrated system for DHA. All core business processes distributed for comment
	Enterprise Architecture, IS policies and standards developed and implemented	Approved enterprise architecture, policies and standards	Achieved

Sub-programme	Outputs	Performance measures / service delivery indicators / target	Actual performance / quantity
	<i>To ensure legendary services</i> Framework guidelines implemented	Frameworks and guidelines in place	IS Governance framework developed and applicable standards acquired. Most IS business process developed.
		Improved alignment of IS with business	The Open Group Architecture Framework (TOGAF) and other frameworks are available and prescribed in Requests for Proposals. MISP and Enterprise Architecture are to be developed according to frameworks. Processes have now been developed but not yet implemented.
		Improved service delivery quality	Information Technology Information Library (ITIL) framework available. Services still have to be structured.
		Unqualified IS audit	Mapping of Control Objects for Information Technology (CoBIT) to lower level frameworks and implementation plan was completed.
	<i>To contribute positively in the national skills and ICT development programme</i>		
	Sustainable learnership and experiential training programme developed and implemented	Young ICT graduates given opportunity to develop and become economically active	Of the 23 interns introduced into the Department, 5 were employed in the ICT industry, 18 interns were employed permanently within the Department of Home Affairs. For 2006/07 47 interns have already been appointed within IS, 2 of which are people with disabilities, eight more will be appointed in the near future
	<i>To ensure existence of the necessary IS capacity to deliver</i> IS structure reviewed and enhanced	Improved IS service delivery	Achieved
	Structure populated		The population of the structure is continuous
CORPORATE SERVICES	FINANCIAL AND PROCUREMENT MANAGEMENT		
	<i>To rollout efficient and effective transversal financial systems (BAS)</i> Rollout completed	Provinces empowered to capture receipts and request financial budget and expenditure reports. (Rollout completed and financial management improved)	The implementation of BAS at 146 offices for the capturing of receipts and requesting of budget reports was finalised.
	Transformed Budget Strategy implemented	Strategic guide to Budget Planning Manual in place	A manual was drafted during 2005/06, which will be approved, distributed and in place during 2006/07.

Sub-programme	Outputs	Performance measures / service delivery indicators / target	Actual performance / quantity
	Monthly monitoring of expenditure against the budget and reprioritisation.	Monthly reports presented to Management. Expenditure to be monitored monthly and budget to be reprioritised when necessary.	Expenditure was monitored against the budget on a monthly basis. Towards the end of 2005/06 the budget was reprioritised.
	Financial training to officials within the Department conducted.	Training programme developed and implemented	The Directorate: Budget and System Control visited the Provincial Offices and presented training to relevant officials within the 9 provinces. Training included budgeting, capturing of receipts and specific areas of financial administration
	Revised Delegations	Revised delegations in place	Compiled but not submitted to the CFO for presentation to the Strategic Management Committee (SMC)
	Financial Procedure Manual	Manual in place which will be a financial guide.	Not yet finalised • Prolonged Audit • Anomalies with branches
	Development and acquisition of staff	Funded posts filled and training in place.	Monthly on-the-job training Training provided to officials from Foreign Office Coordination and Gauteng province
	Financial Management departmental plan (Revenue Management)	Revenue Management in place and applied effectively	Bank automated Safetynet activated. Security of cash register implemented in Gauteng and secured project on course. Sanitation of BAS data Management of expenditure – batched
	Relationship Management	Provincial office visits	Provincial visits and training (Eastern Cape, Gauteng, North West) conducted.
	<i>To improve service delivery of DHA Procurement</i>		
	An effective and efficient procurement system implemented	Improved turnaround times Capacitated Procurement Unit Full compliance with supply chain management policies	Functions of Departmental Control Committee reviewed to reduce cycles of requisitioning and procurement standards set for procurement practitioners. Vacancies filled, but new establishment should be implemented to cope with devolved functions from National Treasury and DPW. Full compliance with supply chain management policies: Bid Adjudication, Bid Evaluation and Bid Specification Committees established.

Sub-programme	Outputs	Performance measures / service delivery indicators / target	Actual performance / quantity
	Asset Management Improvement Plan developed	Implement and adhere to the terms and conditions of the SLA	Not yet achieved but progress evident. Subject to be presented to the SMC.
		Revised AM Procedure Manual implemented	Not yet achieved, but progress evident. Not yet populated.
	Asset Register established	Auditable Asset Register	Achieved.
	<i>To delegate powers and functions to provinces</i>		
	Revised and approved delegations	Delegations revised, amended and approved	On track, awaiting for approval and thereafter to be rolled out to provinces.
	Empowerment of Provinces	Revised AM delegations	On track.
	<i>Acquisition of staff (Asset Management)</i>		
	Approved new structure implemented	Vacant operational posts on new structure prioritised for filling.	Not yet achieved, but progress evident. All 3 Middle Management Service (MMS) posts have been filled.
		Funded posts filled	Not yet achieved, but progress evident.
	Specialised skills obtained	% staff trained increased vs. those not trained	Achieved
	Officials trained in relevant fields of Asset Management	Relevant training provided	Achieved
	Transport Desk for travel agency services in the Department	Report submitted and approved	Achieved
	Asset Management Policy and Procedures	Adherence to Policy and procedures. Compliance to PFMA and National Treasury Regulations	Achieved
	Asset disposal policy and procedures	Adherence to Policy and Procedures. Compliance to PFMA and National Treasury Regulations	Achieved
	State accommodation available according to specified standards	Audit conducted	Achieved
	Leased buildings relocated	% of offices relocated	Not yet achieved, but progress evident.
	Existing state owned facilities repaired	% of facilities upgraded and repaired	Achieved, all RAMP projects for 2005/06 completed.
	New buildings constructed	% of new buildings constructed	The process has started.
		AM IT System developed	Achieved
	An electronic Asset Management System (AMS) developed	AMS to be introduced and presented to Management Awareness programme in place	Achieved.

Sub-programme	Outputs	Performance measures / service delivery indicators / target	Actual performance / quantity
	Infrastructure		
	<i>To bring world-class DHA services closer to the people.</i>		
	Survey to determine office location conducted.	Survey finalised	The survey was completed on 18 November 2005. It identified optimal locations to establish DHA services or deploy mobile units within a 30-minute travel time, with the emphasis on rural communities. The Consolidated reports have been approved by top management. The study will be integrated with the study of Civic Services by HSRC - this is to prioritise the offices that will be newly constructed or leased first.
	Policy to determine the radius of optimal office proximity utilising survey results	No client should travel more than a determined number of km to a DHA office	Phase 1 and 2 of the methodology finalised on 15 July 2005 and 18 November 2005 respectively.
	Increased accessibility of DHA offices by providing adequate office accommodation including ports of entry	New offices and MPCC'S created, as well as mobile units deployed.	64 mobile units deployed and 58 MPCC'S staffed.
	<i>To upgrade new offices to acceptable standards of excellence in terms of condition, location, equipment, staffing and security.</i>		
	Predetermine standards implemented	Compliance by all existing offices with predetermined standards (Corporate identity, signage, layout)	Western Cape (WC) – All offices painted in corporate colours and uniform signage distributed to all offices. Northern Cape (NC) – 2 out of 5 offices have not been painted and do not have signage. 1 out of 9 ports of entry was painted. Mpumalanga (MP) – 10 offices painted. Eastern Cape (EC) – 14 offices painted and 34 not painted. Free State (FS) – 2 out of 10 offices painted. KwaZulu-Natal (KZN): 35 offices painted in corporate colours whilst 21 have not been painted. Gauteng – 10 out of 33 offices have not been painted and no signage in place (excluding JIA). Limpopo – 11 out of 69 offices painted in corporate colours and signage was fitted North West (NW)- 9 offices out of 19 have no signage and 10 offices out of 19 have not been painted in corporate colours.

Sub-programme	Outputs	Performance measures / service delivery indicators / target	Actual performance / quantity
	IT infrastructure, equipment and systems provided.	IT infrastructure, equipment and systems effectively utilised	240 of 263 local offices computerised in 2005/06. The process for Foreign Offices has started. This is taking place in collaboration with DFA. Hub areas (6) will be created throughout the world and these hubs will link up with Head Office. Low-level network and security design was completed.
	Transport provided	Transport provided effectively and efficiently utilised	566 vehicles have been ordered of which 491 have been delivered (27 to Head Office, 323 to Provinces and 141 to NIB).
	Policy on security requirements developed	Policy implemented	Members of the Chief Directorate Counter Corruption and Security conducted office visits, security evaluations and security awareness sessions. The following provinces were visited: Gauteng, Eastern Cape, Free State, KZN and Limpopo.
	Compliance with security standards ensured	Security standards in place prior to opening of an office and ensure adherence in existing offices	A Security tender was awarded to all offices in the provinces, the tender caters for the following security services: - <ul style="list-style-type: none"> • Cash-in-transit • Armed response (alarm systems) • Access control (guard duties).

ANNEXURE PROGRAMME 2: OUTPUTS AND SERVICE DELIVERY TRENDS

Statistical Information

Sub-programme	Outputs	Performance measures / service delivery indicators	Actual performance / quantity
Passports & Travel matters	Issue passports	Number of passports issued: Tourist passports - Child passports - Official passports - Document for travel purposes - Diplomatic passports - Temporary passports - Emergency passports - Crew member certificates - Maxi passports - Number of passports (old format) renewed	605470 156353 9226 263 1496 180066 74424 124 15388 1110
Citizenship	Process citizenship applications	Number of: - Naturalizations - Renunciations - Deprivations - Resumptions - Citizens by descent registrations - Retentions - Restorations - Approvals to use foreign passports	19888 1446 2 659 10285 8944 2279 Service discontinued
Population registration	Births, marriages & deaths Register births, marriages and deaths; issue relevant certificates; process applications for amendments; solemnize marriages; designate marriage officers and appoint registering officers	Number of registrations: - Births (under 15 yrs) - Marriages - Civil - Customary - Deaths Number of certificates issued: - Births - Abridged - Unabridged - Marriages - Abridged - Unabridged - Deaths - Abridged - Unabridged Number of personal amendments processed: - Surnames: Majors - Surnames: Minors - Forenames: Majors - Forenames: Minors - Insertion of surnames - Dates of birth - Re-registration - Adoptions - General Number of divorces recorded Number of marriages officers designated - Church - Department Number of registering officers appointed (customary marriages)	1374026 210841 19622 634222 3060525 254929 320567 27218 968575 15882 15960 20954 29537 28380 384 80058 59872 3208 37974 35799 1802 140 39

Sub-programme	Outputs	Performance measures / service delivery indicators	Actual performance / quantity
	Identity documents		
	Issuing of identity documents to all South African citizens and persons to whom permanent residence have been granted	Number of identity documents issued in terms of the Department's Statement of Standards	2112813
		New recordings (16 years & older)	520714
	Identification		
	Maintaining a fingerprint identification system	Number of fingerprints: - Compared & searched for - Evidence given in court cases - Filed as additions to existing records (this figure includes foreigners and first time ID applicants only) - Fingerprints of foreign workers from neighbouring countries which were processed - Fingerprints of refugees searched - Total number of fingerprints on record	3585834 11 527540 6345 32559 47437383
Home Affairs National Identification System (HANIS)	Updating database, system usability and rollout of the automated fingerprint identification system (AFIS)	Populating the AFIS database AFIS usability - IDC applications (first time on AFIS) - IDC re-issues - ID determination - 10 print searches - Hard copy records verified (AD-HOC) - Electronic records verified (CLW) - Remote verification (on-line) AFIS rollout - Departmental offices linked to the AFIS database - Public entities linked to the AFIS database - Private entities linked to the AFIS database Back record conversion Total number of fingerprints records on the AFIS database - Case files - ID applications	0 0 2265 491514 582350 1506627 0 0 0 0 272614 15856875

Sub-programme	Outputs	Performance measures / service delivery indicators	Actual performance / quantity
Electronic document management system (EDMS)	Digitisation, storage and retrieval of manual records on the EDMS	<p>During the period of review no manual records were digitised and stored on the EDMS, due to technical problems experienced with the system since the 2005/06 review period.</p> <p>During the review period, the Department selected a preferred tenderer to conduct back scanning of all paper records in the Department's archives. The tender also provides for the improvement of the existing EDMS and the elimination of the technical problems previously encountered. The tender processes are currently being audited by the State Information Technology Agency (SITA). After finalisation of the audit, it is expected that the tender will be awarded.</p>	
Lokisa Ditokomane Campaign	Rectification of erroneously recorded personal particulars in the national population register	<p>The Department launched a campaign dubbed "Lokisa Ditokomane" that was aimed at prompting citizens to come forward and apply for the rectification of incorrectly recorded personal particulars in the national population register. Citizens that could provide the necessary proof of the erroneously recorded personal particulars received the service free of charge. The campaign ended on 31 December 2005. Please see statistics provided below:</p> <ul style="list-style-type: none"> - Balance on 1 April 2005 - Applications received - Particulars rectified - Enquiries returned to offices - Balance on 31 March 2006 	<p>6277</p> <p>205924</p> <p>154701</p> <p>39767</p> <p>17733</p>

Strategic Information

Sub-programme	Outputs	Performance measures / service delivery indicators / target	Actual performance / quantity
	CIVIC SERVICES		
	<i>To capacitate and increase Civic Services efficiency</i>		
	Civic Services' structure at both Head Office and provinces reviewed and enhanced.	Structure approved.	Minister approved the reviewed Head Office structure on 22 September 2005. Minister approved the reviewed structure in respect of the Provinces on 16 March 2006. The filling of the approved structures is to be phased-in over the MTEF period.
	Critical posts in Head Office and provinces filled.	Critical posts filled.	The status relating to the filling of critical vacant posts in the Department is included in the statistics of the Branch: Corporate Services.
	Civic Services' staffing levels at all offices improved.	Staffing norms maintained	Critical vacancies are identified annually and filled subject to the availability of funds. The filling of vacancies in relation to the revised organisational structures approved on 22 September 2005 and 16 March 2006 respectively will therefore be phased in over the MTEF.
		Standard operating procedures adhered to	Standard operating procedures are incorporated in the training manuals in respect of each population register function (i.e. births, marriages, deaths, etc). The Branch is therefore concentrating on training needs at provincial level.
	<i>To ensure the competency and skills of staff to render efficient and effective Civic Services</i>		
	Training needs of all civic service staff determined.	Needs assessment completed	Urgent training needs were identified in the Eastern Cape, Limpopo and Free State. Training was provided to these provinces. The training programme is ongoing and provinces where training is required will be identified.

Sub-programme	Outputs	Performance measures / service delivery indicators / target	Actual performance / quantity
	Training programme developed in consultation with Human Resources Development.	Training programme developed. Increased levels of performance	No new training programme was developed due to the redesign of business processes in line with the development of computerised systems. The existing training programme will be modified in conjunction with the rollout of computerised business systems
	<i>To ensure that all citizens are correctly registered</i>		
	Survey aimed at determining the needs of South Africans for Home Affairs services and underlying trends	Survey undertaken and report evaluated	The HSRC finalised the survey and a final report was provided to the Department during September 2005.
	Strategy implemented for the registration of undocumented citizens	Action plan developed and implemented	Two strategies were implemented, aimed at the registration of undocumented citizens, namely: the deployment of 64 fully computerised mobile units as well as on-line registration of births and deaths at health facilities. The results of the HSRC survey were implemented with the aim of guiding the Department with the deployment of the fully computerised mobile units to remote and under-served areas of the RSA. Mobile units collected and registered 29641 births and collected 44600 identity document applications. Statistics in respect of the on-line registration of births and deaths at health facilities are included under the objective "introduce electronic registration of all citizens"
	<i>To provide enabling documents to all citizens for the upcoming Local Government Elections</i>		

Sub-programme	Outputs	Performance measures / service delivery indicators / target	Actual performance / quantity
	Comprehensive registration campaign proposal developed	Proposals approved	Identity Document distribution strategy was formulated and distributed to provinces for implementation. A service level agreement (SLA) was also undertaken with the South African Post Office (SAPO) for the distribution of uncollected identity documents to serviceable residential and postal addresses.
	Campaign implemented nationally	Campaign formally launched	The SLA with SAPO (South African Post Office) led to the reduction of uncollected identity documents at departmental offices from 189079 at the beginning of February 2006 compared to the closing balance of 71228 on 28 February 2006. Temporary identity certificates were issued free of charge to applicants who did not receive their identity documents on time for the local government elections.
	<i>To introduce the electronic registration of all citizens</i>		
	Hospitals identified that will be linked to online registration	Report on identified hospitals completed	During the review period the Department negotiated with the respective Provincial Health Departments and it was possible to link 50 health facilities with birth and death registration facilities. This brings the total number of computerised health facilities (primarily hospitals) to 119 as at the end of March 2006. Births registered at these facilities amount to 92160 and deaths to 25000
	<i>To stop the phenomenon of fraudulent marriages by non-South Africans who falsely obtain permanent residence or citizenship and to protect South Africans against unscrupulous fraudulent activities</i>		

Sub-programme	Outputs	Performance measures / service delivery indicators / target	Actual performance / quantity
	<p>Department of Justice consulted on the review of the marriage legislation</p> <p>Public awareness/ educative campaign on fraudulent marriage practices intensified on a half-yearly basis</p>	<p>Consultations held with Department of Justice</p> <p>Increased level of awareness</p>	<p>The Department of Justice appointed the Law Reform Commission to assist with the reviews of the different marriage dispensations with the aim of introducing a single legislative framework, as recommended by the Cabinet Committee.</p> <p>During August 2004, the Department implemented an ongoing public awareness campaign regarding fraudulent marriages and customary marriages. During the review period, the Department received 212399 marriage enquiries and a total of 4455 alleged fraudulent marriages were identified. Of these cases 2972 marriages were identified as fraudulent marriages and subsequently expunged. 442 applicants were referred to the High Court for a decision as the applicants legally entered into these marriages. A total of 19622 customary marriages were registered during the same period.</p>
	<p><i>Safeguarding the rights of women and protecting them from dangers emanating from the different marriage systems applicable in SA as well as safeguarding under-aged girls from possible abuses inherent to the system of customary marriages</i></p>		
	<p>Educative campaign in effect</p>	<p>Campaign on "know your rights" launched</p>	<p>The public education campaign was not launched during the 2005/06 financial year due to capacity constraints. The post of Director: Public Education was subsequently filled during the third quarter of the financial year and the Directorate is currently being progressively capacitated. The development and launch of a public education campaign will be rolled out in the 2006/07 financial year.</p>

Sub-programme	Outputs	Performance measures / service delivery indicators / target	Actual performance / quantity
	<i>To curb the fraudulent practice of birth and death registrations</i>		
	Control measures introduced	Control measures in place	Guidelines to curb fraudulent births and deaths were introduced to the provinces during the review period. The Department also introduced biometric log-on to the national population register, which will assist the Department in conclusively identifying the officials that conduct fraudulent registrations
	<i>To enhance the proficiency of the National Population Register</i>		
	DHA address database updated with information from IEC	Database updated	The Department initiated processes for the re-writing of the national population register (NPR) during 2005/06. This initiative forms part of the re-writing project and therefore the address database transfer will take place once the re-writing of the NPR is concluded.
	<i>To eliminate the phenomenon of allocating duplicate Identity Numbers and introducing a unique Identity Number</i>		
	Proposal on the introduction of a permanent unique identity number	Proposal completed	A proposal regarding the permanent unique identity number was received from the Centre for Scientific and Industrial Research (CSIR).
	<i>To provide effective and efficient Civic Services</i>		
	All business processes reviewed and digitised	Improved turnaround times	The Information Services Branch mapped all business processes during the review period. These business processes will guide the digitisation process, which is a long term Information Services strategy
	<i>To develop a comprehensive system to keep track of applications in the system</i>		

Sub-programme	Outputs	Performance measures / service delivery indicators / target	Actual performance / quantity
	Bar-coded system to track and trace ID applications developed	Ability to track applications and respond to queries	The Department implemented manual tracking of identity document applications. The manual tracking facility was implemented as an interim measure whilst the Department is finalising a tender process for the re-writing of the national population register. The process of developing an electronic track and trace facility on the NPR commenced during 2005/06 with the development of user requirements and technical specifications.
	A computerised system to handle the tracking and tracing of applications developed and implemented	Ability to get management information on applications	The computerised track and trace system relates to the re-writing of the national population register (NPR). Business processes in the existing NPR system were mapped and tender specifications with regards to the re-writing project were formulated. These tender specifications were included with the larger project dubbed "who am I on-line".
	<i>To review the complete Civic Services legislation</i>		
	All Civic Services legislation and regulations revisited	Civic Services legislation analysed	Proposed changes to Civic Services legislation were submitted for inclusion in the 2006 legislative programme. The proposed changes could not be accommodated during 2006 and will therefore be accommodated during 2007. The ruling in respect of "gay marriages" will however be accommodated during the 2006 legislative programme as this relates to a Constitutional Court ruling.
	Recommendations to Ministry on policy considerations	Legislation review report submitted	Minister will consider the proposed changes in order of priority
	<i>To clarify the role of custodian of data records - IEC and STATSSA)</i>		
	Correct data to key stakeholders	Regular consultation with stakeholders	Consultative meetings in this regard were initiated with STATS SA and IEC and the process is still in progress.

ANNEXURE PROGRAMME 2: OUTPUTS AND SERVICE DELIVERY TRENDS

Statistical Information

Sub-programme	Outputs	Performance measures / service delivery indicators / target	Actual performance / quantity
PERMANENT & TEMPORARY RESIDENCE	Processing of applications and issuance of permits	Number of permits issued in terms of the Statement of Standards set by the Minister:	
		- Permanent residence permits	2 138
		- Work permits	17 205
		- Study permits	17 947
		- Visitor's permits	32 768
		Number of:	
		- Ministerial enquiries	16
		- Director-General submissions	64
VISA CONTROL	Processing of applications for visas	Number of visas issued	470 779
IMMIGRATION CONTROL	Clearance of persons at ports of entry	Number of persons cleared:	
		- Arrivals	11 421 109
		- Departures	10 105 337
DEPORTATIONS	Removal of illegal foreigners	Number of illegal foreigners deported nationally	(2005) 209 988
		Deportation facility	70 625
		Warrant issued to Correctional Services in respect of convicted foreigners	1 669
REFUGEE AFFAIRS	Consideration of asylum applications	Number of asylum applications finalised	4 713
	Issuance of Refugee Identity Cards	Number of Refugee Identity Cards issued	(Maroon IDs) 1 572 (Refugee Smart Cards) 317
	Issuance of United Nations Convention Travel Documents	Number of United Nations Convention Travel Documents (UNCTD's) issued in collaboration with the UNHCR	908
REFUGEE APPEAL BOARD	Consideration of asylum appeals	Number of asylum appeals finalised	2 068
STANDING COMMITTEE ON REFUGEES	Review and consider cases	Review of manifestly unfounded cases	
		- Approved	602
		- Rejected	164
		- Considered	772
		Consideration of applications for certification of status	
		Upheld	513
		Referred	136
		Considered	649

Statistical Information

Sub-programme	Outputs	Performance measures / service delivery indicators / target	Actual performance / quantity
	National Immigration Branch		
	<i>To review the Refugees Act to reflect Departmental and government policies.</i>		
	Refugees Act amended and promulgated.	Amended Act	Workshop conducted in December 2005 and Minister provided with submission containing suggested amendments flowing from the workshop. Draft Amendment Bill in process of being prepared.
	<i>To promulgate the Immigration Amendment Act</i>		
	Published Immigration regulations finalised.	Immigration Regulations adopted.	The Immigration Amendment Act, 2004, was promulgated and the Immigration Regulations made in terms thereof published by Minister on 27 June 2005. Came into effect on 1 July 2005.
	Implementation strategy for the Immigration Regulations developed and applied.	Strategy for the implementation rolled out.	Training on the Act was conducted with the assistance of Legal Services, Ministry and Human Resource Development
	<i>To ensure effective coordination and co-operation with the relevant stakeholders on matters of border control and security.</i>		
	Effective management of Committees at both strategic and operational level.	DHA coordinating the BCOCC and all sub committees with the required support.	DHA is coordinating the BCOCC and all 7 sub-committees are operational. A successful roadshow was held in November 2005 with representation across all tiers of government. Provincial chapters of the BCOCC were launched and coordinated by the DHA until the appointment of Provincial Coordinators on a permanent basis. Development Committee provided a draft document on how the NIB rollout to all ports of entry can be done (replacing SAPS conducting immigration functions on behalf of DHA).

Sub-programme	Outputs	Performance measures / service delivery indicators / target	Actual performance / quantity
	<i>To develop an integrated, interdepartmental (country) border control strategy.</i>		
	Effective border control strategy developed.	Country border control strategy submitted to Cabinet.	The Strategic Advisory Committee, a sub-committee of the BCOCC, has developed a national border control and security strategy with July 2006 as deadline for consideration by JCPS Cluster and Cabinet Committee. An infrastructure model and rollout plan for the next 15-20 years should be tabled by November 2006.
	<i>To establish professional world-class immigration services.</i>		
	Required organisational establishment populated.		In process of filling vacancies.
	Ongoing training programs for new recruits and current staff.		206 Trainee Immigration Officers (2 groups) have undergone training. A third group of 37 received basic training.
	Uniform management of Immigration systems and processes.	Standard operating procedures.	Draft SOPs in place. To be presented to SMC for approval.
	NIB structure realigned to meet the obligations of the branch and to ensure effective accountability and governance.	Provinces aligned to Head Office structure. Fully functional NIB structure.	Not achieved. In process
	Integrated IS systems that enable efficient and effective delivery of services developed	Endorsement of foreign expert research based on international excellence model.	Not achieved.
	NIB adequately capacitated to provide a professional service	Workplace skills plan developed SAQA accredited curriculum secured Feasibility report on the establishment of Departmental academy Report on the feasibility of specialised occupational groups within the NIB.	Unit standard qualifications have been developed. In the process of concluding a joint implementation plan. Need for training academy was identified. Workshop held with HR to professionalise NIB. Researchers employed.

Sub-programme	Outputs	Performance measures / service delivery indicators / target	Actual performance / quantity
	Fully equipped NIB ensured.	All Immigration officials equipped with the minimal tools for their functions.	All Immigration Officers have been equipped with basic tools to detect fraudulent documentation. Bridging training has been identified.
	Possibility of declaring the relevant sections of NIB as an essential service investigated.	Submission to the Minister.	Negotiations with unions have commenced. Draft submission under review.
	<i>To have an effective law enforcement to detect, deter and deport irregular foreigners.</i>		
	Law enforcement capacity which could support prosecution of transgressors on legislation governing DHA provided.	Workshops with the National Prosecuting Authority on DHA related cases Implementation of a DHA Case Administration System	Charge sheets, indicating offences in terms of Immigration Act, drafted with the aid of NPA. Incident Reporting Database will assist in this regard. Consultation has taken place with SAPS and they are investigating the feasibility of linking the Case Administration System with DHA systems. The need for a joint early warning system has been identified and is part of the deliverables of the Incident Reporting Database.
	<i>To review the Refugees Act to reflect departmental and government policies</i>		
	Refugees Act amended and promulgated	Amended Act	Report on amendments submitted to the Minister and Minister to appoint policy review committee.
	<i>To ensure the effective management of Refugee Affairs:</i>		
	Professional Refugee regime within the RSA developed	Refugee Affairs realigned to ensure efficient and effective management practice	New integrated web based refugee system introduced. The Department has embarked on endeavours to eradicate refugee applications backlog. Four additional offices have been acquired, and fully equipped to deal with the backlog. A queue management system is being introduced to provide capacity to deal with queue management.
		Standard Operating Procedures	Standard Operating Procedures were adopted by NIB and are currently piloted in Refugee Reception Offices.

Sub-programme	Outputs	Performance measures / service delivery indicators / target	Actual performance / quantity
	Core capacity in Refugee Affairs Directorate established	Core capacity in place. Backlog eradicated	All Heads of Refugee Reception Offices at Assistant Director level and Head Office management fully capacitated. Backlog project is underway, 178 contract staff and 4 Researchers employed. The backlog cases amounted to 111,153 in September 2005 and standing at 103 483 as at the end of March 2006.
	Refugees provided with enabling documents	Refugees smart cards, child certificates and passports issued	1572 maroon ID's were issued in 2005/2006. 317 Refugee smart cards were issued in 2005/2006 908 United Nations Convention Travel Documents were issued in 2005/2006.
		Consideration of asylum applications	The total of asylum application received were 47 322 and finalized asylum applications were 4713 at the end of March 2006.
		Amalgamation of Civic services with Refugee enabling documents	Agreement reached with UNHCR to have passports printed by Civic Services. Submission sent to DG for approval
	<i>To develop a refugee processing regime that is efficient, effective and humane:</i>		
	Proposal on transit facility and location of asylum seekers completed and submitted to Ministry	Feasibility report on transit facility.	No report available on the feasibility of a transit facility. Specifications have been drafted and the process of finding a service provider has commenced.
	<i>To ensure that regularised refugees/asylum seekers are successfully integrated into society:</i>		
	Viable approach to the successful integration of refugee/asylum seekers into society, considering both government structure and NGO's investigated	Submission to Minister	Partnerships have been formed and established with relevant stakeholders to ensure integration of refugee/asylum seekers into society
	<i>To establish an information repository which would ensure that the NIB operates proactively on risks and opportunities confronting it.</i>		

Sub-programme	Outputs	Performance measures / service delivery indicators / target	Actual performance / quantity
	Proper information management throughout the NIB.	Incident database implemented	The Incident Reporting System was implemented on 1 June 2005. A web-based Counter Corruption system has been developed and will be linked to the Incident Reporting System. The newest version of the system was loaded on 1 December 2005. System has been implemented at JIA.
		Reports reflecting patterns/trends and modus operandi of irregular travellers and management practices	Reports on patterns and trends and modus operandi of irregular travellers and assessment reports will flow from the incident system. A library system has been identified and ordered (to provide for the capturing of all documentation).
	Effectiveness of policy governing immigration within RSA monitored and evaluated	Assessment reports	Utilisation of systems within the DHA is critical in this regard.
	Departmental and country position papers on matters of immigration developed	Position papers	NIB chaired the Immigration sub-committee which re-drafted the Draft Protocol on the Facilitation of Movement of People which was adopted by the SADC Summit.
	<i>To ensure dynamic real-time support on tactical and legal matter to RSA Immigration officials globally</i>		
	Fully functional Operational Centre.	Activation of Operational Centre	Introduction of NIB radio network has been supported by National Communication Centre (NCC). The introduction of a NIB radio network will include the introduction of mobile, base and portable radio sets and installation of tracker systems that will cover reception across the country. The specifications for the system have been compiled and forwarded to the NCC.
	<i>To establish a regime where all relevant information is easily available to all stakeholder Governments.</i>		

Sub-programme	Outputs	Performance measures / service delivery indicators / target	Actual performance / quantity
	Mechanism for the exchange of information developed.	Formal protocols developed for exchange of information. Nodal Point activated.	IS is in process to negotiate access to SAPS Criminal System. Further negotiations with other role-players need to take place
	<i>To promote and inculcate human rights culture in the NIB functions.</i>		
	Counter xenophobia Strategy developed and implemented.	Adoption of Strategy. Public launch of the Strategy.	Counter Xenophobia strategy was developed and adopted. In the process of being implemented.
	<i>To create awareness within government departments on practices that project elements of xenophobia.</i>		
	Structured forums with stakeholder departments.	Counter xenophobia strategy submitted to Social Services Cluster.	Meetings with relevant stakeholders unfolding, i.e. National Consortium on Refugee Affairs, Forced Migrants Working Group, NGOs, Local communities and UNHCR. Awareness programmes have been presented to trainee Immigration officials (157). DHA represented at Xenophobia conference hosted by Gauteng Department of Safety and Security.
	Structured forums with non-governmental organisations.	Activation of engagement forum.	See above
	<i>To ensure formal engagement between the DHA and local integrated foreign communities.</i>		
	Structured forum for the engagement between government and these communities established.	Assessment reports on the integration of communities.	No progress.
	Service Delivery		
	"Client is always right" campaign		
	To change the attitude of staff towards clients in order to render a world-class service	Client satisfaction	Massive training interventions were conducted countrywide. Uniform nametags for all officials are available. Launched in December 2005. Flexi-hours introduced at offices - extended hours and weekends.

Sub-programme	Outputs	Performance measures / service delivery indicators / target	Actual performance / quantity
	Improved and increased numbers of help desks in all frontline offices	<p>Help desks in all front line offices</p> <p>Queue management systems implemented in all offices</p>	<p>Mpumalanga (MP): All offices except for 2 district offices.</p> <p>Eastern Cape (EC): East London and Port Elizabeth only. In other offices supervisors oversee this process.</p> <p>Free State (FS): 8 offices have help desks and 2 without.</p> <p>Northern Cape (NC): 3 offices with help desks and 4 with queue management system.</p> <p>Western Cape (WC): All offices have help desks and an electronic queue management system.</p> <p>Limpopo: All offices have queue management except for Mhala District Office.</p> <p>Gauteng: All offices have help desks and a queue management system in place.</p> <p>North West (NW): Only Klerksdorp Regional Office has electronic queue management system. Other offices conduct queue management on ad-hoc basis depending on the volume of people to be attended to.</p>
	Compulsory 30 day cumulative deployment of SMS members to a service delivery point	Incorporation of deployment into SMS members' performance contract	15 SMS officials received training from 14 – 18 of February 2005. Deployment plan being implemented.
	SLAs established	Service level agreement between SAPO and DHA for delivery of Identity Documents	Agreement signed with SAPO for the delivery of Identity Documents.
	Corporate branding	Wearing of uniform name tags by all staff	Uniform nametags available for Head Office and Provincial Offices. The launch took place on 9 December 2005
		Wearing of uniforms by all Immigration Officers.	All Immigration Officers wear uniforms. New uniforms procured and production started.

Sub-programme	Outputs	Performance measures / service delivery indicators / target	Actual performance / quantity
		Existing and new state owned offices painted in corporate colours	<p>WC – All offices painted in corporate colours and uniform signage distributed to all offices.</p> <p>NC – 2 out of 5 offices have not been painted and do not have signage. 1 out of 9 Port of entry painted.</p> <p>MP – 10 offices painted.</p> <p>EC – 14 offices painted and 34 not painted.</p> <p>FS – 2 out of 10 offices painted.</p> <p>Gauteng – 10 offices have not been painted and no signage in place.</p> <p>Limpopo – Out of 69 offices in the Province, 11 offices have been painted in corporate colours and signage was fitted.</p> <p>NW- 9 offices out of 19 have no signage and 10 offices have not been painted in corporate colours.</p>
	Monitoring and evaluation of changed attitudes by clients	Client survey report implications implemented every four months	Questionnaires implemented in some provinces. Southern African Migration Project (SAMP) customer survey conducted in June 2005.
	<i>To combat the activities of 'street agents'</i>		
	Action plan developed, implemented, monitored and evaluated	Public assisted by designated staff (e.g. floorwalkers)	<p>MP – At all offices.</p> <p>FS – At 8 offices.</p> <p>EC- System implemented</p> <p>NC – At all offices</p> <p>WC – Floorwalkers deployed when needed.</p> <p>Gauteng- All offices utilise floorwalkers, especially during peak periods.</p> <p>KZN: 10 out of 56 offices use floorwalkers and 31 offices have queue management system. 25 without.</p> <p>NW- No offices with floorwalkers.</p>

Sub-programme	Outputs	Performance measures / service delivery indicators / target	Actual performance / quantity
		70% decline of street agents	<p>No system in the Department to measure the decline in percentage. The following are the trends:</p> <p>NC – No street agents</p> <p>MP – Decrease in street agents. Officials assist public.</p> <p>EC – Slight decline due to access control and security officers. 3 Offices have a serious problem – PE Regional Office, PE Refugee Reception Centre and Umtata Regional Office.</p> <p>FS – Street agents have declined in all offices.</p> <p>Limpopo – Street agents on a decline in Vhembe region. Groblesdal have 2 street agents that are active. Other regions experience no difficulty.</p> <p>WC – Street agents not visible.</p> <p>Gauteng – Street agents on decline due to a number of measures put in place.</p> <p>KZN – In general there are no street agents in KZN. In those offices where there are street agents, they have declined dramatically.</p> <p>NW – Steady decline of street agents.</p>
	<i>To build capacity in the DDG:SD's office at Head Office</i>		
	Provincial Coordinator and other support staff in the DDG:SD's office appointed	Fully functional DDG:SD component at Head Office	Review of structure took place during September before post could be filled. The first workshop was held on 26th September 2005. The structure review removed the need for a service delivery branch, hence the posts were not filled.
	<i>To build capacity in the Directorate: Foreign Office Coordination</i>		

Sub-programme	Outputs	Performance measures / service delivery indicators / target	Actual performance / quantity
	Director and support staff appointed	Fully functional Directorate: Foreign Office Coordination	Post of Director was advertised but not filled. Structure adjustments delayed process of filling all posts. Absorbed two interns as Administration Officers. Chief Director Governance Relations post created to oversee component. 26 officials deployed to new missions.
	<i>To build capacity in the CSC at Head Office</i>		
	Head of Office and support staff appointed	Fully functional CSC component at Head Office	Department started a process of reviewing the structure before this post could be filled. First workshop held on 26 September 2005.
	<i>To build capacity in Provinces</i>		
	Provincial Heads appointed	Fully functional Service Delivery component in provinces	During the 2005/06 financial year, the following Provincial Managers were appointed. Western Cape Northern Cape North West Free State Limpopo
	Other support staff in Provincial offices appointed	Fully functional Service Delivery component in provinces	Appointment of support staff in the provinces:- NC – 27 Limpopo – 28 WC – 111 Gauteng - 82 MP - 38 FS- 45 EC – 37 NW -30 KZN - 57
	<i>To provide 24 hour access to services to our clients</i>		
	24 hour Client Service Centre established	CSC operating on 24 hour basis	Not achieved. Project team established. Detailed assessment of requirements finalised. Interim CSC functioning during normal office hours. 8 545 problem resolution cases finalised, 591 ministerial enquiries finalised.

Sub-programme	Outputs	Performance measures / service delivery indicators / target	Actual performance / quantity
	<i>To develop and implement DHA placement policy i.e. promoting representivity and upgrading post levels, where required</i>		
	Placement policy developed	Approved placement policy in place	Policy developed – not yet approved, document handed over to Human Resource Management
	<i>To create Foreign Regions for effective management of DHA functions</i>		
	Capacity built in the newly created Foreign Regions	Foreign Regional Managers appointed	11 regions created, structure approved. No appointments made due to lack of funding.
	<i>To develop a rollout plan of DHA representation abroad with a particular focus on Africa and countries of the South (Latin America)</i>		
	Rollout plan implemented - minimum of 10 new offices per annum subject to reprioritisation (to perform DHA functions in 112 missions by 2012)	Representation established in terms of number of missions opened annually as per plan. Cumulative total of 32 in 2005, 62 in 2008, 82 in 2010	Total number of missions opened in 2005/06 - 20
	<i>To strengthen DHA internal liaison on matters of Foreign Offices</i>		
	Monthly DHA inter-directorate forum of Foreign Offices function/ activities established	Decisions of the inter-directorate forum implemented	Liaison committee was not re-established due to new deployments/re-deployments, resulting in derailing reporting system.
	<i>To establish a DHA nodal point at DFA</i>		
	Nodal point at DFA established	Fully functional nodal point at DFA	Idea was abandoned. Appointment of Regional Managers to address this matter through creation of desks
	<i>To strengthen relations with DFA on Foreign Offices' matters</i>		
	DG's forum established	Decisions of the forum meetings implemented	Achieved. Forum was established. Critical decisions taken regarding MoUs, transit visa issues, matters of Locally Recruited Personnel.
	<i>To ensure that identified functions are delegated to provincial structures</i>		

Sub-programme	Outputs	Performance measures / service delivery indicators / target	Actual performance / quantity
	Delegation of functions requiring decentralisation identified	Implementation of the delegated functions monitored	Services decentralised: HR functions such as leave capturing, performance management, appointment of staff at level 1-8 and Training Officers. BAS implemented in provinces IT managers deployed in every province.
	To ensure adherence to Batho Pele		
	Service Delivery Plan developed and rolled out	Service Delivery plan implemented	Adherence to Batho Pele principles are embodied within activities of the Department, such as: - Flexi – hours Lokisa Ditokomane campaign Mobile units allocated to areas where there are no DHA offices MPCCs as service points “Client is always right campaign”

Part 3

Statutory Requirements

Department of Home Affairs Annual Report 2005 - 2006



home affairs

Department:
Home Affairs
REPUBLIC OF SOUTH AFRICA

**REPORT OF THE AUDIT COMMITTEE
for the year ended 31 March 2006**

DEPARTMENT OF HOME AFFAIRS

We are pleased to present our report for the financial year ended 31 March 2006. This report was prepared in accordance with the Treasury Regulations Paragraph 3.1.13 and Section 38(1)(a) of the Public Finance Management Act (PFMA), Act 1 of 1999, as amended by Act 29 of 1999.

AUDIT COMMITTEE MEMBERS AND ATTENDANCE:

The Audit Committee consists of the members listed hereunder and meets at least twice per year in accordance with the provisions of the PFMA and as per its approved terms of reference. There were 3 meetings held during the current financial year.

<u>Name of Member</u>	<u>No. of meetings attended</u>
S Masuku (Chairperson)	2
M J Maqetuka	3
N Russouw	3
W Ford	1

AUDIT COMMITTEE RESPONSIBILITY:

The Audit Committee reports that it has complied with its responsibilities arising from section 38(1)(a) of the PFMA and Treasury Regulation 3.1.13. The Audit Committee also reports that it operates in accordance with the adopted terms of reference as its audit committee charter and is satisfied that it has discharged its responsibilities in terms of that charter.

ANNUAL AUDIT OF THE DEPARTMENT

The Audit Committee commends the Department and the Auditor-General on the progress made in improving communication between these two parties. This Committee reported on the lack thereof last year in the Department's annual report.

REPORT OF THE AUDIT COMMITTEE
for the year ended 31 March 2006

INTERVENTION BY NATIONAL TREASURY, AND DEPARTMENT OF PUBLIC SERVICE AND ADMINISTRATION

Recent intervention by the above bodies, to assist the Department in addressing the challenges it faces, is welcomed. Valuable input and cooperation, especially concerning the improvement and capacity building within the Department's Internal Audit unit, is acknowledged.

EFFECTIVENESS OF INTERNAL CONTROLS

The Department continued to improve the effectiveness of its internal controls, which were reported on during the last financial year. Notable improvement was also noted in the willingness and vigour shown by management to rectify issues reported on by Internal Audit during the year. However, certain challenges, mainly relating to late capturing of source documentation, departmental revenue, and clearance of suspense accounts, as per the Auditor-General's report, resulted in a qualified audit opinion. The current qualified Auditor-General's report is a great improvement from last year's disclaimed audit opinion, which is indicative of the progress made by the Department to address control weaknesses.

INTERNAL AUDIT FUNCTION

The Audit Committee is satisfied with the progress made over last year by Internal Audit. The individual Audit Committee members received Internal Audit reports periodically, even though not all of these were discussed and formally adopted at the Audit Committee meetings. A detailed risk assessment exercise is currently being undertaken, with the support of National Treasury, from which a detailed execution plan will be derived upon.

THE QUALITY OF IN YEAR MANAGEMENT REPORTS

The Audit Committee was kept informed and received quarterly management reports of the Department during the year under review. The Audit Committee is satisfied with the reasonableness of these reports.

THE ANNUAL FINANCIAL STATEMENTS

The Audit Committee has reviewed and discussed the attached audited financial statements of the Department, with the Accounting Officer and the Auditor-General, and accepts these as a fair reflection of the Department's financial activities. The Audit Committee also reviewed and discussed with the Auditor-General the management letter and the Department's responses thereto, as well as major adjustments resulting from the audit.

***REPORT OF THE AUDIT COMMITTEE
for the year ended 31 March 2006***

AUDITOR-GENERAL'S REPORT

The Audit Committee accepts the audit opinion of the Auditor-General on the Department's financial statements.

APPRECIATION

The Audit Committee commends the Department for its efforts in improving its financial controls, and activities over the past year.

The Office of the Auditor-General is also commended for the manner in which they conducted their audit this year.



**Mr S. Masuku
CHAIRPERSON OF THE AUDIT COMMITTEE
15 August 2006**

**REPORT OF THE AUDIT COMMITTEE
for the year ended 31 March 2006**

GOVERNMENT PRINTING WORKS

We are pleased to present our report for the financial year ended 31 March 2006. This report was prepared in accordance with the Treasury Regulations Paragraph 3.1.13 and Section 38(1)(a) of the Public Finance Management Act (PFMA), Act 1 of 1999, as amended by Act 29 of 1999.

AUDIT COMMITTEE MEMBERS AND ATTENDANCE

The Audit Committee consists of the members listed hereunder and meets at least twice per year in accordance with the provisions of the PFMA and as per its approved terms of reference. There were 2 meetings held during the current financial year.

<u>Name of Member</u>	<u>No. of meetings attended</u>
S Masuku (Chairperson)	2
M J Maqetuka	2
T Moyane	2
N Russouw	2
W Ford	1

AUDIT COMMITTEE RESPONSIBILITY

The Audit Committee reports that it has complied with its responsibilities arising from section 38(1)(a) of the PFMA and Treasury Regulation 3.1.13. The Audit Committee also reports that it operates in accordance with the adopted terms of reference of its audit committee charter and is satisfied that it has discharged its responsibilities in terms of that charter.

ANNUAL AUDIT OF THE GOVERNMENT PRINTING WORKS (GPW)

The Audit Committee commends GPW and the Office of the Auditor-General on the progress made in improving communication between these two parties. This Committee reported on the lack thereof last year in the Department's annual report.

REPORT OF THE AUDIT COMMITTEE
for the year ended 31 March 2006

EFFECTIVENESS OF INTERNAL CONTROLS

The Audit Committee noted with concern the lack of progress at GPW in improving internal controls and integrity of its financial reporting. GPW management assured the Audit Committee during the year that progress was being made on issues that resulted in a disclaimed audit opinion by the Auditor-General last year. It is with regret that the Audit Committee got to find out about the true status of GPW only when the Auditor-General's report was issued. Even though the Audit Committee appreciates that most of GPW's problems arose from prior years, management should have taken a much more proactive approach to clean GPW's financial records this financial year. The Audit Committee got commitment from GPW management at its last meeting, that most of the control weaknesses raised in the Auditor-General's report are being seriously dealt with, and outside consultants have been engaged to deal specifically with clearing all the matters raised in the said report.

INTERNAL AUDIT FUNCTION

The Audit Committee noted some progress in capacitating the Internal Audit unit, but believes that further resources are required, to improve its effectiveness.

THE QUALITY OF IN YEAR MANAGEMENT REPORTS

The Audit Committee was kept informed and received quarterly management reports of the GPW during the year under review. The Audit Committee is satisfied with the reasonableness of these reports. However, the Audit Committee is still concerned with the integrity thereof, as noted above.

THE ANNUAL FINANCIAL STATEMENTS

The Audit Committee has reviewed and discussed the attached audited financial statements of the GPW with the Accounting Officer and the Auditor-General. The Audit Committee is not in a position to comment on fairness of these due to the Auditor-General's adverse opinion. The Audit Committee also reviewed and discussed with the Auditor-General the management letter and the GPW's responses thereto, as well as major adjustments resulting from the audit.

AUDITOR-GENERAL'S REPORT

The Audit Committee accepts the audit opinion of the Auditor-General on the GPW's financial statements.

***REPORT OF THE AUDIT COMMITTEE
for the year ended 31 March 2006***

APPRECIATION

The Audit Committee commends the GPW for its efforts in improving its financial controls, and activities over the past year.

The Office of the Auditor-General is also commended for the thoroughness of their audit this year.



**Mr S. Masuku
CHAIRPERSON OF THE AUDIT COMMITTEE
15 August 2006**

Annual Financial Statements

Department of Home Affairs

Department of Home Affairs Annual Report 2005 - 2006



home affairs

Department:
Home Affairs
REPUBLIC OF SOUTH AFRICA

**DEPARTMENT OF HOME AFFAIRS
VOTE 4**

**ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

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**DEPARTMENT OF HOME AFFAIRS
VOTE 4**

**REPORT OF THE ACCOUNTING OFFICER
for the year ended 31 March 2006**

Report by the Accounting Officer to the Executive Authority and Parliament of the Republic of South Africa

1. GENERAL REVIEW OF THE STATE OF FINANCIAL AFFAIRS

1.1 BUDGET ALLOCATION

- **Original budget allocation**

The Department commenced its financial year with a budget allocation of R2, 972 billion. This budget allocation represented an increase of 25,0 % from the 2004/05 allocation of R2, 377 billion. The increase was mainly attributed to the increased allocation to the Independent Electoral Commission (IEC) due to the Local Government elections and the provision for additional staff and infrastructure. As the year progressed a chain of events occurred that led to shifting and an increase in the budget allocated to the Department. These events are briefly analysed in the ensuing paragraphs.

- **Rollover funds**

The Department submitted a request to National Treasury to roll over R389,678 million from the 2004/05 financial year. No amount was approved for roll-over, however, the Minister of Finance approved that an amount of R97,286 million be reserved as unallocated for the following areas of spending that were committed during the previous financial year: Back Record Conversion project (R46,1 million) and for invoices for Goods and Services not received on time (R51,2 million). National Treasury indicated during August 2005 that, should the expenditure during the months thereafter indicate that the Department would require additional funding, then the rollover amounts could be allocated. Unfortunately, during the window period for request for such additional funds the Department's expenditure figures and trends did not justify such a request.

- **Adjusted Estimates of National Expenditure**

An additional amount of R60,0 million was allocated to the Department. This related to VAT for the Independent Electoral Commission resulting from new tax legislation. Furthermore, an amount of R0,250 million was transferred to National Treasury for the Home Affairs tariffs review project which was jointly funded by both departments.

- **Virement**

After the Estimates of National Expenditure (ENE) were finalised, shiftings were done mainly relating to filling of posts as well as shifting of funds for foreign missions. The Accounting Officer approved the first virement on 19 April 2005 and the second virement on 19 September 2005 respectively; mainly for leave gratuity for officials retiring during the financial year as well as expenditure of a current nature that is classified as capital.

The Director-General approved the third virement dated 2 February 2006, regarding shifting of funds from Compensation of Employees within / between programmes to other priority areas where funds were needed.

National Treasury approval (SG1/5 dated 02 February 2006) was granted in terms of Treasury Regulations 6.3.1 (b) for an increase in transfer payments to the Film and Publication Board to the amount of R13 million.

**DEPARTMENT OF HOME AFFAIRS
VOTE 4**

**REPORT OF THE ACCOUNTING OFFICER
for the year ended 31 March 2006**

- **Overspending**

The Department has overspent its budget by 1,75% representing R53,002 million above the budget. Major items leading to over-expenditure are expenditure on Back Record Conversion (BRC) project (R37,229 million) as well as expenditure on Goods and Services (R15,773 million). The BRC project was accelerated by the Department to ensure that fingerprint manual records are converted to the electronic version. The spin-off of this overspending is that the project completion period has been brought forward to allow the process of planning for the Smart ID card to commence without any further delay. The over-expenditure on goods and services resulted from an increased demand of the services of the Department which necessitated expenditure in this regard. Another reason for over-expenditure is the fact that expenditure on the two areas stated above resulted from commitments that were carried over from the 2004/5 for which no rollover was received.

Another challenge facing the Department is that LOGIS is not yet integrated with the Basic Accounting System (BAS) within the Department and thus orders placed are not indicated on BAS as commitments, which could not therefore be taken into account in projecting expenditure accurately. Introduction of the Integrated Financial Management System (IFMS) by National Treasury in future will address this shortcoming.

The Department will endeavour to avoid at all costs over-expenditure during the 2006/07 financial year by putting in place corrective measures that will eradicate and mitigate issues that led to overspending of the 2005/06 budget. Compensating control measures will be put in place to substitute for integration or interface that could be taking place within BAS and LOGIS to accommodate commitments in order to make it easy to project expenditure.

1.2 STRATEGIC ISSUES

Strategic issues

The senior managers of the DHA, including heads of three foreign missions and the newly appointed provincial managers, attended two strategic planning workshops in March and April 2006 respectively. The first workshop looked back over past performance and focused on strategic planning for the current MTEF cycle: 2006/7 – 2008/9. The second workshop focused on the vision of transforming the DHA over the next five years (2006 - 2012) and what objectives must be achieved to reach that goal. The workshops were significant events in themselves as the participants analysed past performance critically and arrived at a collective agreement on the way forward.

The following emerged as the broad strategic issues confronting the Department:

- The Turnaround Strategy had resulted in a wide range of projects designed to address specific weaknesses, but what is urgently required to achieve impact and transformation is integrated planning and delivery, and effective coordination.
- The dichotomy between head office and provinces must be ended and the Department seen as unified and working to a common set of strategic objectives.
- Powers and functions need to be devolved to provinces to enable effective delivery, and that this process requires systems to be developed and capacity to be built.

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- Strategy should be aimed at strengthening core business – Civic Services and NIB – and how support services can contribute to effective and efficient service delivery.
- Management systems must be strengthened and managers capacitated to ensure effective planning, resource allocation, monitoring and evaluation and accountability

The Strategic Plan that is to be tabled for 2006 – 2007 (covering 2006 – 2009) defines the way forward in terms of the above strategic priorities.

Significant events and major projects undertaken or completed (2005- 2006)

The core business of the DHA – as reflected in the Delivery of Service Programme – consists of the Civic Services Branch (CSB) and the National Immigration Branch (NIB). In the year under review a number of projects were undertaken to address the critical intervention areas identified in the Turnaround Strategy that informed the strategic plan. Significant projects that impacted on the capacity of civic services included:

- SLA with the Post Office for the delivery of uncollected ID documents in offices.
- Online registration of births & deaths – 50 more hospitals online to bring the total to 119.
- An HSRC survey conducted and used to inform and implement strategy to register undocumented citizens.
- Back record conversion of fingerprint documents ahead of schedule: 70% completed. This is an essential step in the development of HANIS.
- Continuation of campaigns to extend services; e.g. fraudulent marriages.
- Procurement of 57 mobile units and distribution to provinces (in 2005/06).
- Completion of a CSIR survey (using GIS modeling) on the suitable location of offices in terms of service delivery was finalised - 170 additional facilities identified as required.
- Participation in 58 of 66 Multipurpose Community Centres (MPCCs).

With respect to NIB and the foreign missions, significant developments included:

- BCOCC established (chaired by the DHA) and sub-committees formed and operational.
- Training programme for Immigration Officers (IOs) developed – 106 IOs trained
- DHA and SAPS formed committee to develop a transition plan for the rollout of NIB capacity at identified ports of entry (POEs).
- Immigration Amendment Act promulgated and Immigration Regulations published to strengthen the policy framework for migration and specifically for permitting.
- Counter Xenophobia strategy developed.
- Intervention strategy to deal with processing of applications for asylum seekers was initiated.
- Review of visa requirements undertaken.
- Facilitation of Free Movement of persons.
- Investigation into African passport undertaken.

2. SERVICES RENDERED BY THE DEPARTMENT

- 2.1 The Department is entrusted with two core functions as part of its mandate to government service. The two main services rendered are Services to Citizens and Immigration. Functions of these main divisions are described below:

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- Services to Citizens grants people living in South Africa official citizenship or residence rights and powers by providing relevant enabling documentation.
- Immigration handles migration matters in foreign countries, controls visas and the admissions of travellers at ports of entry, deportation of illegal immigrants and consideration and processing of refugee cases.

2.2 TARIFF POLICY

The income tariffs of the Department were calculated, discussed and reviewed by the Tariff Committee in terms of Section 7.3 of the Treasury Regulations. The Immigration tariffs were not reviewed as the regulations were still under discussion and it is not feasible to change the fees until such time the final regulations and structure are operational.

The overall tariff increases are mainly due to normal cost increases (inflation) and foreign exchange rate fluctuations. The revised income tariffs for the period 1 April 2005 to 31 March 2006 were approved by National Treasury (DHA 2005/03/22 dated 24 March 2005) and thereafter gazetted accordingly.

2.3 FREE SERVICES

No free services were rendered by the Department that would have yielded significant revenue had a tariff been charged, although, in some isolated cases in the Western Cape the Department had to waive fees for ID applications by families whose houses were destroyed by fire. The foregone revenue in this regard is insignificant.

2.4 INVENTORIES

Information is included in disclosure Note 6 of the Financial Statements.

3. CAPACITY CONSTRAINTS

The Department is not an exception; most government departments say loudly that their financial resources are inadequate for effective service delivery. Limited budget allocations definitely hamper the Department in achieving its objective, which is to deliver efficient and effective services.

Infrastructure challenges of the Department are being addressed to ensure accessibility to services of the Department and to improve the quality of those services and the working environment. The Department commissioned the Council for Scientific and Industrial Research to conduct a study to determine the suitable location of its offices. The study has since been finalized and would lay the foundation for sourcing additional funds for the phased construction of new offices.

It needs to be mentioned that the Department has not as yet overcome capacity constraints that are hampering service delivery. During the financial year the Department increased its capacity by filling 634 posts. The Department's target was to fill the 898 posts that were funded for 2005/06. National Treasury is funding the establishment of the Department in a staggered fashion over the MTEF period.

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The Strategic Management Committee (SMC) identified the need to review the departmental organisational structure in line with the approved departmental strategic plan 2005/06 – 2009/10. The revised departmental organisational structure was approved by the Minister on 16 March 2006 and provides for a significant increase in the number of business units. The implications of this are that service delivery of the Department would improve.

4. UTILISATION OF DONOR FUNDS

No projects of the Department were financed through donor funds. However R 2, 5 million was received from the African Renaissance Fund of the Department of Foreign Affairs. These funds were not allocated for the Department's consumption but to finance activities of the Department in the Democratic Republic of Congo (DRC). These funds were utilised as technical assistance to the DRC to improve their administration on civic and immigration areas.

5. TRADING ENTITIES AND PUBLIC ENTITIES

5.1 TRADING ENTITIES

5.1.1 Government Printing Works

- a) The Government Printing Works continues to satisfy the needs of government departments in respect of printing, stationery and making government publications available for sale to the public.
- b) The presentation of a business case to National Treasury for the corporatisation of the Government Printing Works (GPW) as a public entity was finalised and approved during 2004. The Government Printing Works Ministerial Advisory Committee (GPWMAC) was established with the mandate to investigate the possible model to be adopted to convert GPW into a state owned enterprise and the concretisation of a Business Plan for GPW.
- c) The organisation has been going through the transformation process and has been preoccupied in the process of rectifying shortcomings and weaknesses reported by the Auditor-General during the previous years, such as control on debtors and compliance with the supply chain framework of government.

5.2 PUBLIC ENTITIES

The Department has been allocated one public entity that is falling in the category of schedule 3.

5.2.1 Film and Publication Board (FPB)

- a) The FPB is responsible for the classification of films and publications and related functions by means of a Film and Publication Board and a Film and Publication Review Board (Act 65 of 1996).
- b) Funding of their budget is effected through transfer payments from the budget of the Department.
- c) Financial Statements of the Film and Publication Board are tabled in Parliament separately.

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6. ORGANISATIONS TO WHOM TRANSFER PAYMENTS HAVE BEEN MADE

6.1 INDEPENDENT ELECTORAL COMMISSION (IEC)

- a) This is a permanent body created by the Constitution to promote and safeguard democracy in South Africa. The vision of the IEC is to strengthen constitutional democracy through free and fair elections.
- b) Financial Statements of the IEC are tabled in Parliament separately as a statutory requirement.

7. PUBLIC PRIVATE PARTNERSHIPS (PPP)

The Department did not enter into any PPP in the year under review.

8. CORPORATE GOVERNANCE ARRANGEMENTS

The management is responsible to stakeholders for providing the direction and control of the Department. It regards corporate governance as an effective mechanism for encouraging efficiency in the operations of the Department, prevention of corruption and combatting fraud. The Department is, therefore continuously striving towards compliance with the comprehensive principles of good corporate governance.

8.1 RISK MANAGEMENT

The Department and its Management is operating in an increasingly complex and global environment. Risk management is thus central and is an important aspect of corporate governance responsibilities. In terms of the Public Finance Management Act as amended, and its Treasury Regulations, it is the responsibility of the Accounting Officer of the Department to put in place a risk management system. The management of the Department is responsible for designing, implementing and monitoring the process of risk management and integrating it into day-to-day operations.

The application of risk management in the Department is primarily related to the following areas:

- **Resources** - Identifying how best to allocate scarce resources to maximise outcomes; and
- **Law enforcement** - The government and/or society at large is a victim of a large number of non-reported crimes which impacts negatively on the integrity of the National Population Register in particular. In some instances, the officials of the Department are involved, and where detected the Department has dealt with such officials in an appropriate manner. Such crimes include: the unlawful recording of illegal persons; the unlawful issuing or possession of identification documentation; etc.

The integrated risk management approach of the Department currently consists of the following levels:

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- Strategic Risk Management - The use of risk management to guide the Department in fulfilling its mission, purpose and achieving its strategic objectives. The tools used are those of strategic planning in general.
- Operational Risk Management- Risk management on this level relates to the operational activities and operational management plan prioritising and allocation of resources using tools such as control activities, audits, etc.

The Department has reviewed its risk management strategy and approval was granted for implementation by the Strategic Management Committee and the Audit Committee.

A separate directorate has been approved for creation within the Strategic Executive Management Support Services chief directorate to coordinate risk management in the Department. The directorate was established to ensure that the second round of implementation of the risk management strategy is done in a more coordinated and integrated way across the Department.

8.2 PREVENTION OF FRAUD AND CORRUPTION

The Treasury Regulations put emphasis, amongst other activities, on fraud prevention. Last year, Management endorsed the Fraud Prevention and Counter Corruption Plan, which was equally supported and accepted by the Audit Committee. During the current year, in our effort to ensure that there is an integrated approach to curb corruption:

- The Department held its first National Counter Corruption Workshop with the aim of improving understanding of the trends and patterns of corruption within the Department.
- Officials of the Chief Directorate: Counter Corruption and Security Services visited the provincial offices to roll out the Fraud Prevention and Counter Corruption Plan and at the same time used the opportunity to raise awareness and sensitise officials of the Department about the challenges presented by corruption.
- The Information Investigative Co-ordinating Committee (IICC) was established for the purposes of co-ordinating and sharing information related to corruption. The IICC consists primarily of the units responsible, involved and/or associated with the prevention and detection of corruption in the Department, being Chief Directorates: Counter Corruption and Security Services, Inspectorate, Legal Services, Internal Audit and Employee Relations. Meetings of this committee are held regularly and other units of the Department are invited as and when the need arises.
- The Department established partnerships with law enforcement agencies and other organisations and through such partnerships participated in various activities associated with the countering of corruption and combatting of fraud.

Officials of the Department and members of the public are encouraged to use the National Anti-Corruption and Fraud Prevention Hotline under the auspices of the Office of the Public Service Commission for the purposes of reporting fraud, corruption and other irregularities.

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8.3 INTERNAL AUDIT & AUDIT COMMITTEE

The Internal Audit unit and the Audit Committee continued to play an important role in the corporate governance mechanism of the Department. During the current year, the Department embarked on the following initiatives in its endeavour to strengthen and address the capacity problems as reported in previous years by the Audit Committee in its annual report:

- The budget allocation for the compensation of employees was revised and proportionately increased in view of the available financial resources which facilitated the appointment of additional staff members at the middle management level.
- The structure of the unit was reviewed, using the results of the job evaluation process of the Head of Internal Audit, and the unit upgraded to chief directorate level.
- Additional capacity was created at provincial level to focus on planned compliance and financial internal audit work.
- Additional posts at the level of Director were created to strengthen operational capacity and to relieve the Chief Audit Executive - at Chief Director level - so that he could focus on strategic matters.
- The Forensic Audit and Information Systems Audit units were established: specialised units responsible for the investigations of financial irregularities.

The filling of newly created posts is a priority, which is being rolled out in phases over a number of years. However, in two separate instances during the year, the internal audit directorate obtained external assistance for the execution of some audit work.

The unit conducted a number of internal audits and special investigations during the year and offered comprehensive recommendations for improvement to the Department where appropriate. The quality of reports showed significant improvement from previous years and were considered to be of high standard. The unit was also involved in the training of officials to be deployed to foreign missions.

The Department reviewed the composition of the Audit Committee in view of the expiry of the contracts of employment for members in this regard, it did not renew the contract for two of the members, leaving the Audit Committee with two external members and the Accounting Officer as the third member. As a result of the problems experienced with the completion of the audit in respect of the previous financial year and the above process, the Audit Committee held three meetings during the financial year instead of four as is required by its terms of reference. Vacancies for additional members with certain identified skills and competencies were advertised and it envisaged that this will be filled in the first-half of the new financial year and thus further strengthen the Audit Committee.

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9. DISCONTINUED ACTIVITIES/ACTIVITIES TO BE DISCONTINUED

No activities were discontinued.

10. NEW/PROPOSED ACTIVITIES

No new activities were implemented.

11. ASSET MANAGEMENT

- **Progress with regard to capturing assets in the register**

The Department initiated a project in January 2006 to verify and audit all movable assets for the Department. All assets were audited and verified at all offices, such as Regional, District, Service Point and Mobile Unit offices.

- **Establishment of asset management units and asset management teams**

The Asset Management Unit was established in 2005. Though the unit is currently not fully capacitated, all funded vacant posts were advertised.

- **Indication of the extent of compliance with the minimum requirements**

An Electronic Asset Management system was introduced in 2005 in the Department. The system complies with National Treasury's Asset Management minimum requirements.

- **Indication of the extent of compliance with Asset Management Reforms (AMR) milestones**

The Electronic Asset Management system goes beyond the compliance with minimum requirements. It can also provide the asset monetary value, date of purchase, supplier, location, custodian, class, and many other types of reports.

Other compliance requirements of AMR have been met:

- o Assets are taken on in the asset register on acquisition,
- o Verification of assets has been conducted,
- o The Assets Disposal Committee has been established and is functional,
- o Redundant assets have been disposed accordingly,
- o Most assets have been bar coded and users and chief users of assets have been appointed at every office to account for movement of assets.

12. EVENTS AFTER THE REPORTING DATE

The Department submitted the Annual Report for the year ending 31 March 2005 for tabling in Parliament the end of May 2006, due to a delay in finalising the Financial Statements (2004/05) and the delay in the Auditor-General's final report.

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13. PERFORMANCE INFORMATION

In accordance with prescripts of the PFMA, stipulating that the Accounting Officer must establish procedures for quarterly reporting to the Minister to facilitate effective performance monitoring, evaluation and corrective action, the Department implemented a formal and integrated reporting framework with effect from May 2004 and developed it further during 2005/06.

The design of this reporting framework was based on the Turnaround Strategy that was devised during September 2003 by the senior management of the Department. The integration of the Turnaround Strategy and the Strategic Plan of the Department has necessitated a review of the reporting framework as well as the initiative by Government to set up a comprehensive Monitoring and Evaluation system in order to ensure effective and efficient implementation of programmes.

The performance management tool that was developed requires management to report on progress towards the achievement of strategic objectives through their respective branches and areas of responsibility on a monthly basis. The Strategic Executive Support Services Chief Directorate is entrusted with the responsibility to collect these reports within seven days after the end of the reporting month and to consolidate them for submission to the Director-General. On a quarterly basis a synthesised report is prepared and presented to the Executive Authority via the accounting officer. Once in a year in November or December a strategic review is conducted where the Executive authority meets with all Senior Management Services (SMS) managers to evaluate overall progress of the Department towards achievements of objectives.

The tool utilised to assess progress on the strategic plan is based on indicators of progress that distinguish objectives that have been achieved, where little or no progress was made, objectives that have not been fully achieved; and objectives that are on track. This tool allows senior managers to assess progress on objectives readily.

The Chief Directorate: Strategic and Executive Support Services (SESS), the unit responsible for strategic planning and monitoring and evaluation in the Department, has benchmarked various systems implemented by government departments in terms of monitoring and evaluation to enhance the current tool. The Strategic Planning System, currently in use by the DPLG, has been identified as a system that can be adapted to the needs of the Department.

A Joint Development Team between Home Affairs and DPLG was formed and has started looking into issues such as improving certain features of the system and the standardisation of the tool.

On the financial management side monthly reports are presented to the Strategic Management Committee and financial reports in compliance with Treasury Regulations are submitted to the accounting officer, executive Authority and National Treasury on a monthly basis. The monthly compliance certificate is also submitted to National Treasury.

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14. SCOPA RESOLUTIONS

Reference to previous audit report and SCOPA resolutions	Subject	Findings on progress
Annual Report and the Report of the Auditor-General on the financial statements of the DHA for the financials ending 31 March 2002/03 and 2003/04. The SCOPA resolutions for 2006, (Third Report , 2006)	1. Controls at the Lindela Detention Centre	<p>The Committee recommends that the Accounting Officer ensures that:</p> <ul style="list-style-type: none"> a) The Service Level Agreement with the company contracted to provide a service is reviewed and that the company complies with the conditions of the agreement. b) When the contract of Bosasa expired in August 2005, the requirements of Tender Board procedures were complied with when awarding the contract for the next contract period. <p>RESPONSE OF THE DEPARTMENT</p> <ul style="list-style-type: none"> a) The Service Level Agreement has been reviewed to take into account all loopholes identified within the old contract and the company is complying with all requirements since the tender was awarded and the Service Level Agreement was signed. The Service Level Agreement has also taken into account the recommendations of the Ministerial Committee appointed to investigate deaths at Lindela. b) Prior to the expiry of contract of Bosasa the Department published a tender that ran for a period of thirty days as required by the Supply Chain Management framework. A compulsory briefing session was conducted with prospective service providers. After the closing date of the tender, the evaluation process was followed and thereafter adjudication took place. Bosasa was the only service provider who met the specification and the tender was once more awarded to them. A service level agreement was signed and it also took into account the recommendations of the Committee appointed by the Minister to investigate causes of death of undocumented persons at Lindela. <p>The requirements of Tender Board were fully complied with as enshrined in the Supply Chain Management Framework.</p>

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Reference to previous audit report and SCOPA resolutions	Subject	Findings on progress
	2. Management of Revenue	<p>The Committee therefore recommends that the Accounting Officer urgently ensure that:</p> <ul style="list-style-type: none"> a) BAS is implemented at all regional offices; b) Revenue is timeously allocated to appropriate accounts; c) Unallocated deposits are cleared as a matter of urgency; and d) Bank reconciliation is performed properly. <p>RESPONSE OF THE DEPARTMENT</p> <ul style="list-style-type: none"> a) As reported during the SCOPA hearing, the Department had implemented BAS at 101 offices and the plan was to implement further 46 additional offices by the end of July 2005. BAS has been implemented in 146 offices throughout the country and officials have been trained to capture receipts. The major impact of this exercise would have a great impact of improving capturing of receipts and thus accounting properly for deposits during the 2006/07 financial year. b) Appropriate steps have been taken to ensure that revenue is allocated to appropriate accounts. It is however worth mentioning that the 2005/06 audit will still reveal some shortcomings due to the fact that full swing capturing of receipts only took place during the second half of the financial year due to training which took place immediately after the system was fully rolled out in July 2005. c) All unallocated deposits have been cleared although there is still a challenge in other offices due to reasons stated in (b) above. <p>Bank reconciliations are performed properly on a monthly basis.</p>
	3. Internal Audit and Internal Controls	<p>The Committee recommends that the Accounting officer ensure that:</p> <ul style="list-style-type: none"> a) The lack of capacity is addressed as a matter of urgency; b) He complies with all requirements of the PFMA and Treasury Regulations relating to internal audit; c) The internal auditors follow-up on management's action plans in response to audit findings; and d) The Department report back to the Committee on steps taken within 60 days after this resolution has been adopted by Parliament.

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Reference to previous audit report and SCOPA resolutions	Subject	Findings on progress
		<p>RESPONSE OF THE DEPARTMENT</p> <p>The Department has embarked on the following initiatives in its bid to ensure that the internal audit function is adequately resourced; at the appropriate levels and will comply with the requirements of the PFMA and its related Treasury Regulations.</p> <p>1) Structure</p> <p>The Directorate: Internal Audit was subjected to a job evaluation exercise, which resulted in it being upgraded to a Chief Directorate level. Consequently, a review of the entire internal audit unit structure was undertaken and the resultant outcomes thereof were approved by the Minister. In terms of this new structure:</p> <p>a) The Compliance Audit unit, being the core unit primarily responsible for the execution of operational, compliance and financial audits, was also created at provincial level. The operational audit section will be concerned with the audit of the economy, efficiency and effectiveness of resources, and operations and resources.</p> <p>While this is the largest component, it cannot operate in isolation to the other specialised internal audit functions.</p> <p>b) In view of the increase in the level of financial irregularities that were regularly being detected through routine audits and which the investigation thereof had a negative impact on the execution of the scheduled audits as per the annual coverage plan, a specialised unit (Directorate: Forensic Audit) was created. This unit will be responsible for all investigations of financial irregularities or acts of dishonesty with financial implications and assist the Department in the prevention and detection of fraud.</p> <p>c) Also, in view of the information technology operations and the impact that it will have in the Department, a specialised unit (Directorate: Information Technology Audit) was created. This unit will be responsible for providing assurance to Management that the information technology resources are adequately controlled and that they in turn provide control over the business applications and processes that rely on them.</p>

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Reference to previous audit report and SCOPA resolutions	Subject	Findings on progress
		<p>Having reviewed and obtained the approval of the Minister, the remaining challenge is to ensure the new structure is appropriately and adequately funded such that it can deliver on its mandate. Since the appearance of the Department at SCOPA, we have gradually increased the budget allocation relating to the compensation of employees for this structure, subject to funding from National Treasury and internal reprioritisation.</p> <p>In this regard, the budget allocation for the 2005/06 financial year was increased by $\pm 75\%$ to R4,627 m (2004/05 financial year budget allocation was R2,625 m). A total of 23 positions were funded. For the 2006/07 financial year, the budget allocation was further increased to R8, 396m. However, in view of the required capacity at Provinces, the number of funded posts is still to be determined.</p> <p>2) Audit Committee</p> <p>The Department recognises the crucial and significant oversight role that must be played by the Audit Committee. Taking this role and the activities and operations of the Department into account, the constitution and membership of the Audit Committee was reviewed and Management concluded that the Audit Committee did not have an adequate mix of expertise. In this regard and in our endeavour to strengthen the Audit Committee, we would obtain additional resources, in terms of members with legal, public service administration and information technology background and experience.</p> <p>3) Internal Audit activities</p> <p>For the 2005/06 financial year, the internal audit resources focused on completing the work it had started and not completed during the 2004/05 financial year which had resulted in Auditor-General not relying on its work as only 19% of its work was completed. In addition, the limited resources were also stretched as they had to deal with the investigations of financial irregularities at the expense of the planned audit work.</p> <p>In order to ensure that Internal Audit spend time on completing its planned work according to the annual coverage plan, the Department resolved to obtain competent external resources to assist the internal resources. The successful service provider would at the same time be expected to transfer knowledge, skills and other competencies necessary and required by the internal resources.</p> <p>It is envisaged that through this action, the internal audit coverage will increase significantly and the results thereof will be evident at the end of the 2006/07 financial year.</p>

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**REPORT OF THE ACCOUNTING OFFICER
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OTHER

15.1 PROGRESS WITH FINANCIAL MANAGEMENT IMPROVEMENTS

In its quest to improve financial management to turnaround the disclaimed audit opinion in terms of the report of the Auditor-General for 2004/05, the Department has embarked on the following interventions in the area of finance:

- The Basic Accounting System (BAS) has been rolled out to 45 provincial offices during the 2005/06 financial year, which brings the total offices implemented to 146. Furthermore, BAS is to be registered on workstations of managers and other users at Head Office during 2006/07. As far as the implementation of BAS in the provincial offices is concerned, training and the optimal utilisation of the System remains a challenge, which will be addressed by capacitating the provinces and also providing the necessary training.
- The budget planning and implementation manual has been compiled and provides a strategic guide to budget planning.
- Year to date reporting is maintained and month-to-month comparison of expenditure against the budget has been embarked upon. Reports are broken down to Business Unit level to ensure that expenditure is monitored down to the lowest levels.
- A project to improve efficient cash management and to improve the relationship with banks is in progress.
- The Directorate: Procurement has implemented a management tool in terms of which suppliers are given the opportunity to register on the Department's database of suppliers; provided they meet the requirements in terms of tax clearance certificates and certification of BEE status.

Suppliers' performance is monitored and the system is fully compliant with the Treasury Regulations, PPPFA, PFMA and Supply Chain Management Regulations.

The System will be rolled out to provinces during 2006 in line with the Department's strategic objectives to empower provinces with reference to procurement. The advantage of the system is to promote BEE business and to ensure that the bid process and adjudication of bids are fair, transparent and accountable.

- The three-year strategic plan of the Department is in place.

16. FRAUD AND CORRUPTION

A forensic audit was conducted during the year on transactions that took place during the previous financial year and a number of suspected fraudulent transactions were reported in totalling R1 065 030. The implicated employees were suspended mid 2005 and a forensic investigation has now been extended to cover the 2005-06 financial year.

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There has been numerous inherent and control weaknesses in the internal control system. The true extent of the fraudulent and corrupt activities during the 2005-06 financial year will only be known after the completion of the investigation. Uncertainty exists regarding the impact of fraudulent and corrupt activities on the 2005-06 financial statements.

APPROVAL

The attached annual financial statements set out below have been approved by the Accounting Officer.

A handwritten signature in black ink, appearing to read 'M J Maqetuka', is positioned above the printed name and title.

**M J Maqetuka
DIRECTOR-GENERAL
DATE: 31 May 2005**

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**REPORT OF THE AUDITOR-GENERAL
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**REPORT OF THE AUDITOR GENERAL TO PARLIAMENT ON THE
FINANCIAL STATEMENTS
OF THE DEPARTMENT OF HOME AFFAIRS (VOTE 4)
FOR THE YEAR ENDED 31 MARCH 2006**

1. AUDIT ASSIGNMENT

I have audited the financial statements of the Department of Home Affairs as set out on pages 96 to 127, for the year ended 31 March 2006 as required by section 188 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996), read with sections 4 and 20 of the Public Audit Act, 2004 (Act No. 25 of 2004) and section 40(2) of the Public Finance Management Act, 1999 (Act No. 1 of 1999 as amended). The fixed asset opening balances have not been audited because of the timing of guidance from National Treasury to the departments relating to the treatment, valuation and disclosure of fixed assets. These financial statements are the responsibility of the accounting officer. My responsibility is to express an opinion on these financial statements, based on my audit.

2. SCOPE

The audit was conducted in accordance with the International Standards on Auditing read with General Notice 544 of 2006, issued in Government Gazette no. 28723 of 10 April 2006 and General Notice 808 of 2006, issued in Government Gazette no. 28954 of 23 June 2006. Those standards require that I plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement.

An audit includes:

- examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements
- assessing the accounting principles used and significant estimates made by management
- evaluating the overall financial statement presentation.

I believe that the audit provides a reasonable basis for my opinion.

3. BASIS OF ACCOUNTING

The department's policy is to prepare financial statements on the modified cash basis of accounting determined by the National Treasury, as described in accounting policy note 1.1 to the financial statements.

4. QUALIFICATION

4.1 CASH AND CASH EQUIVALENTS

4.1.1 Source documents not captured

The unavailability of the BAS system at some departmental service points, due to a lack of national telecommunication infrastructure, and regular system downtime resulted in not all source documents being captured at year-end.

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The bank exception account, which is included in the consolidated Paymaster-General account, showed a credit balance of R49 990 646 at year-end. This represents unallocated income due to receipts not captured at the regional and district offices at year-end.

At the time of completing my audit, a significant number of source documents that I required had not been provided to me in respect of the above. I was therefore unable to assess the validity and completeness of the bank exception account and debit transactions totalling R1 269 414 included in the bank adjustment account.

4.1.2 Bank reconciliation

I was unable to substantiate the validity of amounts reflected as outstanding deposits on the year-end bank reconciliation in the amount of R9 420 716. Very few of these amounts were cleared subsequent to the year-end and the significant number of the amounts originated prior to 1 January 2006.

4.1.3 Alien bank account

In terms of section 41(2)a of the Aliens Control Act, 1991 (Act No. 96 of 1991 as amended) certain aliens are required to deposit money when entering the country and are entitled to refunds if they comply with their conditions of stay.

The accounting officer had not yet submitted financial statements for auditing the alien bank account with a balance of R280 466 270 (2005: R240 240 359) at year-end. The accounting treatment for this account is currently being resolved with the National Treasury.

4.2 DEPARTMENTAL REVENUE

4.2.1 Unallocated income

The bank exception account, (see paragraph 4.1.1 above) with a credit balance of R49 990 646 represents unallocated income at year-end.

4.2.2 Completeness of revenue

A number of shortcomings were identified in the department's controls over the completeness of revenue. Services rendered and products sold are not reconciled to revenue. In addition controls over the sequence of documents are not always effective. The completeness of administrative fines revenue is uncertain as no administrative fines were recorded in the BAS system for the year.

In the absence of effective controls to ensure the completeness of income I was unable to extend my examination beyond the receipts actually recorded.

4.3 CLEARING AND SUSPENSE ACCOUNTS

I was unable to obtain reconciliations for a number of suspense and clearing accounts included under payables, receivables and recoverable revenue on the statement of financial position. The net credit balance of these accounts at 31 March 2006 was R7 201 690.

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I was therefore unable to verify the validity, accuracy and completeness of these accounts.

Further Treasury Regulation 17.1.2(b) requires that amounts included in clearing or suspense accounts are cleared and correctly allocated to the relevant cost centres on a monthly basis. The department did not comply with this section of the PFMA.

4.4 IRREGULAR EXPENDITURE

Expenditure of approximately R19 million did not fully comply with the relevant supply chain management legislation and regulations and should be classified as irregular in terms of section 1 of the PFMA. In terms of the accounting policy, irregular expenditure should be accounted for as an asset in the financial statements and not as expenditure, until condoned by the relevant authority. The department did not disclose the mentioned amount as irregular expenditure.

4.5 GOVERNMENT GARAGE EXPENDITURE

I was unable to obtain sufficient information to verify the accuracy of government garage expenditure amounting to R61 015 262.

4.6 ACCRUALS

R25 911 000 of the accruals disclosed in note 19 to the financial statements related to goods or services not received before the financial year-end and therefore should not have been classified as accruals. Furthermore, the totals of the classification of accruals by economic classification do not agree with the totals of accruals listed by programme level.

4.7 COMMITMENTS

I was unable to obtain sufficient supporting documentation to substantiate the commitments of R138 734 000 as disclosed in note 18 to the financial statements.

4.8 FUNDS TO BE SURRENDERED

Notes 13 and 15 of the annual financial statements indicate that an amount of R236 275 000 was surrendered to the National Revenue Fund in respect of departmental revenue. The amount actually paid for the year only amounted to R223 651 000.

4.9 FRAUD AND ERROR

As disclosed in note 16 of the accounting officer's report, there has been numerous inherent and control weaknesses in the internal control system, and the forensic investigation into alleged fraudulent and corrupt activities is still in progress. The true extent of the fraudulent and corrupt activities will only be known after the completion of the investigation.

5. AUDIT OPINION

In my opinion, except for the effect on the financial statements of the matters referred to in the preceding paragraphs, the financial statements present fairly the financial position of the Department of Home Affairs at 31 March 2006 and the results of its operations and cash flows for the year then ended, in accordance with modified cash basis of accounting determined by the National Treasury of South Africa, as described in note 1 to the financial statements, and in the manner required by the Public Finance Management Act, 1999 (Act. No. 1 of 1999).

**DEPARTMENT OF HOME AFFAIRS
VOTE 4**

**REPORT OF THE AUDITOR-GENERAL
for the year ended 31 March 2006**

6. EMPHASIS OF MATTER

Without further qualifying the audit opinion, attention is drawn to the following matters:

6.1 WEAKNESSES IN INTERNAL CONTROL

6.1.1 Department of Foreign Affairs

The Department of Foreign Affairs receives income and incurs expenditure on behalf of the Department of Home Affairs.

The Department of Foreign Affairs confirmed an amount of R112 565 000 as an inter-departmental payable to Home Affairs as well as an amount of R78 375 000 owing to Home Affairs for advances received. Together these amounts represent income of R190 940 000, which has not been recognised in the financial statements of Home Affairs to date as it will only recognise the income on receipt of the cash in terms of its accounting policy.

The two departments have been unable to reconcile the inter-departmental balances in question and disputes exist in this regard.

6.1.2 Information systems audit

An information systems audit indicated a number of areas where the general and application controls should be improved. These included access controls, user awareness and account management, as well as more comprehensive service level agreements.

6.1.3 Policies and standard operating procedures

Written policies and standard operating procedures have not been formalised to guide financial accounting processes and related controls for the following cycles:

- Revenue and receivables
- Purchases and payables
- Asset management
- Bank and cash
- Financial
- Disclosure

Although the department follows the guides and broad policies as issued by the National Treasury, the detailed standard operating procedures required to guide the accounting processes in the department have not been developed. A risk assessment has also not been conducted to identify key control weaknesses.

6.1.4 Receivables

Many receivables have been outstanding for periods in excess of two years. The department's controls over the collection of debts appear to be ineffective. In terms of section 38(1)(c)(i) of the PFMA and Treasury Regulation 11.2.1(b), the accounting officer of an institution must take effective and appropriate steps to timeously collect all money due to the institution. The department could not demonstrate that it has taken proper action in this regard.

A significant number of errors were found in my audit of the ageing of receivables as disclosed in note 16 to the financial statements. I was therefore unable to determine whether the debtors' ageing as disclosed, is fairly stated.

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**REPORT OF THE AUDITOR-GENERAL
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6.1.5 Assets

Contrary to note 11 of the accounting officer's report, the asset register supplied to me was not up to date or accurate in that the 2005/06 additions were not yet included and the purchase dates recorded for most assets appeared to be wrong. Furthermore, an accounting policy for capital assets is not disclosed.

According to section 38(1)(d) of the PFMA and Treasury Regulation 10, the accounting officer must take full responsibility and ensure that proper control systems exist for assets. The department did not comply in this regard.

6.1.6 Other internal control weaknesses

A high vacancy rate exists in the finance department due to funding constraints and the suspension of staff for suspected fraud. This aggravates the ineffectiveness of internal controls as is evident from my current and previous audit reports.

6.2 NON-COMPLIANCE WITH LAWS AND REGULATIONS

6.2.1 Performance information

In terms of section 40(3)(a) of the PFMA, the annual report must fairly present the department's performance information against predetermined objectives. However, in certain instances, objectives reported on in the annual report have not been predetermined in its strategic plan.

6.2.2 Disclosure in terms of the PFMA and Treasury Regulations

The department did not comply with the following disclosure requirements:

- 6.2.2.1 It is submitted that the accounting officer did not take effective and appropriate steps to disclose and prevent irregular expenditure as required by section 38 of the PFMA.
- 6.2.2.2 The disciplinary steps taken or criminal proceedings as a result of material losses through criminal conduct as required by section 40(3)(b)(ii) of the PFMA.
- 6.2.2.3 The policy in terms of which debts were written off is not disclosed in note 5.6 to the financial statements as required by Treasury Regulation 11.4.3.
- 6.2.2.4 The remuneration of committee members is not disclosed as required by Treasury Regulation 20.2.4.

6.3 OTHER MATTERS

6.3.1 Unauthorised expenditure

Unauthorised expenditure of R15 281 000 relating to prior years and R99 883 000 relating to the current year was not condoned by the National Treasury.

6.3.2 Budget

Although the total final appropriation for capital expenditure, as set out in the appropriation per economic classification statement, agrees to the approved final appropriation, the department transferred an amount of R57 458 000 from machinery and equipment to software and other intangibles.

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6.3.3 Accounting officer's report

Paragraph 6 of the accounting officer's report discloses information on transfer payments made during the year. The information is however incomplete as it does not include transfer payments to the Film and Publication Board and the Government Printing Works.

6.3.4 Management comments

The response of the accounting officer to a significant number of findings reported in the management letters to the department was still outstanding at the time of finalising this report.

6.4 RISK MANAGEMENT AND INTERNAL AUDIT

I conducted a high level assessment of the internal audit component and observed the following:

- A comprehensive risk assessment of the department was not performed.
- Only the third quarterly progress report regarding the performance of the internal audit department was presented to the audit committee contrary to Treasury Regulation 3.2.7(d), which states that the progress report should be presented quarterly.
- Internal audit does not have a formal training and development programme.

This indicates a weakness in the department's risk management strategy and the functioning of the audit committee, which should oversee the internal audit function.

7. APPRECIATION

The assistance rendered by the staff of the Department of Home Affairs during the audit is sincerely appreciated.

Shauckat Fakie

**S A Fakie
Auditor General
Pretoria
31 July 2006**



A U D I T O R - G E N E R A L

**DEPARTMENT OF HOME AFFAIRS
VOTE 4**

**ACCOUNTING POLICIES
for the year ended 31 March 2006**

The Financial Statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. However, 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, Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the Act and the Division of Revenue Act, Act 1 of 2005.

1. PRESENTATION OF THE FINANCIAL STATEMENTS

1.1 BASIS OF PREPARATION

The Financial Statements have been prepared on a modified cash basis of accounting, except where stated otherwise. The modified cash basis constitutes the cash basis of accounting supplemented with additional disclosure items. Under the cash basis of accounting transactions and other events are recognised when cash is received or paid or when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

1.2 PRESENTATION CURRENCY

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

1.3 ROUNDING

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

1.4 COMPARATIVE FIGURES

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.

A comparison between actual and budgeted amounts per major classification of expenditure is included in the appropriation statement.

2. REVENUE

2.1 APPROPRIATED FUNDS

Appropriated funds are recognised in the financial records on the date the appropriation becomes effective. Adjustments to the appropriated funds made in terms of the adjustments budget process are recognised in the financial records on the date the adjustments become effective.

Total appropriated funds are presented in the statement of financial performance.

Unexpended appropriated funds are surrendered to the National/Provincial Revenue Fund, unless approval has been given by the National/Provincial Treasury to rollover the funds to the subsequent financial year. These rollover funds form part of retained funds in the annual financial statements. Amounts owing to the National/Provincial Revenue Fund at the end of the financial year are recognised in the statement of financial position.

**DEPARTMENT OF HOME AFFAIRS
VOTE 4**

**ACCOUNTING POLICIES
for the year ended 31 March 2006**

2.2 DEPARTMENTAL REVENUE

All departmental revenue is paid into the National/Provincial Revenue Fund when received, unless otherwise stated. Amounts owing to the National/Provincial Revenue Fund at the end of the financial year are recognised in the statement of financial position.

2.2.1 Tax revenue

Tax revenue consists of all compulsory unrequited amounts collected by the department in accordance with laws and or regulations (excluding fines, penalties & forfeits).

Tax receipts are recognised in the statement of financial performance when received.

2.2.2 Sales of goods and services other than capital assets

The proceeds received from the sale of goods and/or the provision of services is recognised in the statement of financial performance when the cash is received.

2.2.3 Fines, penalties & forfeits

Fines, penalties & forfeits are compulsory unrequited amounts which were imposed by a court or quasi-judicial body and collected by the department. Revenue arising from fines, penalties and forfeits is recognised in the statement of financial performance when the cash is received.

2.2.4 Interest, dividends and rent on land

Interest, dividends and rent on land is recognised in the statement of financial performance when the cash is received.

2.2.5 Sale of capital assets

The proceeds received on sale of capital assets are recognised in the statement of financial performance when the cash is received.

2.2.6 Financial transactions in assets and liabilities

Repayments of loans and advances previously extended to employees and public corporations for policy purposes are recognised as revenue in the statement of financial performance on receipt of the funds. Amounts receivable at the reporting date are disclosed in the disclosure notes to the annual financial statements.

Cheques issued in previous accounting periods that expire before being banked are recognised as revenue in the statement of financial performance when the cheque becomes stale. When the cheque is reissued the payment is made from Revenue.

2.2.7 Gifts, donations and sponsorships (transfers received)

All cash gifts, donations and sponsorships are paid into the National/Provincial Revenue Fund and recorded as revenue in the statement of financial performance when received. Amounts receivable at the reporting date are disclosed in the disclosure notes to the financial statements.

All in-kind gifts, donations and sponsorships are disclosed at fair value in the annexures to the financial statements.

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**ACCOUNTING POLICIES
for the year ended 31 March 2006**

2.3 LOCAL AND FOREIGN AID ASSISTANCE

Local and foreign aid assistance is recognised in the financial records when notification of the donation is received from the National Treasury or when the department directly receives the cash from the donor(s). The total cash amounts received during the year is reflected in the statement of financial performance as revenue.

All in-kind local and foreign aid assistance are disclosed at fair value in the annexures to the annual financial statements.

The cash payments made during the year relating to local and foreign aid assistance projects are recognised as expenditure in the statement of financial performance. A receivable is recognised in the statement of financial position to the value of the amounts expended (charged as an expense) prior to the receipt of the funds.

A payable is raised in the statement of financial position where amounts have been inappropriately expended using local and foreign aid assistance, unutilised amounts are recognised in the statement of financial position.

3. EXPENDITURE

3.1 COMPENSATION OF EMPLOYEES

Salaries and wages comprise payments to employees. Salaries and wages are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year). Capitalised compensation forms part of the expenditure for capital assets in the statement of financial performance¹.

All other payments are classified as current expense.

Social contributions include the entities' contribution to social insurance schemes paid on behalf of the employee. Social contributions are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system.

3.1.1 Short term employee benefits

Short term employee benefits are comprised of leave entitlements (capped leave), thirteenth cheques and performance bonuses. The cost of short-term employee benefits is expensed as salaries and wages in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

Short-term employee benefits that give rise to a present legal or constructive obligation are disclosed in the notes to the financial statements. These amounts are not recognised in the statement of financial performance.

¹ This accounting policy is only relevant where the department elects to capitalise the compensation paid to employees involved on capital projects.

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**ACCOUNTING POLICIES
for the year ended 31 March 2006**

3.1.2 Long-term employee benefits

3.1.2.1 Termination benefits

Termination benefits such as severance packages are recognised as an expense in the statement of financial performance as a transfer when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

3.1.2.2 Post employment retirement benefits

The department provides retirement benefits (pension benefits) for certain of its employees through a defined benefit plan for government employees. These benefits are funded by both employer and employee contributions. Employer contributions to the fund are expended when the final authorisation for payment to the fund is effected on the system (by no later than 31 March of each year). No provision is made for retirement benefits in the financial statements of the department. Any potential liabilities are disclosed in the financial statements of the National/ Provincial Revenue Fund and not in the financial statements of the employer department.

The department provides medical benefits for certain of its employees. Employer contributions to the medical funds are expended when the final authorisation for payment to the fund is effected on the system (by no later than 31 March of each year).

3.2 GOODS AND SERVICES

Payments made for goods and/or services are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year). The expense is classified as capital if the goods and services were used on a capital project.

3.3 INTEREST AND RENT ON LAND

Interest and rental payments are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year). This item excludes rental for the use of buildings or other fixed structures.

3.4 FINANCIAL TRANSACTIONS IN ASSETS AND LIABILITIES

Debts are written-off when identified as irrecoverable. Debts written-off are limited to the amount of savings and/or under-spending of appropriated funds. The write-off occurs at year-end or when funds are available. No provision is made for irrecoverable amounts but amounts are disclosed as a disclosure note.

All other losses are recognised when authorisation has been granted for the recognition thereof.

3.5 UNAUTHORISED EXPENDITURE

When discovered unauthorised expenditure is recognised as an asset in the statement of financial position until such time as the expenditure is either approved by the relevant authority, recovered or written-off as irrecoverable.

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**ACCOUNTING POLICIES
for the year ended 31 March 2006**

Unauthorised expenditure approved with funding is recognised in the statement of financial performance when the unauthorised expenditure is approved and the related funds are received. Where the amount is approved without funding it is recognised as expenditure, subject to availability of savings, in the statement of financial performance on the date of approval.

Where unauthorised expenditure is not approved it is recovered from the responsible person. The amount received is recorded as departmental revenue in the statement of financial position when received.

3.6 FRUITLESS AND WASTEFUL EXPENDITURE

Fruitless and wasteful expenditure is recognised as an asset in the statement of financial position until such time as the expenditure is recovered from the responsible person or written-off as irrecoverable in the statement of financial performance.

The amount recovered from the responsible person is recorded as departmental revenue in the statement of financial performance when the funds are received.

3.7 IRREGULAR EXPENDITURE

Irregular expenditure is recognised as expenditure in the statement of financial performance. If the expenditure is not condoned by the relevant authority it is treated as a current asset until it is recovered or written-off as irrecoverable.

The amount recovered from the responsible person is recorded as revenue in the statement of financial performance when the funds are received.

3.8 TRANSFERS AND SUBSIDIES

Transfers and subsidies are recognised as an expense when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

3.9 EXPENDITURE FOR CAPITAL ASSETS

Payments made for capital assets are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

4. ASSETS

4.1 CASH AND CASH EQUIVALENTS

Cash and cash equivalents are carried in the statement of financial position at cost. 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.

4.2 PREPAYMENTS AND ADVANCES

Amounts prepaid or advanced are recognised in the statement of financial position when the payments are made.

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**ACCOUNTING POLICIES
for the year ended 31 March 2006**

4.3 RECEIVABLES

Receivables included in the statement of financial position arise from cash payments made that are recoverable from another party.

Revenue receivable not yet collected is included in the disclosure notes. Amounts that are potentially irrecoverable are included in the disclosure notes.

4.4 INVESTMENTS

Capitalised investments are shown at cost in the statement of financial position. Any cash flows such as dividends received or proceeds from the sale of the investment are recognised in the statement of financial performance.

Investments are tested for an impairment loss whenever events or changes in circumstances indicate that the investment may be impaired. Any impairment loss is included in the disclosure notes.

4.5 LOANS

Loans are recognised in the statement of financial position at the nominal amount. Amounts that are potentially irrecoverable are included in the disclosure notes.

4.6 INVENTORY

Inventories on hand at the reporting date are disclosed at cost in the disclosure notes.

5. LIABILITIES

5.1 PAYABLES

Recognised payables mainly comprise of amounts owing to other governmental entities. These payables are recognised at historical cost in the statement of financial position.

5.2 LEASE COMMITMENTS

Lease commitments represent amounts owing from the reporting date to the end of the lease contract. These commitments are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance but are included in the disclosure notes.

Operating and finance lease commitments are expended when the payments are made. Assets acquired in terms of finance lease agreements are disclosed in the annexures to the financial statements.

5.3 ACCRUALS

Accruals represent goods/services that have been received, but where no invoice has been received from the supplier at the reporting date, or where an invoice has been received but final authorisation for payment has not been effected on the system.

Accruals are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance but are included in the disclosure notes.

**DEPARTMENT OF HOME AFFAIRS
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**ACCOUNTING POLICIES
for the year ended 31 March 2006**

5.4 CONTINGENT LIABILITIES

A contingent liability 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 wholly within the control of the department; or

A contingent liability is a present obligation that arises from past events but is not recognised because:

- It is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; or
- The amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are included in the disclosure notes.

5.5 COMMITMENTS

Commitments represent goods/services that have been approved and/or contracted, but where no delivery has taken place at the reporting date.

Commitments are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance but are included in the disclosure notes.

6. NET ASSETS

6.1 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 transferred to the National/Provincial Revenue Fund on disposal, repayment or recovery of such amounts.

6.2 RECOVERABLE REVENUE

Amounts are recognised as recoverable revenue when a payment made and recognised in a previous financial year becomes recoverable from a debtor.

7. RELATED PARTY TRANSACTIONS

Related parties are departments that control or significantly influence the department in making financial and operating decisions. Specific information with regards to related party transactions is included in the disclosure notes.

8. KEY MANAGEMENT PERSONNEL

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the department.

Compensation paid to key management personnel including their family members where relevant, is included in the disclosure notes.

**DEPARTMENT OF HOME AFFAIRS
VOTE 4**

**ACCOUNTING POLICIES
for the year ended 31 March 2006**

9. PUBLIC PRIVATE PARTNERSHIPS

A public private partnership (PPP) is a commercial transaction between the department and a private party in terms of which the private party:

- performs an institutional function on behalf of the institution; and/or
- acquires the use of state property for its own commercial purposes; and
- assumes substantial financial, technical and operational risks in connection with the performance of the institutional function and/or use of state property; and
- receives a benefit for performing the institutional function or from utilizing the state property, either by way of:
 - o consideration to be paid by the department which derives from a Revenue Fund;
 - o charges fees to be collected by the private party from users or customers of a service provided to them; or
 - o a combination of such consideration and such charges or fees.

A description of the PPP arrangement, the contract fees and current and capital expenditure relating to the PPP arrangement is included in the disclosure notes.

**DEPARTMENT OF HOME AFFAIRS
VOTE 4**

**APPROPRIATION STATEMENT
for the year ended 31 March 2006**

Appropriation per programme									
	2005/2006							2004/2005	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Administration									
Current payment	347 912	—	5 100	353 012	340 017	12 995	96,3	377 043	330 836
Transfers and subsidies	1 194	—	—	1 194	1 184	10	99,2	3 026	2 701
Payment for capital assets	78 159	—	—	78 159	101 232	-23 073	129,5	171 957	168 033
2. Delivery of Services									
Current payment	1 095 981	—	-18 100	1 077 881	1 192 832	-114 951	110,7	846 772	874 552
Transfers and subsidies	3 543	—	—	3 543	4 497	-954	126,9	4 838	5 217
Payment for capital assets	471 164	—	—	471 164	399 408	71 756	84,8	356 084	32 632
3. Auxiliary and Associated Services									
Current payment	7 200	—	—	7 200	4 184	3 016	58,1	—	15 858
Transfers and subsidies	951 221	—	13 000	964 221	964 220	1	100,0	533 761	533 760
Payment for capital assets	76 087	—	—	76 087	77 889	-1 802	102,4	84 134	25 644
Subtotal	3 032 461	—	—	3 032 461	3 085 463	-53 002	101,7	2 377 615	1 989 233
TOTAL	3 032 461	—	—	3 032 461		-53 002	101,7		
Reconciliation with Statement of Financial Performance									
Add:									
Departmental receipts				237 568				239 658	
Actual amounts per Statements of Financial Performance (Total revenue)				3 270 029				2 617 273	
Add:									
Actual amounts per Statements of Financial Performance (Total expenditure)					3 085 463				1 989 233

**DEPARTMENT OF HOME AFFAIRS
VOTE 4**

**APPROPRIATION STATEMENT
for the year ended 31 March 2006**

Appropriation per economic classification									
	2005/2006							2004/2005	
	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									
Compensation of employees	845 650	–	-63 300	782 350	717 940	64 410	91,8	705 782	648 772
Goods and services	605 443	–	50 300	655 743	817 761	-162	124,7	518 033	162 018
Financial transactions in assets and liabilities	–	–	–	–	1 332	-1 332	–	–	41
Transfers and subsidies									
Provinces and municipalities	2 782	–	–	2 782	2 306	476	82,9	2 495	2 153
Departmental agencies and accounts	951 221	–	13 000	964 221	964 220	1	100,0	533 762	533 760
Households	1 955	–	–	1 955	3 375	-1 420	172,6	5 368	5 765
Payment for capital assets									
Buildings and other fixed structures	64 576	–	–	64 576	72 555	-7 979	112,4	78 493	20 094
Machinery and equipment	322 493	–	–	322 493	364 301	-41 808	113,0	451 660	182 368
Software and other intangible assets	238 341	–	–	238 341	141 673	96 668	59,4	82 022	23 847
Total	3 032 461	–	–	3 032 461	3 085 463	-53 002	101,7	2 377 615	1 989 233

**DEPARTMENT OF HOME AFFAIRS
VOTE 4**

**DETAIL PER PROGRAMME 1
for the year ended 31 March 2006**

	2005/2006							2004/2005	
Programme per subprogramme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1.1 Minister									
Current payment	843	—	—	843	770	73	91,3	791	791
1.2 Deputy Minister									
Current payment	654	—	—	654	622	32	95,1	614	601
1.3 Management									
Current payment	114 671	—	5 600	120 271	84 275	35 996	70,1	60 120	36 066
Transfers and subsidies	453	—	—	453	356	97	78,6	82	86
Payment for capital assets	3 471	—	—	3 471	3 436	35	99,0	2 191	1 674
1.4 Corporate Services									
Current payment	157 002	—	-500	156 502	166 825	-10 323	106,6	315 518	293 378
Transfers and subsidies	705	—	—	705	766	-61	108,7	2 944	2 615
Payment for capital assets	2 114	—	—	2 114	8 290	-6 176	392,1	72 342	104 877
1.5 Information Services									
Current payment	74 742	—	—	74 742	87 525	-12 783	117,1	—	—
Transfers and subsidies	36	—	—	36	62	-26	172,2	—	—
Payment for capital assets	72 574	—	—	72 574	89 506	-16 932	123,3	97 424	61 482
Total	427 265	—	5 100	432 365	442 433	-10 068	102,3	552 026	501 570

	2005/2006							2004/2005	
Programme per 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									
Compensation of employees	180 238	—	-17 000	163 238	122 432	40 806	75,0	129 742	89 667
Goods and services	167 674	—	22 100	189 774	216 787	-27 013	114,2	247 301	241 167
Financial transactions in assets and liabilities	—	—	—	—	798	-798	—	—	—
Transfers and subsidies									
Provinces and municipalities	929	—	—	929	511	418	55,0	704	490
Households	265	—	—	265	673	-408	254,0	2 322	2 213
Payments for capital assets									
Buildings and other fixed structures	—	—	—	—	38	-38	—	—	—
Machinery and equipment	33 594	—	—	33 594	59 255	-25 661	176,4	166 941	161 209
Software and other intangible assets	44 565	—	—	44 565	41 939	2 626	94,1	5 016	6 824
Total	427 265	—	5 100	432 365	442 433	-10 068	102,3	552 026	501 570

**DEPARTMENT OF HOME AFFAIRS
VOTE 4**

**DETAIL PER PROGRAMME 2
for the year ended 31 March 2006**

	2005/2006							2004/2005	
Programme per subprogramme	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
2.1 Travel Documents & Citizenship									
Current payment	41 318	—	—	41 318	41 201	117	99,7	37 569	35 754
Transfers and subsidies	187	—	—	187	56	131	29,9	146	20
Payment for capital assets	15 099	—	—	15 099	237	14 862	1,6	3 030	534
2.2 Population Register									
Current payment	265 404	—	-7 500	257 904	356 143	-98 239	138,1	145 371	204 281
Transfers and subsidies	386	—	—	386	437	-51	113,2	1 512	541
Payment for capital assets	336 540	—	—	336 540	273 339	63 201	81,2	322 156	18 020
2.3 Service Delivery									
Current payment	600 236	—	-35 800	564 436	595 444	-31 008	105,5	529 096	515 643
Transfers and subsidies	2 746	—	—	2 746	3 755	-1 009	136,7	1 899	3 673
Payment for capital assets	59 222	—	—	59 222	101 790	-42 568	171,9	13 860	9 649
2.4 Admissions									
Current payment	13 755	—	-1 000	12 755	10 135	2 620	79,5	7 995	9 498
Transfers and subsidies	69	—	—	69	66	3	95,7	21	191
Payment for capital assets	302	—	—	302	254	48	84,1	201	316
2.5 Immigration Control									
Current payment	151 533	—	11 500	163 033	168 692	-5 659	103,5	105 304	93 032
Transfers and subsidies	62	—	—	62	63	-1	101,6	1 208	162
Payment for capital assets	59 729	—	—	59 729	22 862	36 867	38,3	16 586	3 924
2.6 Refugee Affairs									
Current payment	13 860	—	14 700	28 560	15 785	12 775	55,3	10 849	10 410
Transfers and subsidies	13	—	—	13	37	-24	284,6	33	40
Payment for capital assets	104	—	—	104	764	-660	734,6	144	78
2.7 Board and Committees									
Current payment	9 875	—	—	9 875	5 432	4 443	55,0	10 588	5 934
Transfers and subsidies	80	—	—	80	83	-3	103,8	19	590
Payment for capital assets	168	—	—	168	162	6	96,4	107	111
Total	1 570 688	—	-18 100	1 552 588	1 596 737	-44 149	102,8	1 207 694	912 401

	2005/2006							2004/2005	
Programme per 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									
Compensation of employees	665 412	—	-46 300	619 112	595 508	23 604	96,2	576 040	599 105
Goods and services	430 569	—	28 200	458 769	596 790	-138 021	130,1	270 732	315 408
Financial transactions in assets and liabilities	—	—	—	—	534	-534	—	—	41
Transfers and subsidies									
Provinces and municipalities	1 853	—	—	1 853	1 795	58	96,9	1 791	1 663
Departmental agencies and accounts	—	—	—	—	—	—	—	1	—
Households	1 690	—	—	1 690	2 702	-1 012	159,9	3 046	3 552
Payments for capital assets									
Buildings and other fixed structures	—	—	—	—	204	-204	—	—	—
Machinery and equipment	277 388	—	—	277 388	299 470	-22 082	108,0	279 078	15 609
Software and other intangible assets	193 776	—	—	193 776	99 734	94 042	51,5	77 006	17 023
Total	1 570 688	—	-18 100	1 552 588	1 596 737	-44 149	102,8	1 207 694	912 401

**DEPARTMENT OF HOME AFFAIRS
VOTE 4**

**DETAIL PER PROGRAMME 3
for the year ended 31 March 2006**

	2005/2006							2004/2005	
Programme per subprogramme	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
3.1 Film and Publication Board									
Transfers and subsidies	6 774	–	13 000	19 774	19 774	–	100,0	6 680	6 680
3.2 Government Printing Works									
Transfers and subsidies	189	–	–	189	188	1	99,5	179	178
3.3 Government Motor Transport									
Payment for capital assets	11 511	–	–	11 511	5 550	5 961	48,2	5 641	5 550
3.4 Independent Electoral Commission									
Transfers and subsidies	944 258	–	–	944 258	944 258	–	100,0	526 902	526 902
3.5 Property Management									
Current payment	7 200	–	–	7 200	4 184	3 016	58,1	–	15 858
Payment for capital assets	64 576	–	–	64 576	72 339	-7 763	112,0	78 493	20 094
Total	1 034 508	–	13 000	1 047 508	1 046 293	1 215	99,9	617 895	575 262

	2005/2006							2004/2005	
Programme per 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									
Goods and services	7 200	–	–	7 200	4 184	3 016	58,1	–	15 858
Transfers and subsidies									
Foreign governments and international organisations	951 221	–	13 000	964 221	964 220	1	100,0	533 761	533 760
Payments for capital assets									
Buildings and other fixed structures	64 576	–	–	64 576	72 313	-7 737	112,0	78,493	20,094
Machinery and equipment	11 511	–	–	11 511	5 576	5 935	48,4	5,641	5,550
Total	1 034 508	–	13 000	1 047 508	1 046 293	1 215	99,9	617 895	575 262

**DEPARTMENT OF HOME AFFAIRS
VOTE 4**

**NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2006**

**1. DETAIL OF TRANSFERS AND SUBSIDIES AS PER APPROPRIATION ACT
(AFTER VIREMENT):**

Detail of these transactions can be viewed in note 6 (Transfers and subsidies) and Annexure 1 (A-K) 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 FINANCIAL TRANSACTIONS IN ASSETS AND LIABILITIES

Detail of these transactions per programme can be viewed in note 5 (Financial transactions in assets and liabilities) to the Annual Financial Statements.

**4. EXPLANATIONS OF MATERIAL VARIANCES FROM AMOUNTS VOTED (AFTER
VIREMENT):**

4.1 Per Programme	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Appropriation
-------------------	---------------------------------	--------------------------------	-------------------	--

1. Administration	432 365	442 433	-10 068	102,3
2. Delivery of Services	1 552 588	1 596 737	-44 149	102,8
3. Auxiliary and Associated Services	1 047 508	1 046 293	1 215	99,9

Explanation of variance per programme:

Programme 1: Administration – (R10,068 million)

The overspending could mainly be attributed to invoices for goods and services not received on time during 2004/05 and paid during 2005/06, which was included in the Department's request for roll-over funds from 2004/05 to 2005/06. However, no roll-over funds were received.

Programme 2: Delivery of Services – (R44,149 million)

The overspending could mainly be attributed to Back Record Conversion (BRC) as the conversion of records increased during 2005/06 from 65 000 to 120 000 per day; as well as to invoices for goods and services not received on time during 2004/05 and paid during 2005/06. The mentioned items were included in the Department's request for roll-over funds from 2004/05, however, no funds were received.

Programme 3: Auxiliary and Associated Services – R1,215 million

The low underspending could mainly be attributed to expenditure for purchase of government vehicles, which did not materialise as projected.

**DEPARTMENT OF HOME AFFAIRS
VOTE 4**

**NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2006**

4.2 Per Economic classification	2005/06
	R'000
Current payment:	-98 940
Compensation of employees	64 410
Goods and services	-162 018
Financial transactions in assets and liabilities	-1 332
Transfers and subsidies:	-943
Provinces and municipalities	476
Departmental agencies and accounts	1
Households	-1 420
Payments for capital assets:	46 881
Buildings and other fixed structures	- 7 979
Machinery and equipment	- 41 808
Software and other intangible assets	96 668

COMPENSATION OF EMPLOYEES – R64,410 MILLION

Savings are mainly due to late filling of posts as well as claims for foreign missions which could not be processed in time by Department of Foreign Affairs.

GOODS AND SERVICES – (R162,018 MILLION)

The budget has been exceeded mainly due to Back Record Conversion (BRC) as the conversion of records increased during 2005/06 from 65 000 to 120 000 per day as well as invoices for goods and services not received on time during 2004/05 and paid in 2005/06. The mentioned items were included in the Department's request for roll-over funds from 2004/05 to 2005/06, however, roll-over funds were not received.

FINANCIAL TRANSACTIONS IN ASSETS AND LIABILITIES - (R1,332 MILLION)

Over expenditure mainly includes thefts and losses.

TRANSFERS AND SUBSIDIES - (R0,943 MILLION)

Overspending mainly due to under estimation for payments relating to leave gratuity.

PAYMENT OF CAPITAL ASSETS – R46,881 MILLION

Saving could mainly be attributed to IT related projects, which could be utilised for overspending of current IT related projects.

**DEPARTMENT OF HOME AFFAIRS
VOTE 4**

**STATEMENT OF FINANCIAL-PERFORMANCE
for the year ended 31 March 2006**

	Notes	2005/06 R'000	2004/05 R'000
REVENUE			
Annual appropriation	1	3 032 461	2 377 615
Departmental revenue	2	237 568	239 658
TOTAL REVENUE		3 270 029	2 617 273
EXPENDITURE			
Current expenditure			
Compensation of employees	3	717 940	648 772
Goods and services	4	817 761	572 433
Financial transactions in assets and liabilities	5	1 332	41
Total current expenditure		1 537 033	1 221 246
Transfers and subsidies	6	969 901	541 678
Expenditure for capital assets			
Buildings and other fixed structures	7	72 555	20 094
Machinery and equipment	7	364 301	182 368
Software and other intangible assets	7	141 673	23 847
Total expenditure for capital assets		578 529	226 309
TOTAL EXPENDITURE		3 085 463	1 989 233
SURPLUS/(DEFICIT)		184 566	628 040
Add back unauthorised expenditure	8	99 883	—
SURPLUS/(DEFICIT) FOR THE YEAR		284 449	628 040
Reconciliation of Surplus/(Deficit) for the year			
Voted Funds	12	46 881	388 382
Departmental Revenue	13	237 568	239 658
SURPLUS/(DEFICIT) FOR THE YEAR		284 449	628 040

DEPARTMENT OF HOME AFFAIRS
VOTE 4
STATEMENT OF FINANCIAL-POSITION
at 31 March 2006

	Notes	2005/06 R'000	2004/05 R'000
ASSETS			
Current assets		477 191	442 743
Unauthorised expenditure	8	116 150	15 281
Cash and cash equivalents	9	332 030	395 861
Prepayments and advances	10	3 421	2 764
Receivables	11	25 590	28 837
TOTAL ASSETS		477 191	442 743
LIABILITIES			
Current liabilities		468 212	433 787
Voted funds to be surrendered to the Revenue Fund	12	435 263	388 382
Departmental revenue to be surrendered to the Revenue Fund	13	13 917	12 624
Payables	14	19 032	32 781
TOTAL LIABILITIES		468 212	433 787
NET ASSETS		8 979	8 956
Represented by:			
Recoverable revenue		8 979	8 956
TOTAL		8 979	8 956

**DEPARTMENT OF HOME AFFAIRS
VOTE 4**

**STATEMENT OF CHANGES IN NET ASSETS
for the year ended 31 March 2006**

	Note	2005/06 R'000	2004/05 R'000
Recoverable revenue			
Opening balance		8 956	8 769
Transfers		23	187
Debts written off	5.5	23	38
Debts revised (Prior year adjustment)	11.3	–	149
Closing Balance		8 979	8 956

**DEPARTMENT OF HOME AFFAIRS
VOTE 4**

**CASH FLOW STATEMENT
for the year ended 31 March 2006**

	Notes	2005/06 R'000	2004/05 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		3 270 003	2 616 776
Annual appropriated funds received	1.1	3 032 461	2 377 615
Departmental revenue received		237 542	239 161
Net (increase)/decrease in working capital		-11 159	21 605
Surrendered to Revenue Fund		-236 275	- 470 404
Current payments		-1 537 033	-1 221 246
Transfers and subsidies paid		- 969 901	- 541 678
Net cash flow available from operating activities	15	515 635	405 053
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets		-578 529	-226 309
Proceeds from sale of capital assets	2.3	26	497
Proceeds from sale of other financial assets		-986	–
Net cash flows from investing activities		-579 489	-225 812
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		23	–
Increase/(decrease) in loans received		–	187
Net cash flows from financing activities		23	187
Net increase/(decrease) in cash and cash equivalents		-63 831	179 428
Cash and cash equivalents at the beginning of the period		395 861	216 433
Cash and cash equivalents at end of period	16	332 030	395 861

**DEPARTMENT OF HOME AFFAIRS
VOTE 4**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

1. ANNUAL APPROPRIATION

1.1 ANNUAL APPROPRIATION

Included are funds appropriated in terms of the Appropriation Act for National Departments (Voted funds) and Provincial Departments :

	Final Appropriation R'000	Actual Funds Received R'000	Funds not requested/ not received R'000	Appropriation received 2004/05 R'000
Administration	432 365	432 365	—	552 026
Delivery of Services	1 552 588	1 552 588	—	1 207 694
Auxiliary and Associated Services	1 047 508	1 047 508	—	617 895
Total	3 032 461	3 032 461	—	2 377 615

2. DEPARTMENTAL REVENUE TO BE SURRENDERED TO REVENUE FUND

	<i>Notes</i>	2005/06 R'000	2004/05 R'000
Tax revenue			
Sales of goods and services other than capital assets	2.1	225 273	232 979
Fines, penalties and forfeits		12 235	6 257
Interest, dividends and rent on land	2.2	172	1
Sales of capital assets	2.3	26	497
Financial transactions in assets and liabilities	2.4	-138	-76
Total revenue collected		237 568	239 658
Departmental revenue collected		237 568	239 658

The accounting policy requires that revenue received in cash should be recognised as revenue in the financial statements. At year end, due to logistical delays an amount of R49 990 646 exists relating to revenue received in cash for which the relevant vouchers have not been captured on the Basic Accounting System (BAS). In terms of the government accounting and reporting system this revenue cannot be recognised in the income statement before the supporting vouchers have been captured and revenue for this year is therefore understated.

2.1 SALES OF GOODS AND SERVICES OTHER THAN CAPITAL ASSETS

	2005/06 R'000	2004/05 R'000
Sales of goods and services produced by the department		
Administrative fees	225 273	232 979
Total	225 273	232 979

**DEPARTMENT OF HOME AFFAIRS
VOTE 4**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

2.2 INTEREST, DIVIDENDS AND RENT ON LAND

	2005/06 R'000	2004/05 R'000
Interest	172	1
Total	172	1

2.3 SALE OF CAPITAL ASSETS

Other capital assets	26	497
Total	26	497

**2.4 FINANCIAL TRANSACTIONS IN ASSETS AND
LIABILITIES NATURE OF LOSS RECOVERED**

Other Receipts including Recoverable Revenue	-138	-76
Total	-138	-76

3. COMPENSATION OF EMPLOYEES

3.1 SALARIES AND WAGES

Basic salary	495 160	439 551
Performance award	20 628	15 711
Service Based	977	1 881
Compensative/circumstantial	32 334	26 911
Periodic payments	2 976	3 132
Other non-pensionable allowances	61 400	55 743
Sub Total	613 475	542 929

3.2 SOCIAL CONTRIBUTIONS

3.2.1 Employer contributions

Pension	62 140	65 792
Medical	42 085	39 834
UIF	—	1
Bargaining council	207	188
Insurance	33	28
Sub Total	104 465	105 843

Total	717 940	648 772
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Average number of employees	6 833	6 221
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DEPARTMENT OF HOME AFFAIRS
VOTE 4

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006

4. GOODS AND SERVICES	Notes	2005/06 R'000	2004/05 R'000
Advertising		6 974	3 534
Attendance fees (including registration fees)		6 787	6 906
Bank charges and card fees		2 480	2 850
Bursaries (employees)		2 462	1 396
Communication		42 940	37 697
Computer services		287 041	122 828
Consultants, contractors and special services		154 420	152 099
Courier and delivery services		2 912	2 120
Drivers' licences and permits		20	16
Entertainment		672	616
External audit fees	4.1	5 745	1 612
Equipment less than R5 000		17 564	18 682
Freight service		102	207
Honoraria (Voluntarily workers)		72	2 360
Inventory	4.2	73 146	85 461
Legal fees		8 218	932
Maintenance, repairs and running cost		11 733	57 567
Medical Services		2	–
Operating leases		4 533	–
Photographic services		372	2 101
Printing and publications		–	92
Professional bodies and membership fees		14	892
Resettlement cost		903	1 929
Subscriptions		575	643
Translations and transcriptions		29	11
Transport provided as part of the departmental activities		6 024	–
Travel and subsistence	4.3	176 635	66 278
Venues and facilities		4 254	2 521
Protective, special clothing & uniforms		1 132	1083
Total		817 761	572 433

**DEPARTMENT OF HOME AFFAIRS
VOTE 4**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

4.1 EXTERNAL AUDIT FEES

Notes

2005/06**2004/05****R'000****R'000**

Regulatory audits

5 744

1 612

Other audits

1

-

Total**5 745****1 612****4.2 INVENTORY**

Domestic consumables

2 284

6 700

Fuel, oil and gas

87

155

Other consumables

86

317

Sport and recreation

5

183

Stationery and printing

70 639

78 105

Medical supplies

45

1

Total**73 146****85 461****4.3 TRAVEL AND SUBSISTENCE**

Local

173 829

60 522

Foreign

2 806

5 756

Total**176 635****66 278****5. FINANCIAL TRANSACTIONS IN ASSETS AND LIABILITIES**

Material losses through criminal conduct

5.1

484

3

Other material losses written off

5.2

11

-

Debts written off

5.3

217

-

Theft

5.4

597

-

Recoverable revenue debts written off

5.5

23

38

Total**1 332****41****5.1 MATERIAL LOSSES THROUGH CRIMINAL CONDUCT**

Nature of losses

Incident

Theft of equipment

191

3

Repair to damages

14

-

Theft of accessories

279

-

Total**484****3**

**DEPARTMENT OF HOME AFFAIRS
VOTE 4**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

	<i>Annexure</i>	2005/06 R'000	2004/05 R'000
5.2 OTHER MATERIAL LOSSES			
Nature of losses			
Repair of equipment		11	-
Total		11	-
5.3 DEBTS WRITTEN OFF			
NATURE OF DEBTS WRITTEN OFF			
Salary overpayment and other salary debts		217	-
Total		217	-
5.4 DETAIL OF THEFT			
Theft of State money		597	-
Total		597	-
5.5 RECOVERABLE REVENUE DEBTS WRITTEN OFF			
Recoverable revenue salary overpayment		23	38
Total		23	38
6. TRANSFERS AND SUBSIDIES			
Provinces and municipalities	<i>Ann 1F</i>	2 306	2 153
Departmental agencies and accounts	<i>Ann 1G</i>	964 220	533 760
Households	<i>Ann 1L</i>	3 375	5 765
Total		969 901	541 678
7. EXPENDITURE FOR CAPITAL ASSETS			
Buildings and other fixed structures	<i>Ann 4</i>	72 555	20 094
Machinery and equipment	<i>Ann 4</i>	364 301	182 368
Software and other intangible assets	<i>Ann 5</i>	141 673	23 847
Total		578 529	226 309

**DEPARTMENT OF HOME AFFAIRS
VOTE 4**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

8. UNAUTHORISED EXPENDITURE

	2005/06 R'000	2004/05 R'000
8.1 Reconciliation of unauthorised expenditure		
Opening balance	15 281	15 281
Unauthorised expenditure – current year	99 883	–
Irregular expenditure - current year	986	–
Unauthorised expenditure awaiting authorisation	116 150	15 281

8.2 ANALYSIS OF CURRENT UNAUTHORISED EXPENDITURE

Incident

Overspending of vote allocation	53 002	–
Utilisation of savings on capital budget to defray current expenditure	46 881	–
	99 883	–

9. CASH AND CASH EQUIVALENTS

Consolidated Paymaster General Account	330 017	392 933
Cash receipts	1 926	2 784
Disbursements	-69	–
Cash on hand	156	144
Total	332 030	395 861

10. PREPAYMENTS AND ADVANCES

Description

Travel and subsistence	3 421	1 359
Prepayments	–	1 405
Total	3 421	2 764

**DEPARTMENT OF HOME AFFAIRS
VOTE 4**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

11. RECEIVABLES

	Notes	Less than one year R'000	One to three years R'000	Older than three years R'000	2005/06 Total R'000	2004/05 Total R'000
Staff debt	11.1	1 266	907	3 398	5 571	4 604
Other Debtors	11.2	- 6 927	7 740	17 472	18 285	11 407
Claims recoverable	Annex 6	1 699	26	9	1 734	12 826
Total		- 3 962	8 673	20 879	25 590	28 837

Included under receivables are the penalty charges: debt and disallowance damages and losses accounts containing significant debtors that have been outstanding for a number of years. The recoverability of some of these debtors amounts is doubtful.

11.1 STAFF DEBT

	2005/06 R'000	2004/05 R'000
Sal: Tax Dept	104	23
Private Telephone calls	64	65
Debt Account	4 829	4 278
Debt Suspense	528	420
Sal: Disallowance Account	46	–
Other	–	-182
Total	5 571	4 604

11.2 OTHER DEBTORS

Disallowance Damages and Losses	7 550	–
Foreign Affairs vouchers in transit	568	–
Disallowance Miscellaneous	361	360
Financial Assistance (SA Citizens)	–	-205
Disallowance Dishonoured Cheques	25	97
Penalty Charges: Debt	9 781	11 155
Total	18 285	11 407

11.3 DEBTS REVISED

Prior Year adjustment	–	149
Total	–	149

Department of Home Affairs together with Department of Foreign Affairs are in final stages of signing memorandum of understanding in dealing with interdepartmental claims

**DEPARTMENT OF HOME AFFAIRS
VOTE 4**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

12. VOTED FUNDS TO BE SURRENDERED TO THE REVENUE FUND

	2005/06 R'000	2004/05 R'000
Opening balance	388 382	180 933
Transfer from Statement of Financial Performance	46 881	388 382
Paid during the year	—	-180 933
Closing balance	435 263	388 382

13. DEPARTMENTAL REVENUE TO BE SURRENDERED TO THE REVENUE FUND

Opening balance	12 624	62 437
Transfer from Statement of Financial Performance	237 568	239 658
Paid during the year	-236 275	-289 471
Closing balance	13 917	12 624

14. PAYABLES – CURRENT

Description

	<i>Notes</i>	30 Days R'000	30+ Days R'000	Total R'000 2005/06	Total R'000 2004/05
Clearing accounts	14.1	2 489	5 099	7 588	5 776
Other payables	14.2	522	10 922	11 444	27 005
		3 011	16 021	19 032	32 781

14.1 CLEARING ACCOUNTS

	2005/06 R'000	2004/05 R'000
Description		
Salary other	135	181
Boat/Plane Stowaway Deposits	655	372
Inter Responsibility Clearing Account	7 361	8 370
Salary Income Tax	692	—
Conversion: Receipt Deposit Control	-3 147	-3 147
Finance Assistance (SA Citizens)	293	—
Third Party Transport Control	1 599	—
	7 588	5 776

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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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	2005/06 R'000	2004/05 R'000
14.2 OTHER PAYABLES		
Description		
Previous Year	3 440	21 292
Repatriation Deposits	5 604	4 748
Debt Receivable Interest	2 071	832
Penalty Charges: Interest	329	133
	11 444	27 005
15. NET CASH FLOW AVAILABLE FROM OPERATING ACTIVITIES		
Net surplus/(deficit) as per Statement of Financial Performance	184 566	628 040
(Increase)/decrease in receivables – current	3 247	19 588
(Increase)/decrease in prepayments and advances	-657	-1 081
(Increase)/decrease in other current assets	-986	–
Increase/(decrease) in payables – current	-13 749	3 098
Proceeds from sale of capital assets	1 946	-497
Proceeds from sale of other financial assets	-986	–
Surrenders to Revenue Fund	-236 275	-470 404
Expenditure on capital assets	578 529	226 309
Net cash flow generated by operating activities	515 635	405 053
16. RECONCILIATION OF CASH AND CASH EQUIVALENTS FOR CASH FLOW PURPOSES		
Consolidated Paymaster General account	330 017	392 933
Cash receipts	1 926	2 784
Disbursements	-69	–
Cash on hand	156	144
Total	332 030	395 861

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**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

These amounts are not recognised in the Annual Financial Statements and are disclosed to enhance the usefulness of the Annual Financial Statements.

17. CONTINGENT LIABILITIES*Annexure*

			2005/06 R'000	2004/05 R'000
Liable to	Nature			
Motor vehicle guarantees	Employees	<i>Ann 3A</i>	930	1 170
Housing loan guarantees	Employees	<i>Ann 3A</i>	12 802	14 252
Claims against the department		<i>Ann 3B</i>	284	–
			14 016	15 422

The department has 202 pending litigation cases. It is not possible to estimate the contingent liability as these cases are in different stages of the legal process.

18. COMMITMENTS

	2005/06 R'000	2004/05 R'000
Current expenditure		
Approved and contracted	118 820	33 921
Capital expenditure		
Approved and contracted	19 914	176 465
Total	138 734	210 386

19. ACCRUALS

Listed by economic classification	30 Days R'000	30+ Days R'000	Total R'000 2005/06	Total R'000 2004/05
Compensation of employees	–	–	–	45 000
Goods and services	–	17 433	17 433	–
Buildings and other fixed structures	–	–	–	42 541
Machinery and equipment	–	24 667	24 667	–
Total	–	42 100	42 100	87 541

**DEPARTMENT OF HOME AFFAIRS
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**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

Listed by programme level

	2005/06 R'000	2004/05 R'000
Programme 1: Administration	106 851	17 734
Programme 2: Delivery of Services	71 399	237 652
Programme 3: Auxiliary and Associated Services	2 584	42 541
	180 834	297 927

20. EMPLOYEE BENEFITS

	2005/06 R'000	2004/05 R'000
Leave entitlement	21 642	121 342
Thirteenth cheque	21 850	19 567
Performance awards	–	45
Capped leave commitments	102 433	–
	145 925	140 954

21. RECEIVABLES FOR DEPARTMENTAL REVENUE

Tax revenue	225 273	232 979
Sales of goods and services other than capital assets	12 235	6 257
Fines, penalties and forfeits	172	1
Interest, dividends and rent on land	26	497
Sales of capital assets	-138	-76
Total	237 568	239 658

22. IRREGULAR EXPENDITURE**22.1 Reconciliation of irregular expenditure**

Current expenditure	986	–
Irregular expenditure awaiting condonement	986	–
Analysis		
Current	986	–
	986	–

**DEPARTMENT OF HOME AFFAIRS
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**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

22.2 Irregular expenditure

Incident	Disciplinary steps taken/criminal proceedings
----------	---

Non compliance with Tender Regulations in procurement of Security Services	In process
---	------------

**2005/06
R'000**

**2004/05
R'000**

986

–

986

–

23. REVENUE RECEIVED/(PAID)

Sales of goods and services other than capital assets

225 273

232 979

Fines, penalties and forfeits

12 235

6 257

Interest, dividends and rent on land

172

1

Sales of capital assets

26

497

Financial transactions in assets and liabilities

-138

-76

Total

237 568

239 658

**DEPARTMENT OF HOME AFFAIRS
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**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

24. KEY MANAGEMENT PERSONNEL		2005/06 R'000	2004/05 R'000
Description	No. of Individuals		
Political office bearers (provide detail below)			
Officials	2	1 685	2 485
Level 15 to 16	7	4 698	2 571
Level 14	13	5 376	3 609
Total		11 759	8 665

DEPARTMENT OF HOME AFFAIRS
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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006

Annexure 1F Statement of unconditional grants and transfers to Municipalities

NAME OF MUNICIPALITY	GRANT ALLOCATION			TRANSFER		SPENT			2004/05	
	Amount R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available funds Transferred %	Amount received by municipality R'000	Amount spent by municipality R'000	% of Available funds spent by municipality %	Total Available R'000
Amajuba District Municipality	5	-	-	5	6	120.0%	-	-	-	-
Amatole District Municipality	5	-	-	5	17	340.0%	-	-	-	-
Bojanala Platinum District Municipality	23	-	-	23	42	182.6%	-	-	-	-
Bophirima District Council	45	-	-	45	39	86.7%	-	-	-	-
Cacadu District Municipality	43	-	-	43	89	207.0%	-	-	-	-
Cape Metropolitan Council	98	-	-	98	79	80.6%	-	-	-	-
Cape Winelands District Municipality	17	-	-	17	11	64.7%	-	-	-	-
Capricorn District Municipality	84	-	-	84	97	115.5%	-	-	-	-
Central District Municipality	-	-	-	-	37	-	-	-	-	-
Chris Hani District Municipality	74	-	-	74	55	74.3%	-	-	-	-
East Freestate District Council	44	-	-	44	47	106.8%	-	-	-	-
Eastvaal District Municipality	-	-	-	-	3	-	-	-	-	-
Eden District Municipality	7	-	-	7	12	171.4%	-	-	-	-
Ehlanzeni District Municipality	84	-	-	84	83	98.8%	-	-	-	-
Ethekwini Municipality	63	-	-	63	80	127.0%	-	-	-	-
Frances Baard District Municipality	15	-	-	15	16	106.7%	-	-	-	-
Gert Sibande District Municipality	26	-	-	26	27	103.8%	-	-	-	-
Greater East Rand Metropolitan	14	-	-	14	112	800.0%	-	-	-	-
Greater Johannesburg Metropolitan Council	105	-	-	105	153	145.7%	-	-	-	-
Indlovu Regional Council	27	-	-	27	27	100.0%	-	-	-	-
Karoo District Municipality	3	-	-	3	3	100.0%	-	-	-	-
Kgalagadi District Municipality	6	-	-	6	6	100.0%	-	-	-	-
Lejweleputswa District Municipality	-	-	-	-	12	-	-	-	-	-
Lower-Orange District Council	-	-	-	-	18	-	-	-	-	-
Mopani District Council	25	-	-	25	22	88.0%	-	-	-	-
Motheo District Municipality	41	-	-	41	43	104.9%	-	-	-	-
Namakwa District Municipality	8	-	-	8	8	100.0%	-	-	-	-

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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006

NAME OF MUNICIPALITY	GRANT ALLOCATION			TRANSFER		SPENT		2004/05		
	Amount R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	Available funds Transferred %	Amount received by municipality R'000		Amount spent by municipality R'000	Available funds spent by municipality %
Nkangala District Council	33	—	—	33	38	115.2%	—	—	—	—
Northern Freestate District Council	6	—	—	6	6	100.0%	—	—	—	—
Overberg District Municipality	5	—	—	5	4	80.0%	—	—	—	—
Sedibeng District Municipality	19	—	—	19	24	126.3%	—	—	—	—
Southern District Council	65	—	—	65	20	30.8%	—	—	—	—
Tshwane Metropolitan Municipality	1573	—	—	1 573	865	55.0%	—	—	—	—
Ugu District Municipality	10	—	—	10	16	160.0%	—	—	—	—
Umgungundlovu District Municipality	13	—	—	13	16	123.1%	—	—	—	—
Umzinyathi District Municipality	5	—	—	5	5	100.0%	—	—	—	—
Uthungulu District Municipality	18	—	—	18	22	122.2%	—	—	—	—
Vhembe District Municipality	37	—	—	37	46	124.3%	—	—	—	—
Waterberg District Municipality	36	—	—	36	20	55.6%	—	—	—	—
West Coast District Municipality	6	—	—	6	4	66.7%	—	—	—	—
West Rand District Municipality	24	—	—	24	30	125.0%	—	—	—	—
Zululand District Municipality	17	—	—	17	19	111.8%	—	—	—	—
Vehicle Lic:Municipality City										
Tshwane	25	—	—	25	27	108.0%	—	—	—	—
	2 754	—	—	2 754	2 306	—	—	—	—	—

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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006

ANNEXURE 1L
STATEMENT OF TRANSFERS TO HOUSEHOLDS

	TRANSFER ALLOCATION				EXPENDITURE		2004/05
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	
HOUSEHOLDS	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Employment Social Benefits-Cash	1 955	–	–	1 955	3078	157,4	5 307
Claims against the State	–	–	–	–	284	–	357
Gifts and donations	–	–	–	–	13	–	101
Total	1 955	–	–	1 955	3 375	–	5 765

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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006

ANNEXURE 1M
STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2005/06	2004/05
		R'000	R'000
Received in cash			
African Renaissance Fund DRC Project Plan	Review of the Bilateral co-operation between SA and the DRC	2 500	-
		2 500	-
Received in kind			
Department of Local Government and Housing	ID Campaign: Western Cape	227	-
		227	-

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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

**ANNEXURE 10
STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE AND REMISSIONS, REFUNDS AND PAY-
MENTS MADE AS AN ACT OF GRACE FOR THE YEAR ENDED 31 MARCH 2006**

NATURE OF GIFT, DONATION OR SPONSORSHIP	2005/06
	R'000
Made in kind	
Various small items	2
Painted Wood tree	2
Trophy	3
Art – Cheetah hanging Ostrich	4
African Lady Side Table	2
Total	13

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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

**ANNEXURE 3A
STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2006 – LOCAL**

GUARANTOR INSTITUTION	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2005	Guarantees issued during the year	Guarantees released/paid/ cancelled/ reduced during the year	Guaranteed interest for year ended 31 March 2006	Closing balance 31 March 2006	Realised losses not recoverable
		R'000	R'000	R'000	R'000	R'000	R'000	R'000
Stannic	Motor vehicles	930	1 170	–	240	–	930	–
	Housing							
Absa Bank		3 094	3 725	152	783	–	3 094	–
African /Unique Bank		84	84	–	–	–	84	–
Boe Bank		1 030	1 143	46	159	–	1 030	–
First National Bank		1 244	1 424	189	369	–	1 244	–
Free State Development		18	18	–	–	–	18	–
Green Start H/L		31	31	–	–	–	31	–
Hlano Fin Services		18	18	–	–	–	18	–
Ithala		34	34	–	–	–	34	–
Meeg Bank		59	114	–	55	–	59	–
NP Development Corporation		189	155	34	–	–	189	–

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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006

ANNEXURE 3A (Continued)
STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2006 – LOCAL

GUARANTOR INSTITUTION	Guarantee in respect of	Original guaranteed capital amount R'000	Opening balance 1 April 2005 R'000	Guarantees issued during the year R'000	Guarantees released/paid/ cancelled/ reduced during the year R'000	Guaranteed interest for year ended 31 March 2006 R'000	Closing balance 31 March 2006 R'000	Realised losses not recoverable R'000
Nedcor		3 288	3 278	361	351	—	3 288	—
NHFC		66	44	22	—	—	66	—
Old Mutual Bank		312	312	—	—	—	312	—
Peoples Bank		533	635	—	102	—	533	—
Saambou Bank		1 097	1 237	30	170	—	1 097	—
Siyanda District Municipality		7	—	7	—	—	7	—
Standard Bank		1 485	1 806	202	523	—	1 485	—
TNBS Mutual Bank		33	33	—	—	—	33	—
Uni Bank		15	15	—	—	—	15	—
VBS Mutual Bank		165	146	35	16	—	165	—
		12 802	14 252	1 078	2 528	—	12 802	—
Total		13 732	15 422	1 078	2 768	—	13 732	—

DEPARTMENT OF HOME AFFAIRS
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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006

ANNEXURE 3B
STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2006

NATURE OF LIABILITY	Opening Balance 01/04/2005	Liabilities incurred during the year	Liabilities paid/cancelled/ reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing Balance 31/03/2006
	R'000	R'000	R'000	R'000	R'000
Claims against the Department	–	284	–	–	284
Total	–	284	–	–	284

**DEPARTMENT OF HOME AFFAIRS
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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

**ANNEXURE 4
CAPITAL TANGIBLE ASSET MOVEMENT SCHEDULE FOR THE
YEAR ENDED 31 MARCH 2006**

	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	46 439	72 555	–	118 994
Other fixed structures	46 439	72 555	–	118 994
MACHINERY AND EQUIPMENT	253 812	364 301	–	618 113
Transport assets	69 974	44 692	–	114 666
Computer equipment	165 691	281 191	–	446 882
Furniture and office equipment	17 068	34 783	–	51 851
Other machinery and equipment	1 079	3 635	–	4 714
TOTAL CAPITAL ASSETS	300 251	436 856	–	737 107

**ANNEXURE 4.1
ADDITIONS MOVEMENT SCHEDULE FOR THE YEAR ENDED 31 MARCH 2006**

	Cash R'000	In-Kind R'000	Total R'000
BUILDINGS AND OTHER FIXED STRUCTURES	72 555	–	72 555
Other fixed structures	72 555	–	72 555
MACHINERY AND EQUIPMENT	364 301	–	364 301
Transport assets	44 692	–	44 692
Computer equipment	281 191	–	281 191
Furniture and office equipment	34 783	–	34 783
Other machinery and equipment	3 635	–	3 635
TOTAL CAPITAL ASSETS	436 856	–	436 856

**DEPARTMENT OF HOME AFFAIRS
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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

ANNEXURE 4.2

DISPOSALS MOVEMENT SCHEDULE FOR THE YEAR ENDED 31 MARCH 2006

	Carrying Amount R'000	Cash R'000	Profit/(loss) on Disposal R'000
MACHINERY AND EQUIPMENT	–	26	26
Furniture and office equipment	–	26	26
TOTAL CAPITAL ASSETS	–	26	26

ANNEXURE 4.3

CAPITAL TANGIBLE ASSET MOVEMENT SCHEDULE FOR THE YEAR ENDED 31 MARCH 2005

	Additions R'000	Disposals R'000	Total Movement R'000
BUILDINGS AND OTHER FIXED STRUCTURES	20 094	–	20 094
Other fixed structures	20 094	–	20 094
MACHINERY AND EQUIPMENT	182 368	–	182 368
Transport assets	66 412	–	66 412
Specialised military assets	103 231	–	103 231
Computer equipment	11 646	–	11 646
Other machinery and equipment	1 079	–	1 079
TOTAL CAPITAL ASSETS	202 462	–	202 462

ANNEXURE 5

**SOFTWARE AND OTHER INTANGIBLE ASSETS MOVEMENT SCHEDULE
AS AT 31 March 2006**

	Opening Balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
Computer Software	–	141 673	–	141 673
TOTAL	–	141 673	–	141 673

**DEPARTMENT OF HOME AFFAIRS
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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2006**

ANNEXURE 5.1**ADDITIONS MOVEMENT SCHEDULE FOR THE YEAR ENDED 31 MARCH 2006**

	Cash R'000	In-Kind R'000	Total R'000
Computer Software	141 673	–	141 673
Total	141 673	–	141 673

ANNEXURE 5.2**CAPITAL INTANGIBLE ASSET MOVEMENT SCHEDULE FOR THE YEAR ENDED
31 MARCH 2005**

	Additions R'000	Disposals R'000	Total Movement R'000
BUILDINGS AND OTHER FIXED STRUCTURES			
Computer Software	23 847	–	23 847
TOTAL	23 847	–	23 847

ANNEXURE 6**INTER-GOVERNMENT RECEIVABLES**

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2006	31/03/2005	31/03/2006	31/03/2005	31/03/2006	31/03/2005
	R'000	R'000	R'000	R'000	R'000	R'000
Department						
Clearing Accounts	1 734	12 826	–	–	1 734	12 826
TOTAL	1 734	12 826	–	–	1 734	12 826

Annual Financial Statements

Government Printing Works

Department of Home Affairs Annual Report 2005 - 2006



home affairs

Department:
Home Affairs
REPUBLIC OF SOUTH AFRICA

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*Annual Financial Statements***GOVERNMENT PRINTING WORKS ACCOUNTING OFFICER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2006****STATEMENT OF ACCOUNTING OFFICER'S RESPONSIBILITY**

The Accounting Officer is responsible for the maintenance of adequate accounting records and the preparation and integrity of the financial statements and related information. The auditors are responsible to report on the fair presentation of the financial statements. The financial statements have been prepared in accordance with Generally Accepted Accounting Practice and in the manner required by Section 40 (1)(b) of the PFMA.

The Accounting Officer is also responsible for Government Printing Works' system of internal financial control. These are designed to provide reasonable, but not absolute, assurance as to the reliability of the financial statements and to adequately safeguard, verify and maintain accountability of assets, and to prevent and detect misstatements and losses. Nothing has come to the attention of the Accounting Officer to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review. The financial statements have been prepared on the going concern basis and in compliance with General Accepted Accounting Practice. Unless otherwise indicated, the financial statements are prepared on the same basis and accounting policies as in previous years and it is the intention of Government Printing Works to move closer towards conforming to the Generally Accepted Accounting Practice as directed by the National Treasury.

1. BACKGROUND

1.1 The Government Printing Works **[GPW]** is a **Trading Entity** operating within the vote of the Department of Home Affairs. In terms of the Public Finance Management Act, 1999 (**PFMA**), Act No. 1 of 1999 as amended by Act No. 29 of 1999, a trading entity is defined as an entity operating within the administration of a department for the provision or sale of goods or services and established with the approval of the National Treasury. Being a trading entity, the Government Printing Works operates purely on a commercial basis, which means it generates Revenue to defray its costs, provides for capital requirements and any surplus made is paid over to the **Revenue Fund** at National Treasury.

1.2 For the financial year ended 31 March 2005, the Auditor-General had expressed no opinion (Disclaimer of audit opinion) regarding the financial management of the Government Printing Works.

1.3 SERVICES RENDERED BY THE GOVERNMENT PRINTING WORKS

The Government Printing Works is tasked with the rendering of printing and related services to Government Departments, Provincial Institutions and Local Authorities. This entails the following:

1.3.1. Services

- Compiling, editing, printing and distribution of Government Gazettes and Provincial Gazettes.
- The procurement and stocking of departmental forms and face value documents.
- The provision of a printing service pertaining to high security documents and also printed matter of general nature.
- The procurement and distribution of standard stationery items.
- The administration of Publications Section to provide for the stocking of government publications and the selling thereof to Government Institutions and the general public, as well as to institutions abroad.

*Annual Financial Statements***GOVERNMENT PRINTING WORKS ACCOUNTING OFFICER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2006****1.3.2 Tariff policy**

Tariffs are changed in terms of GPW policies and after receiving approval on the changes by National Treasury.

1.3.3 Printing

Job costing is done by application of the direct costing method, which allows for all material, equipment, depreciation, labour and other expenditure incurred to render a particular service, to be recovered from customers.

1.3.4 Stationery and government publications

Calculations are based on actual cost of production, i.e. cost of purchases plus operating costs.

2. CAPACITY CONSTRAINTS**ADMINISTRATIVE MATTERS**

As in the past, retention of skilled personnel continues to be a challenge for Government Printing Works. The unfavourable remuneration packages GPW offers to its employees compared to the private printing industry remains the primary reason it cannot attract and retain skilled and competent employees.

2.1 CRITICAL MANAGEMENT POSITIONS

- Employment of a Chief Executive Officer and other executive management staff

After almost six years of operating without a substantive head, Mr. Tom Moyane was appointed as the Chief Executive Officer of the Government Printing Works with effect from 1 April 2005. Mr. Moyane joins Government Printing Works with vast experience in both the private and public service administration. Amongst his mandate is the total transformation of the Government Printing Works in preparation for its transition from its present mode to the envisaged State Enterprise.

In the ensuing year the following senior managers were appointed:

	Date of appointment
o Executive Director: Human Resources and Transformation - Ms N Mdakane	1 April 2006
o Executive director: Marketing and Sales – Ms S Mbhele	1 April 2006
o Chief Financial Officer – Mr G T Ncetani	2 March 2006
o Director: Costing – Mr R Mohanlal	1 April 2006
	Date of resignation
o Chief Financial Officer – Mr D M Ntimba	1 October 2005

*Annual Financial Statements***GOVERNMENT PRINTING WORKS ACCOUNTING OFFICER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2006**

GPW is currently conducting an organizational analysis for the purpose of establishing proper staff needs in lieu of its present mandate and the need by the government to accelerate service delivery.

- Capacity Constraints

The dichotomy of Government Printing Works is that it is running on strictly business principles and yet operating within the ambit of the Public Service Act has been one of the factors inhibiting its efficiency and effectiveness. This has amongst others manifested itself in GPW's inability to attract qualified personnel or retain those it has trained as it pays far less than what the printing industry pays to its core employees such as experienced artisans. Furthermore, despite the magnitude of its turnover each year, GPW has never had the services of a Cost Accountant as a result of remunerative factors.

At the lower level in financial management, a revolving door syndrome has resulted in a situation where several key components have vacancies that must be filled frequently. The recent completed job evaluation exercise will address the cited capacity problems and the high employee turn over.

With upgrading of posts through the job evaluation process, GPW will be able to recruit and retain highly skilled employees as GPW will be paying market related salaries.

2.2 CORPORATISATION OF GOVERNMENT PRINTING WORKS

In pursuance of Cabinet decision that the Government Printing Works be transformed into a State Owned Enterprise, a Ministerial Advisory Committee (MAC) was established in 2004 to undertake the procedural steps to advise the Minister of Home Affairs amongst others, on the process going forward regarding the Corporatisation process. The National Treasury has indicated that the listing of GPW as a schedule 3A company will take place during 2006/7 financial year. GPW, Department of Home Affairs, Department of Public Enterprises and National Treasury are drafting a joint memo to the Cabinet in this regard and the memo is to reach Cabinet before October 2006.

3. OPERATIONS AND TECHNOLOGY**3.1 MACHINERY AND EQUIPMENT**

The Government Printing Works' in-house plant printing facilities provide for the three main printing disciplines being Origination, Printing and Finishing operations to fully support the printing needs of Government in general. Although these facilities include few of the sophisticated machinery and equipment, there are various items of production equipment, which are either in dilapidated state or are no longer economically viable to maintain. The Government Printing Works will embark on an equipment replacement programme during the coming financial period in order to ensure that it remains in a position to respond timeously to its mandate particularly after the corporitisation exercise.

3.2 STAFF MATTERS

Various positions remain vacant in the GPW Technical staff, as efforts to source qualified artisans were not successful. As such, the Government Printing Works continued to experience capacity problems due to lack of skilled personnel and high employee turnover due to the institution's inability to match industry salaries.

Annual Financial Statements

**GOVERNMENT PRINTING WORKS ACCOUNTING OFFICER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2006**

3.3 SECURITY INFRASTRUCTURE

The security measures in an industry like ours will always remain a challenge. During the 2005/2006 financial period, GPW embarked on investigating possible measures on whether to install additional security measures, or upgrade the existing security or wait for the imminent move to appropriate new printing facilities in the near future. GPW security needs are seen as not the worst and at the same time not very modern. GPW employed additional physical security in critical areas.

4. FINANCIAL MANAGEMENT

Continuous progress is being made in respect of improvement on financial management and reporting in Government Printing Works.

It must also be registered that most of the problems cited in the Report of the Auditor-General are capacity and systems related problems. As an institution, the GPW is busy with appointments and reshuffling of staff in order to address this problem.

5. APPROVAL

The Accounting Officer has approved the attached annual financial statements set out below.



T. Moyane
CHIEF EXECUTIVE OFFICER
DATE: 31 JULY 2006

Annual Financial Statements

**REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT
ON THE FINANCIAL STATEMENTS OF THE GOVERNMENT PRINTING WORKS
FOR THE YEAR ENDED 31 MARCH 2006**

1. AUDIT ASSIGNMENT

The financial statements as set out on pages 150 to 165, for the year ended 31 March 2006, have been audited in terms of section 188 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996), read with sections 4 and 20 of the Public Audit Act, 2004 (Act No. 25 of 2004). These financial statements are the responsibility of the accounting officer. My responsibility is to express an opinion on these financial statements, based on the audit.

2. SCOPE

The audit was conducted in accordance with the International Standards on Auditing read with General Notice 544 of 2006, issued in Government Gazette No. 28723 of 10 April 2006 and General Notice 808 of 2006, issued in Government Gazette No. 28954 of 23 June 2006. Those standards require that I plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement.

An audit includes:

- examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements
- assessing the accounting principles used and significant estimates made by management
- evaluating the overall financial statement presentation.

I believe that the audit provides a reasonable basis for my opinion.

3. QUALIFICATION**3.1 MANAGEMENT OF DEBTORS**

In my previous audit report dated 9 December 2005, I reported on the lack of effective and efficient steps to collect monies due to the Government Printing Works (GPW) timeously, compounded by a lack of skilled and competent staff, as well as insufficient management reviews which resulted in the poor management of debtors. During the year under review the trade and other receivables balance amounted to R155 million (2005: R132 million). Corrective measures implemented by management were ineffective and insufficient and the poor management of debtors continued. The following are examples:

- Debtors with credit balances on the debtors' age analysis have not been correctly disclosed under creditors in the financial statements, resulting in the under statement of debtors by R 2,499 million;
- A formal policy for the provision for doubtful debts did not exist. Furthermore, not all debtors over 120 days, totalling R106,174 million, were provided for, resulting in a possible overstatement of debtors as the current provision for doubtful debts stands unchanged at R50,831 million (2005: R50,831 million).

3.2 VALUATION OF INVENTORIES

Various weaknesses in the control over inventories resulted in the following error:

- Inventory valued at a total of R13,304 million was identified by management as obsolete and slow moving but was not written off nor provided for. Furthermore, the stock count procedures did not provide for the identification of obsolete and slow moving stock for possible write-off, which could result in the overstatement of inventories.

Annual Financial Statements

**REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT
ON THE FINANCIAL STATEMENTS OF THE GOVERNMENT PRINTING WORKS
FOR THE YEAR ENDED 31 MARCH 2006**

3.3 COST OF SALES

Included in the cost of sales are the following adjustments, which have not been explained satisfactorily:

• Revaluations	(R 3 102 523)
• Shortages	R 5 244 458
• Surplus	(R 3 333 622)
• Redundant stock	R 672 519

The net result of these adjustments is that cost of sales is understated by R519 168.

3.4 PROPERTY, PLANT AND EQUIPMENT

- In note 1.1 of the accounting policies it is stated that assets without a book value but which are still in use are revalued according to their historical costs by realising their annual depreciation against income and increasing their replacement value through the machinery and equipment fund. For the year ended 31 March 2006, an amount of R 4,013 million (2005: R 3,010 million) was charged to the income statement as opposed to being debited to the relevant asset account. It is submitted that only the depreciation on the revalued amount should be charged to the income statement, rather than the full revaluation amount.

3.5 CONTROL ENVIRONMENT

The following weaknesses in the control environment pertaining to reconciliations were identified:

- The fixed asset register is not reconciled to the general ledger and there is a difference of R 1,136 million on cost and R 0,341 million on the accumulated depreciation.
- Unreconciled differences between the VAT control account and VAT 201 returns amounted to R 8,116 million (2005: R 11,831 million), which could be as a result of non-compliance with the VAT Act.
- There is no adequate system to ensure that all unpaid suppliers' invoices are accounted for at year-end. Our audit discovered unrecorded liabilities of R1, 352 million at 31 March 2006.

4. ADVERSE AUDIT OPINION

In my opinion, because of the significance of the matters described in the preceding paragraph and its effect on the financial statements, the financial statements do not present fairly the financial position of the Government Printing Works at 31 March 2006 and the results of its operations and cash flows for the year then ended, in accordance with South African Statements of Generally Accepted Accounting Practice and in the manner required by the Public Finance Management Act, 1999 (Act No. 1 of 1999).

5. EMPHASIS OF MATTER

Without further qualifying the audit opinion expressed above, attention is drawn to the following matters:

Annual Financial Statements

**REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT
ON THE FINANCIAL STATEMENTS OF THE GOVERNMENT PRINTING WORKS
FOR THE YEAR ENDED 31 MARCH 2006**

5.1 BUDGETING PROCESS

Evidence that a 3-year strategic plan for the GPW was approved as required by Treasury Regulation 5.2.2 was not available for audit purposes and the expenditure budget for 2005/06 was not approved before the beginning of the new financial year. Furthermore, not all monthly reports and cash flow projections were prepared for the year under review as required by Treasury Regulation 19.8 and reports that were submitted did not include variances and explanations for variances between actual and budgeted amounts.

5.2 REPORT ON PERFORMANCE AGAINST PREDETERMINED OBJECTIVES

In terms of the sections 40(3)(a) and 55(2)(a) of the PFMA, the GPW is required to submit its annual financial statements for audit on 31 May 2006, together with a report on its performance against predetermined objectives. Such a report was not submitted.

5.3 RISK ASSESSMENT AND FRAUD PREVENTION PLAN

In terms of Treasury Regulation 3.2.1 the accounting officer must ensure that a risk assessment is conducted regularly and develop a risk management strategy, including a fraud prevention plan. This is to be used to direct internal audit effort and to prioritise and determine the skills required of managers and staff to improve controls and to manage these risks. The entity did conduct a risk assessment and compiled a fraud prevention plan but these are yet to be approved, implemented and monitored.

5.4 INTERNAL AUDIT

In my previous report dated 9 December 2005, I reported that due to capacity problems the internal auditor did not execute all the internal audit projects as planned and that no reliance could be placed on the work of internal audit. This situation did not improve during the current year. Consequently no reliance was placed on internal audit.

5.5 SUBMISSION OF AMENDED ANNUAL FINANCIAL STATEMENTS

In terms of section 40(1)(c)(i) of the PFMA the accounting officer of a trading entity must submit the financial statements to the Auditor-General within two months after the end of the financial year. The financial statements submitted to the Auditor-General on 31 May 2006 were withdrawn for correction in response to the high level review performed by the Auditor-General per his letter dated 6 June 2006 and reissued on 31 July 2006. Furthermore, the financial statements were signed by the chief executive officer and not by the accounting officer as required.

5.6 INFORMATION TECHNOLOGY

An information systems audit of the general controls surrounding the information technology (IT) environment at the Government Printing Works (GPW) was completed in June 2006 and the findings were reported to the chief executive officer. The corrective measures referred to in the GPW management comments will be evaluated during the next information systems audit.

The most significant weaknesses were the following:

- An IT security policy had been drafted, but had not been approved by management nor implemented. Furthermore the password and logon controls for the financial system were inadequate, as users were not prevented from sharing passwords.

Annual Financial Statements

**REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT
ON THE FINANCIAL STATEMENTS OF THE GOVERNMENT PRINTING WORKS
FOR THE YEAR ENDED 31 MARCH 2006**

- The drafted change control policy document had not yet been approved. Furthermore segregation of duties was inadequate since the developers had access to the financial systems data and programs.
- A formal comprehensive disaster recovery plan had not been developed to ensure that business could be resumed promptly after a disaster had occurred.
- An IT strategic plan had not been approved and implemented to ensure that the IT service delivery would remain aligned with the business strategy and requirements.

5.7 BASIS OF ACCOUNTING

In terms of section 55(1)(b) of the PFMA, the GPW must prepare financial statements in accordance with South African Statements of Generally Accepted Accounting Practice. IAS 1 (AC 101): Presentation of financial statements requires the basis of preparation to be disclosed in the financial statements. GPW has not complied with the disclosure requirements of the following GAAP statements:

- IAS 17 (AC 105) Leases
- IAS 32 (AC 125) Financial instruments; disclosure and presentation
- IAS 36 (AC 128) Impairment of assets
- IAS 39 (AC 133) Financial instruments; recognition and measurement

Furthermore work-in-progress and finished goods do not include all the conversion costs as required by South African Statement of GAAP No. IAS 2 (AC108). Such conversion costs are included in operating expenditure. Consequently inventory is understated.

5.8 ACCOUNTING OFFICER'S REPORT

The GPW has reported in the accounting officer's report as part of the annual financial statements that nothing has come to the attention of the accounting officer to indicate that any material breakdown in the functioning of internal controls, procedures and systems had occurred during the year under review. This is not consistent with my knowledge of the GPW as reflected in this audit report.

Appreciation

The assistance rendered by the staff of the Government Printing Works is sincerely appreciated.



**for Auditor-General
L Zondo
Pretoria
24/08/2006**



A U D I T O R - G E N E R A L

Government Printing Works
BALANCE SHEET AS AT 31 MARCH 2006

	NOTES	2006 R'000	2005 R'000
ASSETS			
Non-current assets		35 651	43 270
Property, plant and equipment	2	35 651	43 270
CURRENT ASSETS			
		362 050	330 303
Inventories	3	103 338	119 282
Trade and other receivables	4	155 536	131 786
Cash and cash equivalents	5	103 176	79 235
Total assets		397 701	373 573
EQUITY AND LIABILITIES			
Funds		346 022	281 766
Capital fund	6	189 098	189 879
Machinery and Equipment fund	7	95 932	60 122
Funds distributable to National Treasury	8	60 992	31 765
Current liabilities		51 679	91 807
Trade and other payables	9	43 810	82 262
Provisions	10	7 869	9 545
Total equity and liabilities		397 701	373 573

*Government Printing Works***INCOME STATEMENT FOR THE YEAR ENDED 31 MARCH 2006**

	NOTES	2006 R'000	2005 R'000
Revenue	11	464 062	469 743
Cost of sales		272 870	290 771
Gross surplus		191 192	178 972
Other income	12	2 306	2 498
Operating surplus		193 498	181 470
Operating expenditure	13	132 506	149 705
Net profit/(loss) for the year before distributions		60 992	31 765
Funds distributable to National Revenue Fund		(60 992)	(31 765)
Transfers to National Revenue Fund		0	0

Government Printing Works

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2006

	Notes	Capital fund R'000	Machinery & Equipment fund R'000	Retained earnings R'000	Total R'000
Balance at beginning of year 1 April 2005		189 879	60 122	31 765	281 766
Net surplus for the year	8	0	0	60 992	60 992
Adjustment for replacement value	7	0	4 013	0	4 013
Restatement of prior years error on the value of the building	2	(781)	0	0	(781)
Previous year profit	8	0	31 765	(31 765)	0
Restatement of prior year error	7	0	32	0	32
Balance at end of year 31 March 2005		189 098	95 932	60 992	346 022

	Notes	Capital fund R'000	Machinery & Equipment fund R'000	Retained earnings R'000	Total R'000
Balance at beginning of year 1 April 2004		189 879	57 152	0	247 031
Net surplus for the year	8	0	0	31 765	31 765
Adjustment for replacement value	7	0	3 010	0	3 010
Restatement of prior year error	7	0	(40)	0	(40)
Balance at end of year 31 March 2006		189 879	60 122	31 765	281 766

Government Printing Works

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2006

	Notes	2006 R'000	2005 R'000
Cash flows from operating activities			
Cash generated from operations	14	70 494	62 618
Net changes in working capital	15	(46 258)	(34 228)
Interest	12	2 118	2 320
Net cash generated by operating activities		26 354	30 710
Cash flows from investing activities			
Acquisition of machinery and equipment	2	(2 601)	(4 481)
Net cash outflow from investing activities		(2 601)	(4 481)
Cash flows from financing activities			
Administration fees (Home Affairs)	12	188	178
Net cash received to finance activities		188	178
Net increase in cash and cash equivalents		23 941	26 407
Cash and cash equivalents at beginning of year		79 235	52 828
Cash and cash equivalents at end of year		103 176	79 235

Government Printing Works**NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006****1. ACCOUNTING POLICIES**

The following accounting policies, which have been adopted by Government Printing Works, are consistent with the previous year. The financial statements have been prepared in accordance with the Generally Accepted Accounting Practice (GAAP) except where indicated as such.

The Government Printing Works has departed from the following two statements of Generally Accepted Accounting Practice:

1.1 ACCOUNTING FOR PROPERTY, PLANT AND EQUIPMENT, IAS 16 (AC 123)

At year-end, assets on the assets register without a book value but are still in use are revalued according to their historical cost by realizing their annual depreciation against income and increasing their replacement value through the machinery and equipment fund. The departure from the accounting statement is consistent with previous year and has no material financial impact on Government Printing Works' financial results, financial position and cash flows for the year ended March 31, 2006.

1.2 ACCOUNTING FOR INVENTORY, IAS 2 (AC 108)

Inventory presented in the financial statements does not conform to the statement of IAS 2 (AC 108), which statement requires inventories to be measured at lower of cost and net realizable value. Inventories held by Government Printing Works at year-end are measured at weighted average cost. The treatment is consistent with previous year. Whereas the departure from Generally Accepted Accounting Practice may have material financial implications, it is not practicable to estimate the value of such departure reliably.

1.3 BASIS OF PREPARATION

The annual financial statements are prepared on the historical cost basis. The following are the principal accounting policies used by the management, which are consistent with those of the previous year.

1.3.1 Property, plant and equipment

Plant and equipment are shown at historical cost less accumulated depreciation. Included in the cost are recapitalisation expenditures incurred to put the plant and equipment back into operation. Depreciation is calculated on the straight-line method to write off the cost of each asset over its estimated useful life as follows:

	Depreciable portion	Estimated useful life
Plant and equipment	100%	8 years
Computer equipment	100%	3 years
Office furniture	100%	6 years

When the carrying value of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount. In determining the recoverable amount of assets, expected cash flows are discounted to their present values. Gains and losses on disposal of fixed assets are determined by reference to their carrying amount and are taken into account in determining operating surplus. All new property, plant and equipment are included at cost. Cost includes all costs directly attributable to bringing the assets back to working condition for their intended use and costs of direct labour and materials. Equipment that has got no useable value, is sold through public auction.

Government Printing Works**NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2006****1.3.2 Inventories**

Inventories are stated at weighted average cost. Obsolete and slow moving stock is written off from time to time. Cost is determined on the following basis:

- Raw material stock is shown at weighted average costs.
- Work in progress, comprising incomplete projects, is shown at cost of printing.
- Stock of finished goods on hand is shown at weighted average costs.
- Stock of Government Gazettes is shown at weighted average costs.

The existing stock levels on raw materials and finished goods are revalued with the difference between the existing cost price and the new cost price on receipt of new stock.

1.3.3 Trade receivables

Trade receivables are carried at anticipated realisable value. An estimate is made for doubtful receivables based on a review of all outstanding amounts at year-end. These amounts are not recognised as debtors. Bad debts are written off during the year in which they are identified.

1.3.4 Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprises of cash on hand and deposits held on call with banks.

1.3.5 Provisions

Provisions are recognized when the Government Printing Works has a present legal or constructive obligation as a result of past events. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made.

Employee entitlements to annual leave and long service leave is recognized when they accrue to employees. A provision is made for the estimated liability for annual leave, service bonuses and capped leave as a result of services rendered by employees up to the balance sheet date.

1.3.6 Revenue recognition

Revenue is recognized by Government Printing Works when an invoice has been generated, net of value added tax.

Interest on outstanding debtors is charged in terms of section 80 of the PFMA and is regulated by the National Treasury.

Government Printing Works**NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2006****1.3.7 Retirement benefit cost****▪ Pension fund**

Government Printing Works contributes to the Government Employees Pension Fund in respect of employer's contribution to the Fund, as prescribed by law and therefore recognized as an expense in the accounting period. These contributions are funded by both the employer and employees respectively. No provision is made for pension retirement benefits in the financial statements of Government Printing Works as the pension scheme is administered by National Treasury. Once the employee leaves the Department, he/she becomes a pension member under the auspices of National Treasury and has no relationship with Government Printing Works.

▪ Medical benefits

The Government Printing Works provides medical benefits for its employees in accordance with Public Service conditions of service benefits. These benefits are funded by employer and employee contributions. Employer contributions to the fund are expensed when money is paid to the fund. No provision is therefore made for medical benefits in the financial statements of the Government Printing Works.

GPW does not bear any responsibility for medical benefits for employees that have retired.

▪ Termination benefits

Termination benefits are recognised and expensed only when payment is made and the actual costs are reflected. These benefits are pro-rata leave when an employee resigns or when an employee retires. The benefits will include pro-rata leave, pro-rata bonus and capped leave.

Government Printing Works

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2006

2. PROPERTY, PLANT AND EQUIPMENT

2005/2006

	COSTS				DEPRECIATION				Net Book Value
Nature of assets	Opening	Additions	Disposals	Closing	Opening	Current	Disposals	Closing	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Plant and Equipment	77 198	781	(24)	77 955	42 857	6 699	(13)	49 543	28 412
Computer equipment	13 370	1 089	(1 535)	12 924	7 895	655	(1 387)	7 163	5 761
Office furniture	7 561	731	(125)	8 167	4 888	1 904	(103)	6 689	1 478
Land and Building	781	–	(781)	–	–	–	–	–	–
	98 910	2 601	(2 465)	99 046	55 640	9 258	(1 503)	63 395	35 651

Note : R781 000 has been written off our books to Department of Public Works as the building is owned by Department of Public Works. This figure comes from previous financial statements.

2004/2005

	COSTS				DEPRECIATION				Net Book Value
Nature of assets	Opening	Additions	Disposals	Closing	Opening	Current	Disposals	Closing	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Plant and Equipment	75 350	1 848	–	77 198	35 099	7 758	–	42 857	34 341
Computer equipment	11 531	1 839	–	13 370	6 234	1 661	–	7 895	5 475
Office furniture	6 767	794	–	7 561	4 357	531	–	4 888	2 673
Land and Building	781	–	–	781	–	–	–	–	781
	94 429	4 481	0	98 910	45 690	9 950	0	55 640	43 270

*Government Printing Works***NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2006****3. INVENTORIES**

	2006 R'000	2005 R'000
Raw materials	19 226	23 220
Finished goods	55 177	65 562
Work in progress	25 151	25 946
Government Gazettes	3 784	4 554
	103 338	119 282

Inventories are valued consistent to previous years as stated on note 1.3.2

4. TRADE AND OTHER RECEIVABLES

The provision for doubtful debts has remained unchanged in anticipation of approval of a revised policy for doubtful debts and taking consideration of progress made by collections department implemented during the year.

	2006 R'000	2005 R'000
Trade receivables	193 816	162 202
Provision for doubtful debts	50 831	50 831
	142 985	111 371
Other receivables	12 551	20 415
	155 536	131 786

Government Printing Works

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2006

5. CASH AND CASH EQUIVALENTS

	2006 R'000	2005 R'000
Paymaster General	118 201	47 684
Petty cash	8	10
Bank	(15 033)	31 541
	103 176	79 235

6. CAPITAL FUND

The accounting treatment of the capital fund has been consistent with prior years but does not conform to the statements of Generally Accepted Accounting Practice. The departure from the Generally Accepted Accounting Practice does not have any financial implications but disclosure on the annual financial statements.

	2006 R'000	2005 R'000
Balance 1 April 2005	189 879	189 879
Restatement of prior year error on the value of the building	(781)	—
Balance 31 March 2006	189 098	189 879

Refer to note no. 2.

7. MACHINERY AND EQUIPMENT FUND

The accounting treatment of the machinery and equipment fund does not conform to the statements of General Accepted Accounting Practice. The departure from the Generally Accepted Accounting Practice does not have any financial implications but disclosure on the annual financial statements.

	2006 R'000	2005 R'000
Balance 1 April 2005	60 122	57 152
Transfer for capital expenditure	31 765	—
Adjustment for replacement value	4 013	3 010
Restatement of prior year error	32	(40)
	95 932	60 122

Government Printing Works

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2006**

8. FUNDS DISTRIBUTABLE TO NATIONAL TREASURY

This fund has been created to reflect surplus funds generated during the year and approval has been requested from National Treasury to allow Government Printing Works to transfer the funds to machinery and equipment fund.

Transfer from income statement

2006 R'000	2005 R'000
60 992	31 765
60 992	31 765

9. TRADE AND OTHER PAYABLES

Trade payables

Other payables

2006 R'000	2005 R'000
32 514	71 176
11 296	11 086
43 810	82 262

10. PROVISIONS**2005/2006**

Opening balances 1/4/2005

Additional provisions made during the year

Reversal of unused amounts

Amounts utilised during the year

Closing balances 31/3/2006

Leave Pay R'000	Service Bonus R'000	Total 2005/6 R'000
6 554	2 991	9 545
0	1 629	1 629
0	(1 336)	(1 336)
(314)	(1 655)	(1 969)
6 240	1 629	7 869

Government Printing Works

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2006

2004/2005

	Leave Pay R'000	Service Bonus R'000	Total 2005/6 R'000
Opening balances 1/4/2004	6 057	1 573	7 630
Additional provisions made during the year	497	2 991	3 488
Amounts utilised during the year	0	(1 573)	(1 573)
Closing balances 31/3/2005	6 554	2 991	9 545

11. REVENUE

Revenue represents net invoiced sales to customers, excluding Value Added Tax.

	2006 R'000	2005 R'000
Regular sales	346 965	368 868
Contract printing	117 097	100 875
	464 062	469 743

12. OTHER INCOME

	2006 R'000	2005 R'000
Interest received	2 118	2 320
Administration fees (Home Affairs)	188	178
	2 306	2 498

Government Printing Works

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2006

13. OPERATING EXPENDITURE

	2006 R'000	2005 R'000
Audit fees	2 085	880
Depreciation	9 258	9 950
Employee benefits	61 285	60 126
Professional and special services	22 777	17 183
Provisions	(1 676)	20 431
Other operating expenditure	38 777	41 135
	132 506	149 705

14. CASH FLOWS FROM OPERATING ACTIVITIES

	2006 R'000	2005 R'0000
Net profit for the year	60 992	31 765
Adjusted for:		
Other income	(2 306)	(2 498)
	58 686	29 267
Adjusted for:		
Restatement of prior year error	32	(40)
Depreciation	9 258	9 950
Provisions	(1 675)	20 431
Adjustment for replacement value	4 013	3 010
Write off assets	180	0
	70 494	62 618
Operating profit before working capital changes		

15. NET CHANGES IN WORKING CAPITAL

	2006 R'000	2005 R'000
Decrease/(increase) in inventory	15 944	(9 348)
(Increase)/decrease in trade and other receivables	(23 750)	(24 907)
Increase/(decrease) in trade and other payables	(38 452)	27
	(46 258)	(34 228)

Government Printing Works**NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2006****16. NET SURPLUS FOR THE YEAR**

The following items have been charged / (credited) in arriving at net surplus:

	2006 R'000	2005 R'000
Depreciation on plant and equipment, computers and office furniture	9 258	9 950
Auditors' remuneration		
Audit fees - current year	2 085	880
Consultants' fees	4 456	2 280

17. EMPLOYEE BENEFITS

	2006 R'000	2005 R'000
Salaries and wages	51 428	49 735
Employer contribution:		
Pension	4 760	5 459
Housing	1 172	859
Medical	3 906	4 055
Public Service Co-ordinate Bargaining Council	4	4
General Public Service Bargaining Council	15	14
	61 285	60 126

18. CONTINGENT LIABILITIES

2006 R'000	2005 R'000
-----------------------	-----------------------

These contingent liabilities represent guarantees to various financial institutions for housing loans to personnel. In the event the liability arises, then Government Printing Works will be liable to pay out and then institute a claim against personnel. Although the exposure appears reasonable, there is no limit to these contingent liabilities because they are purely dependent on employees exercising the benefit.

Guarantees to various financial institutions for housing loans	896	1 161
	896	1 161

19. CAPITAL COMMITMENTS

None after the year end to date of this report.

Government Printing Works**NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2006****20. RELATED PARTY TRANSACTIONS**

The core business of the Government Printing Works is the provision of printing and related services to government entities across all spheres of government. As the Government Printing Works is a trading entity operating within the vote of the Department of Home Affairs, transactions with the Department are disclosed below:

	2006 R'000	2005 R'000
Sales	37 900	39 798
Debtor	5 776	7 939
Admin Fees received from Department of Home Affairs	188	178

21. EXECUTIVE REMUNERATION

	2006 R'000	2005 R'000
Chief Executive Officer	706	0
Chief Financial Officer	231	252
Executive Director: Operations	479	446
Director: Administration	446	413
	1 862	1 111

22. REMUNERATION OF AUDIT COMMITTEE MEMBERS

	2006 R'000	2005 R'000
Audit Committee Members	13	84

23. UNAUTHORIZED EXPENDITURE

There was no unauthorized expenditure during the year.

24. IRREGULAR EXPENDITURE

There was no irregular expenditure during the year.

Government Printing Works

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2006**

25. GIFTS AND DONATIONS

No gifts and donations were made during the year.

26. RISK MANAGEMENT

CREDIT RISK MANAGEMENT

Government Printing Works sells to government departments, state organs and the general public. It does not apply the credit management policies applied in a normal trading environment.

FAIR VALUES

The carrying values of the financial assets and financial liabilities as reported in the balance sheet are approximately their fair values.

27. FORENSIC AUDIT

An investigation report was received from an independent firm of investigators in December 2005 and was referred to a legal advisor for further attention. GPW is awaiting a response thereto. Before the investigation commenced, one staff member was suspended and another transferred away from his unit and GPW is waiting for the result of the legal outcome. No provision has been made for any anticipated losses and claims, if applicable.

28. EVENTS AFTER THE BALANCE SHEET

Events that occurred after the balance sheet date, but before the financial statements were authorized for issue, were considered. There were no events that indicate evidence of any adverse conditions that existed on balance sheet date that should be adjusted for.

Government Printing Works

**DETAILED INCOME STATEMENT NOT FORMING PART OF THE ANNUAL FINANCIAL
STATEMENTS FOR THE YEAR ENDED
31 MARCH 2006**

		2006	2005
		R'000	R'000
Revenue		464 062	469 743
	Regular sales	346 965	368 868
	Contract Printing	117 097	100 875
Cost of sales		272 870	290 771
Gross surplus		191 192	178 972
Other income		2 306	2 498
	Interest	2 118	2 320
	Administration fees	188	178
Operating surplus		193 498	181 470
Expenditure		132 506	149 705
	Administration expenses	15 814	12 647
	Audit fees	2 085	880
	Consumables	13 786	16 279
	Depreciation	9 258	9 950
	Adjustment for replacement value	4 013	3 010
	Levies recovered	4 191	9 199
	Employee benefits	61 285	60 126
	Professional and special services	22 777	17 183
	Provision for leave	(314)	497
	Provision for bad debts	–	18 516
	Service bonus accrual	(1 362)	1 418
	Theft and losses	973	–
Surplus for the year before capitalisation		60 992	31 765

Human Resource Management

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home affairs

Department:
Home Affairs
REPUBLIC OF SOUTH AFRICA

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Department of Home Affairs
HUMAN RESOURCE MANAGEMENT

HUMAN RESOURCE MANAGEMENT:

DEPARTMENT OF HOME AFFAIRS

1. SERVICE DELIVERY

The following tables reflect the components of the Service Delivery Improvement Plan as well as progress made in the implementation thereof.

Table 1.1 – Main Service for Service Delivery Improvement and Standards

Main Services	Actual Customers	Potential Customers who may be integrated	Standard Of Services	Actual Achievement Against Standards
Civic Services and Migration	All South African citizens in South Africa and abroad and foreigners in South Africa	Foreigners who may be interested in visiting South Africa or in immigrating	Service Delivery Standards are set out in the departmental Statement of Standards.	Service standards are in process of review and were therefore not measured

Table 1.2 – Consultation Arrangements for Customers

Type of arrangement	Actual Customer	Potential Customer	Actual Achievements
Suggestion boxes at all offices and floorwalkers in public serving areas	All South African citizens in South Africa and abroad and foreigners in South Africa	Foreigners who may be interested in visiting South Africa or in immigrating	<ul style="list-style-type: none"> Floorwalkers improved the flow of public in offices Public suggestion boxes were utilised to improve service delivery
Queue management system introduced in certain offices			<ul style="list-style-type: none"> Queue management system assisted with more effective and efficient service delivery
Internet: DHA Website			<ul style="list-style-type: none"> Worldwide access ensured. Approximately 3 899 842 site visits occurred during the reporting year with an average of 7 235 visits per day
Client Service Centre			<ul style="list-style-type: none"> The Client Service Centre is operational. A 24 hour Centre is envisaged and work is in progress regarding the establishment
Campaigns & surveys: Client is always right campaign			<ul style="list-style-type: none"> SAMP report was submitted UNISA conducted an opinion survey

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Table 1.3 – Service Delivery Access Strategy

Access Strategy	Actual Achievements
Deployment of service points and mobile units in rural areas	64 mobile units deployed in deeply rural and marginalised urban areas Programme to be expanded in 2006/07
New departmental structure makes provision for additional offices	CSIR study identified 172 locations to be established to improve access to DHA services. 482 mobile stop-over points determined during the survey.

Table 1.4 – Service Information Tool

Type of Information Tool	Actual Achievements
Proper information at counters, enquiry counters and floor walkers Information available on website	Improved flow of the public through departmental offices Information available on requirement and procedures in the publication "Know your Home Affairs Service"

Table 1.5 – Complaints Mechanism

Complaints Mechanism	Actual Achievements
Toll-free line, suggestion boxes, and internet website	Fair

2. EXPENDITURE

The Department budgets in terms of clearly defined programmes. The following tables summarise final audited expenditure by programme (Table 2.1) and by salary bands (Table 2.2). In particular, it provides an indication of the amount spent on personnel costs in terms of each of the Programmes or salary bands within the Department. The new Staff Establishment has been approved but will only come into effect in the new financial year.

Table 2.1 – Personnel Costs by Programme

Programme	Total Expenditure R'000	Personnel Expenditure R'000	Training Expenditure R'000	Professional and Special Services R'000	Personnel Cost as a Percent of Total Expenditure	Average Personnel Cost per Employee R'
Administration	442 433	122 432	12 407	53 829	28	125.314
Delivery of Services	1 596 737	595 508		294 021	37	99.517
Auxiliary and associated services	1 046 293	–				
Total	782 350	717 940	12 407	347 850	23	103.137

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Table 2.2 – Personnel Costs by Salary Bands

Salary Bands	Personnel Expenditure R'000	Percentage of Total Personnel Cost	Average Personnel Cost per Employee R'
Lower skilled (Levels 1-2)	37 537	5.1	59 113
Skilled (Levels 3-5)	216 337	29.4	72 523
Highly skilled production (Levels 6-8)	347 695	47.3	133 268
Highly skilled supervision (Levels 9-12)	66 431	9.2	22 166
Senior management (Levels 13-16)	26 374	3.6	479 545
Other	23 566	3.3	68 307
Total	717 940	100	103 137

Table 2.3 – Salaries, Overtime, Home Owners Allowance and Medical Aid by Programme

Programme	Salaries		Overtime		Home Owners Allowance		Medical Assistance	
	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 Assistance as a % of Personnel Cost
Administration	83 537	68.2	4 253	3.5	1 159	0.9	4 613	3.8
Services to citizens	411 623	69.1	22 785	3.8	8 683	1.5	37 472	6.3
Auxiliary and associated services	–	–	–	–	–	–	–	–
Thefts and losses	–	–	–	–	–	–	–	–
Total	495 160	69.0	27 038	3.8	9766	1.4	42 085	5.9

Table 2.4 – Salaries, Overtime, Home Owners Allowance and Medical Aid by Salary Band

Salary Band	Salaries		Overtime		Home Owners Allowance			Medical Assistance
	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	Amount R'000
Lower skilled (Levels 1-2)	24 593	65.6	1 277	3.3	546	1.4	2 451	6.4
Skilled (Levels 3-5)	148 108	66.4	12 389	5.6	3 279	1.5	15 342	6.9
Highly skilled production (Levels 6-8)	243 556	68.8	12 058	3.4	5 198	1.5	21 016	5.9
Highly skilled supervision (Levels 9-12)	45 544	65.6	1 049	1.5	530	0.8	2 423	3.5
Senior Management (Levels 13-16)	15 789	57.4	0	0	213	0.8	746	2.7
Other	3	18.2	0	0	0	0	0	
Total	477 593	66.5	26 773	3.74	9 766	1.3	41 978	5.8

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3. EMPLOYMENT AND VACANCIES

The following tables summarise the number of posts on the establishment, the number of employees, the vacancy rate, and if there are any staff that are additional to the establishment. This information is presented in terms of three key variables:- programme (Table 3.1), salary band (Table 3.2) and critical occupations (Table 3.3). Departments have identified critical occupations that need to be monitored. Table 3.3 provides establishment and vacancy information for the key critical occupations of the Department. The vacancy rate reflects the percentage of posts that are not filled.

Table: 3.1 – Employment and Vacancies by Programme, 31 March 2006

Programme	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Administration	1 523	977	36.4	36
Services to citizens	8 317	5 984	30.2	0
Auxiliary and associated services	13	2	84.6	0
Total	9853	6 963	29.3	36

Table: 3.2 – Employment and Vacancies by Salary Bands, 31 March 2006

Salary band	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Lower skilled (Levels 1-2)	926	637	31.2	0
Skilled (Levels 3-5)	4 371	3 057	30.1	31
Highly skilled production (Levels 6-8)	3 779	2 573	31.9	5
Highly skilled supervision (Levels 9-12)	673	292	56.6	0
Senior Management (Levels 13-16)	104	57	45.2	0
TOTAL	9853	6963	29.3	36

Table: 3.3 – Employment and Vacancies by Critical Occupation, 31 March 2006

Critical Occupation	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Information technology related, Permanent	43	13	68.8	0
Information technology related, Permanent	104	46	55.8	0
Regulatory inspectors, Permanent	1 972	1 009	48.9	0
TOTAL	2119	1068	63	0

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The information in each case reflects the situation as at 31 March 2006. For an indication of changes in staffing patterns over the year under review, please refer to section 5 of this report.

4. JOB EVALUATION

The Public Service Regulations, 2001 introduced job evaluation as a way of ensuring that work of equal value is remunerated equally.

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 9 and higher must be evaluated before they are filled. This was complemented by a decision by the Minister for the Public Service and Administration that all SMS jobs must be evaluated before 31 December 2002.

The following table (Table 4.1) 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 4.1 - Job Evaluation

Salary Band	Number of Posts	Number of Jobs Evaluated	% of Posts Evaluated	Posts Upgraded		Posts Downgraded	
				Number	% of Posts Evaluated	Number	% of Posts Evaluated
Lower skilled (Levels 1-2)	962	0	0	0	0	0	0
Skilled (Levels 3-5)	4 767	379	7.95	379	7.95	0	0
Highly skilled production (Levels 6-8)	3 868	0	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	676	88	13.02	88	13.02	0	0
Senior Management Service Band A	63	3	4.76		0	0	0
Senior Management Service Band B	27	0	0	0	0	0	0
Senior Management Service Band C	5	0	0	0	0	0	0
Senior Management Service Band D	1	0	0	0	0	0	0
Total	10 369	470	4.53	467	4.50	0	0

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Note: The following tables have a nil return

Table 4.2 – Profile of Employees whose positions were upgraded due to their posts being upgraded

Beneficiaries	African	Asian	Coloured	White	Total
Total of employees whose salary positions were upgraded due to their posts being upgraded					None

Table 4.3 – Employees whose salary level exceeded the grade determined by Job Evaluation, 1 April 2005 to 31 March 2006 (in terms of PSR 1.V.C.3)

Occupation	Number of Employees	Job evaluation Level	Remuneration Level	No. of Employees in the Dept
Total number of employees whose salaries exceeded the grades determined by job evaluation in 2003/04				None

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 (Table 5.1) and by critical occupations (Table 5.2).

Table 5.1 – Annual Turnover Rates by Salary Band for the period 1 April 2005 to 31 March 2006

Salary Band	Employment at Beginning of Period	Appointment and Transfers into the Department	Termination and Transfers out of the Department	Turnover Rate
Lower skilled (Levels 1-2)	995	55	96	36.5
Skilled (Levels 3-5)	3 117	410	136	4.4
Highly skilled production (Levels 6-8)	2 726	75	118	4.3
Highly skilled supervision (Levels 9-12)	238	21	18	7.6
Senior Management Service Band A	29	5	1	3.4
Senior Management Service Band B	15	4	2	13.3
Senior Management Service Band C	7	0	1	14.3
Senior Management Service Band D	1	0	0	0
Other	0	267	183	0
Total	7128	837	555	12.7

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Table 5.2 – Annual Turnover Rates by Critical Occupation for the period 1 April 2005 to 31 March 2006

Occupation	Employment at Beginning of Period	Appointments and Transfers into the Department	Terminations and Transfers out of the Department	Turnover % Rate
Computer programmers, Permanent	7	0	0	0
Computer system designers and analysts, Permanent	1	0	0	0
Information technology related, Permanent	36	18	4	12.5
Regulatory inspectors, Permanent	1028	43	59	62.7
Total	1072	61	63	4

Table 5.3 – Reasons why Staff are leaving the Department.

Termination Type	Number	Percentage of Total Employment
Death. Permanent	54	0.7
Resignation. Permanent	99	1.3
Expiry of contract	600	8
Discharged due to ill health. Permanent	31	0.4
Dismissal-operational changes. Permanent	88	1.2
Retirement. Permanent	33	0.4
Other	53	0.7
Total	958	12.7

Total number of employees who left as a % of the total employment	12.7
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Department of Home Affairs
HUMAN RESOURCE MANAGEMENT

Table 5.4 – Promotions by Critical Occupation

Occupation	Employees at Beginning of Period	Promotions to Another Salary Level	Salary Level Promotions as a % of Employment	Progressions to Another Notch within a Salary Level	Notch Progressions as a % of Employees by Occupation
Computer programmers, Permanent	7	0	0	7	0
Computer system designers and analysts, Permanent	1	0	0	0	0
Information technology related, Permanent	36	13	25.0	5	25
Regulatory inspectors, Permanent	1028	25	2.4	787	76.6
Total	1072	38	0.9	799	74.5

Table 5.5 – Promotions by Salary Band

Salary Band	Employees as at 1 April 2004	Promotions to Another Salary Level	Salary Band Promotions as a % of Employees by Salary Level	Progressions to Another Notch within a Salary Level	Notch Progressions as a % of Employees by Salary Level
Lower skilled (Levels 1-2)	995	0	0	505	62.9
Skilled (Levels 3-5)	2 718	67	2.4	2 006	64.4
Highly skilled production (Levels 6-8)	2 726	238	8.7	2 164	79.4
Highly skilled supervision (Levels 9-12)	238	82	34.5	78	32.8
Senior Management (Levels 13-16)	52	5	9.6	2	3.8
Contract (Levels 1-2)	382	0	0	0	0
Contract (Levels 3-5)	1	0	0	0	0
Contract (Levels 6-8)	5	0	0	0	0
Contract (Levels 9-12)	6	0	0	0	0
Contract (Levels 13-16)	5	1	20	2	40
Total	7128	393	5.5	4757	63.2

*Department of Home Affairs***HUMAN RESOURCE MANAGEMENT****6. EMPLOYMENT EQUITY**

The tables in this section are based on the formats prescribed by the Employment Equity Act, 55 of 1998.

Table 6.1 – Total Number of Employees (including Employees with Disabilities) in each of the following Occupational Categories as on 31 March 2006

Occupational Categories	Male Female Total				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	24	3	0	7	14	1	0	1	50
Professionals	842	74	21	189	640	36	12	135	1949
Clerks	1308	82	17	92	1861	205	28	658	4251
Service and sales workers	165	11	0	4	50	3	0	1	234
Craft and related trades workers	0	0	0	0	3	0	0	0	3
Plant and machine operators and assemblers	28	0	0	0	2	0	0	0	30
Elementary occupations	134	10	0	2	265	15	0	6	432
Other	6	0	0	0	8	0	0	0	14
Total	2507	180	38	294	2843	260	40	801	6963
Employees with disabilities	12	0	0	8	6	2	0	7	35

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Table 6.2 – Total Number of Employees (including Employees with disabilities) per Occupational Bands as on 31 March 2006

Occupational Bands	Male	Female	Total						
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	5	0	0	0	3	0	0	0	8
Senior Management	18	3	0	9	13	0	0	3	46
Professionally qualified and experienced specialists and mid-management	130	3	6	42	84	3	4	27	299
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	797	49	24	178	884	82	18	577	2609
Semi-skilled and discretionary decision making	1118	93	8	60	1344	148	16	184	2971
Unskilled and defined decision making	280	24	0	4	298	20	1	7	634
Not Available	15	0	0	0	31	0	0	3	49
Total	2507	180	38	294	2843	260	40	801	6963

Table 6.3 – Recruitment for the Period 1 April 2005 to 31 March 2006

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Senior Management	4	1	0	1	3	0	0	0	9
Professionally qualified and experienced specialists and mid-management	11	0	0	1	7	1	0	1	21
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	29	1	0	1	47	0	1	1	80
Semi-skilled and discretionary decision making	155	8	1	3	228	21	0	8	424
Unskilled and defined decision making	22	0	0	0	30	5	0	2	59
Not Available	97	6	0	1	155	10	0	4	273
Total	484	24	3	9	606	44	4	16	1190

Department of Home Affairs
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Table 6.4 – Promotions for the Period 1 April 2005 to 31 March 2006

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	2	0	0	0	0	0	0	0	2
Senior Management	2	1	0	1	1	0	0	0	5
Professionally qualified and experienced specialists and mid-management	68	2	3	24	44	2	3	17	163
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	725	43	24	172	763	77	16	592	2412
Semi-skilled and discretionary decision making	743	82	7	54	867	125	14	181	2073
Unskilled and defined decision making	214	24	0	3	243	14	1	6	505
Contract (Top Management)	1	0	0	0	0	0	0	0	1
Contract (Senior Management)	2	0	0	0	0	0	0	0	2
Total	1757	152	34	254	1918	218	34	796	5163

Table 6.5 – Terminations for the Period 1 April 2005 to 31 March 2006

Occupational Band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	1	0	0	0	0	0	0	1
Senior Management	2	0	0	0	1	0	0	0	3
Professionally qualified and experienced specialists and mid-management	3	0	1	6	4	1	0	3	18
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	44	3	1	10	25	3	0	38	124
Semi-skilled and discretionary decision making	67	6	0	5	40	11	3	16	148
Unskilled and defined decision making	23	7	0	2	43	21	0	2	98
Not Available	79	7	1	2	82	12	1	2	186
Total	416	34	5	27	467	59	5	61	1074

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Table 6.6 – Disciplinary Action for the Period 1 April 2005 to 31 March 2006

	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Disciplinary action	31	4	2	4	23	3	1	3	71

Table 6.7 – Skills Development for the Period 1 April 2005 to 31 March 2006

Occupational categories	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, Senior officials and managers	74	4	3	16	55	4	0	12	168
Professionals	411	18	3	42	386	13	5	57	935
Technicians and associate professionals					413				
Clerks	327	29	2	15	413	55	9	16	866
Elementary occupations	174	18	3	13	258	16	4	9	495
Total	986	69	11	86	1112	88	18	94	2464
Employees with disabilities									

7. 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, and disability (Table 7.1), salary bands (Table 7.2) and critical occupations (Table 7.3).

Department of Home Affairs
HUMAN RESOURCE MANAGEMENT

Table 7.1 – Performance Rewards by Race, Gender and Disability, 1 April 2005 to 31 March 2006

	Beneficiary Profile			Cost	
	Number of Beneficiaries	Total Number of Employees in Group	% of Total within Group	Cost R'000	Average Cost per Beneficiary
African					
Male	967	2495	38.8	6,549	6,773
Female	950	2837	33.5	6,024	6,341
Indian					
Male	17	38	44.7	151	8,854
Female	13	40	32.5	102	7,880
Coloured					
Male	62	180	34.4	357	5,750
Female	100	258	38.8	669	6,691
White					
Male	146	286	51	1,682	11,519
Female	545	794	68.6	4,771	8,754
Employees with a disability	23	35	65.7	170	7,409
Total	2823	6963	40.7	20,565	7,257

Table 7.2 – Performance Rewards by Salary Bands for Personnel below Senior Management Service, 1 April 2005 to 31 March 2006

Salary Band	Beneficiary Profile			Cost		
	Number of beneficiaries	Number of Employees	% of total within Salary Level	Total Cost R'000	Average Cost per Employee	Total Cost as a % of the Total Personnel Expenditure
Lower skilled (Levels 1-2)	284	635	44.7	1,028	3,620	0
Skilled (Levels 3-5)	1065	2983	35.7	5,081	4,771	0
Highly skilled production (Levels 6-8)	1340	2609	51.4	11,411	8,516	0
Highly skilled supervision (Levels 9-12)	132	299	44.1	2,873	21,765	0
Other	0	35	0	0	0	
Contract (Levels 1-2)	0	234	0	0	0	
Contract (Levels 3-5)	0	90	0	0	0	
Contract (Levels 6-8)	0	6	0	0	0	
Contract (Levels 9-12)	0	7	0	0	0	
Periodical Remuneration	0	18	0	0	0	
Total	2821	6916	40.8	20 393	7229	

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Table 7.3 – Performance Rewards by Critical Occupations, 1 April 2005 to 31 March 2006

Critical Occupation	Beneficiary Profile			Cost	
	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost R'000	Average Cost per Beneficiary
Regulatory inspectors	420	996	42.2	2.580	6.143

Table 7.4 – Performance Related Rewards (Cash Bonus) By Salary Band for Senior Management Service

Salary Band	Beneficiary Profile			Cost R'000	Average Cost per Beneficiary
	Number of Beneficiaries	Total Employees	% of Total within Band		
Band A	20	40	5	82	4.100
Band B	0	16	0	0	0
Band C	0	8	0	0	0
Band D	0	1	0	0	0
Total	20	65	3.1	82	4100

8. FOREIGN WORKERS

No foreign workers were employed in the Department during the period 1 April 2005 to 31 March 2006.

9. LEAVE UTILISATION FOR THE PERIOD 1 JANUARY 2005 TO 31 DECEMBER 2005

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 (Table 9.1) and disability leave (Table 9.2). In both cases, the estimated cost of the leave is also provided.

Table 9.1 – Sick Leave, 1 January 2005 to 31 December 2005

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)	3519	79.8	449	9.1	8	516
Skilled (Levels 3-5)	17 948	72.8	2 147	43.6	8	3.505
Highly skilled production (Levels 6-8)	17 704	78.8	2 024	41.1	9	6.053
Highly skilled supervision (Levels 9-12)	1226	79.7	189	3.8	6	775
Senior Management (Levels 13-16)	173	93.1	24	0.5	7	323
Total	51 211	74.5	4 724	100	11	12 848

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Table 9.2 – Disability Leave (Temporary and Permanent), 1 January 2005 to 31 December 2005

Salary Band	Total Days taken	% Days with Medical Certification	Number of Employees using Disability Leave	% of Total Employees using Disability Leave	Average Days per Employee	Estimated Cost R'000
Lower skilled (Levels 1-2)	611	99.5	46	7.6	13	92
Skilled (Levels 3-5)	4 556	99.8	276	45.8	17	937
Highly skilled production (Levels 6-8)	4 974	99.9	273	45.3	18	1.678
Highly skilled supervision (Levels 9-12)	58	100	6	1	10	33
Senior Management (Levels 13-16)	5	100	1	0.2	5	9
Total	5 629	98.2	203	100	28	1 434

Table 9.3 summarises the utilisation of annual leave. The wage agreement concluded with trade unions in the PSCBC in 2000 requires management of annual leave to prevent high levels of accrued leave being paid at the time of termination of service.

Table 9.3 – Annual Leave, 1 January 2005 to 31 December 2005

Salary band	Total Days Taken	Average per Employee
Lower skilled (Levels 1-2)	12788.8	21
Skilled (Levels 3-5)	54189.12	19
Highly skilled production (Levels 6-8)	62858.6	23
Highly skilled supervision (Levels 9-12)	5390	19
Senior Management (Levels 13-16)	703	14
Other	70	5
Total	133887.72	22

Table 9.4 – Capped Leave, 1 January 2005 to 31 December 2005

Salary Band	Total Days of capped Leave Taken	Average Number of Days Taken per Employee	Average Capped Leave per Employee as at 31 December 2002
Lower skilled (Levels 1-2)	151	4	55
Skilled (Levels 3-5)	993	5	30
Highly skilled production (Levels 6-8)	2 533	6	82
Highly skilled supervision (Levels 9-12)	128	7	74
Senior Management (Levels 13-16)	0	0	0
Total	5 409	7	62

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

Table 9.5 – Leave Payouts for the Period, 1 April 2005 to 31 March 2006*

Reason	Total Amount R'000	Number of Employees	Average Payment per Employee
Leave payout for 2003/04 due to non-utilisation of leave for the previous cycle	311	63	4937
Capped leave payouts on termination of service	775	174	4454
Total	1086	237	4582

10. HIV / AIDS & HEALTH PROMOTION PROGRAMMES

Table 10.1 – Steps Taken to Reduce the Risks of Occupational Exposure

Units/Categories of Employees Identified to be at High Risk of Contracting HIV and Related Diseases (if any)	Key Steps Taken to Reduce the Risk
Officials at Ports of Entry	<ul style="list-style-type: none"> • Training has been provided. • Condoms are being distributed, and gloves have been provided. • Induction course on the management of HIV and the services provided by the Employee Wellness presented to the immigration officers on training • A course on the management of HIV and infectious diseases for the Lindela officials to be ongoing, commencing July 2005. <p>First Aid training to be provided to all immigration officers and immigration trainees and Lindela personnel in compliance to the Occupational Health and Safety Act.</p>

Table 10.2 – Details of Health Promotions and HIV/AIDS Programmes

Question	Yes	No	Details, if yes
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.	√		Ms TC Khumalo, Director: Employee Wellness
Does the Department have a dedicated unit or have you designated specific staff members to promote health and well being 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.	√		Directorate: Employee Wellness with an overall budget of 2,498,000 for 2005/06
Has the Department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of the programme.	√		Support and Counselling Services, HIV and AIDS Workplace programme, Life skills training, Sports and Recreation programme

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Table 10.2 (continued) – Details of Health Promotions and HIV/AIDS Programmes

Question	Yes	No	Details, if yes
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.	√		Occupational Health and Safety and Employee Wellness Committee.
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.	√		Draft policy on managing HIV/AIDS in the Workplace
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.	√		HIV/AIDS Workplace policy as well as Employment Equity Act, Labour Relations Act
Does the Department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.		√	Plans are underway to launch a Voluntary Counselling and Testing programme
Has the Department developed measures/indicators to monitor & evaluate the impact of your health promotion programme? If so, list these measures/indicators.		√	Chief Directorate: HR monthly operational reports

List of HIV/AIDS Committee Members**HIV AND AIDS : REGIONAL COORDINATORS**

OFFICE	NAME	TEL	FAX	CELL	E-MAIL
Eastern Cape	Mr Enoch Masina	(039) 259 0967	(039) 259 0158	083 516 6143	
Free State	Ms Tersia Hanekom	(058) 223 1012	(058) 223 1012	082 497 0796	
Gauteng East	Ms Mark Nkwana	(012) 549 2482	(011) 390 1015		
Gauteng West	Ms Clara Potter	(011) 792 0192			
KwaZulu-Natal	Ms N P Mbhono	(035) 792 1588	(035) 792 2567	072 463 4640	rademanc@dbs1
Limpopo	Ms Mapule Tladi	(015) 290 4628	(051) 291 5104	072 218 1488	
Mpumalana	Mr Rony Steyn	(013) 753 3100	(031) 753 3501	082 623 6879	
North West	Ms Mokgantsho Mangope	(018) 384 5444-8	(018) 384 5449	082 663 7104	
Northern Cape	Mr Lebogang Modisane	(053) 839 5402	(053) 831 4836	073 454 6871	
Western Cape	Ms Elaine Booysen	(021) 465 1183	(021) 462 4970	083 770 1043	

HIV AND AIDS : HEAD OFFICE

Immigration	Mr Detebogo Legoabe	810 7573		082 630 0488	ditebogo.legoabe@
HRD	Mr Nischal Jaynarayan			082 335 6505	jainnisc@dbs1
HRM	Mr Ntethelelo Kumalo	810 7019		083 443 8983	ntethelelo.kumalo@
Info Management	Mr Peter Mngomezulu	810 6492		082 434 0963	

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Marriages	Mr Urwich Mash	810 7373		072 198 0091	
Employee Wellness	Ms Agnes Manaka	810 7045	810 7303	082 883 9723	agnes.manaka@
Certificates	Ms Angie Moatshe	810 7579			
Counter Corruption	Ms Bridgette Morare	810 8924	810 7525	082 888 1266	bridgette@
Passport	Ms Enid Kekana	810 8675		082 215 5920	
Certificates	Ms Lebo Singo	810 7579		083 471 4475	singod@dbs1
Identification	Ms Lorraine Momela	810 7419	323 8383	084 957 0188	
Employee Wellness	Ms Lulama Jansen	810 8570		073 198 3202	lulama.jansen@
Immigration	Ms Makgomo Mafokwane	810 8635		083 679 1904	makgomo.mafokoane@
HRM	Ms Mary-Ann Broodryk	810 7293			maryann.broodryk@
Communications	Ms Matumelo Moloi	810 8477		082 809 8370	tumi.moloi@
Identification	Ms Suzan Matle	810 7406(9)	325 5083	072 123 3421	
GPW	Ms Sylvia Berense	334 4716		084 485 4487	
HRM	Ms Trudie Pullen	810 8327		072 136 7436	trudiep@
HRM	Ms Violet Nkaletse	810 7183		072 120 7426	violetn@
Info Management	Ms Yvonne Mashilo	810 8315		072 883 8400	

11. LABOUR RELATIONS

The following collective agreements were entered into with trade unions within the Department.

Table 11.1 – Collective Agreements, 1 April 2005 to 31 March 2006

Subject matter	Date
Shortlisting and Interviewing of SMS Officials	September 2005
Internship Policy	September 2005

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

Table 11.2 – Misconduct and Disciplinary Hearings Finalised, 1 April 2005 to 31 March 2006

Outcomes of Disciplinary Hearings	Number	Percentage of Total
Final written warning	27	36.9
Suspension without pay	7	9.5
Demotion	3	4.4
Dismissal	33	45.2
Not guilty	2	2.7
Cases withdrawn	1	1.3
Total	73	100

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Table 11.3 – Types of Misconduct addressed at Disciplinary Hearings

Type of Misconduct	Number	Percentage of Total
Assault	1	1.1
Disrespect and abusive behaviour	4	4.4
Aiding and abetting, and corruption	30	34
Theft	2	2.2
Fraud/False statement	16	18
Unauthorised absence/abscondment	5	5.5
Discrimination against fellow employees	1	1.1
Damage to/loss of state property	3	3.3
Unauthorised use of government vehicles	0	0
Dereliction of duty	0	0
Bribery	27	30.4
Total	88	100

Table 11.4 – Grievances Lodged for the Period 1 April 2005 to 31 March 2006

Number of Grievances Addressed	Number	Percentage of Total
Conciliations		
Unresolved	8	15.3
Resolved	12	23
Decided in Department's favour	10	19.2
Decided in Applicant's favour	2	3.8
Arbitrations		
Unresolved	2	3.8
Resolved	10	19.6
Decided in Department's favour	6	11.5
Decided in Applicant's favour	2	3.8
Total	52	100

Table 11.5 – Disputes lodged with Councils for the Period 1 April 2005 to 31 March 2006

Number of Disputes Addressed	Number	Percentage of Total
Total	58	100

Table 11.6 – Strike Actions for the period 1 April 2005 to 31 March 2006

Amount (R'000) recovered as a result of No Work No Pay	33599.12
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Table 11.7 – Precautionary Suspensions for the Period 1 April 2005 to 31 March 2006

Cost (R'000) of Suspensions	None
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12. SKILLS DEVELOPMENT

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

Table 12.1 – Training Needs Identified, 1 April 2005 to 31 March 2006

Occupational Categories	Gender	Number of Employees as at 1 April 2005	Training Needs Identified at Start of Reporting Period			
			Learnership	Skills Programmes and Other Short Courses	Other Forms of Training	Total
Legislators, senior officials and managers	Female	68	–	815	–	815
	Male	156	–	849	–	849
Clerks	Female	3438	–	1802	–	1802
	Male	2721	–	2101	–	2101
Total		6383	–	5567	–	5567

Table 12.2 – Training Provided, 1 April 2005 to 31 March 2006

Occupational Categories	Gender	Number of Employees as at 1 April 2005	Training Needs Identified at Start of Reporting Period			
			Learnership	Skills Programmes and Other Short Courses	Other Forms of Training	Total
Legislators, senior officials and managers	Female	68	0	71	0	71
	Male	156	0	97	0	97
Clerks	Female	3438	0	919	0	919
	Male	2721	0	1042	0	1042
Total		6383	0	2129	0	2129

12.3 INTERNSHIP PROGRAMME

The Department has launched and successfully implemented the internship programme in June 2004, in response to Cabinet's decision that all government departments implement the internship programme in an effort to alleviate the high youth unemployment rate in the country. The Department had set out to recruit and place 350 unemployed graduates as a way of giving them an opportunity to have workplace experience and thus increasing their chances of getting permanent employment, and also to create a pool of possible recruits for the Department to enhance service delivery. Due to the high demand for interns, a total of 413 interns have been appointed and placed across all business units and Provincial offices within the Department. The breakdown of the interns appointed is outlined below:

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Table 12.3: Interns per component

DIRECTORATE/PROVINCE	NUMBER OF INTERNS	GENDER	
		MALE	FEMALE
Internal Audit	4	1	3
Information Technology	23	9	14
Management Services	3	0	3
Human Resource Management	10	1	9
Human Resource Development	6	1	5
Provisioning Administration	10	3	7
Transformation	2	0	2

DIRECTORATE/PROVINCE	NUMBER OF INTERNS	GENDER	
		MALE	FEMALE
Foreign Missions Coordination	2	0	2
Refugee Affairs	4	3	1
Refugee Affairs ROs (Gauteng)	35	21	14
Refugee Affairs RO (DBN, PE,CT)	26	15	11
Refugee Appeal Board	3	1	2
NIB:Inspectorate	15	7	8
Strategic Executive Support Services	3	1	2
Office of the Deputy Minister	2	0	2
Office of the Minister	3	2	1
Limpopo	47	15	32
North West	16	8	8
Mpumalanga	17	6	11
Northern Cape	20	11	9
Eastern Cape	12	2	10
Western Cape	32	22	10
Free State	61	32	29
KwaZulu-Natal	36	17	19
Gauteng East	5	1	4
Gauteng West	10	4	6
Films and Publications Board	6	3	3
TOTAL	413	181	232

As part of developing and enhancing the skills of the interns, the Department in partnership with Umsombovu Youth Fund has arranged that the interns receive life skills training by SAMDI. The training covers the following areas:

Public Affairs in Context (Constitutional Framework, Cooperative Government, Managing the Department, Public Management)	Customer Care
Problem Analysis and Decision Making	Supervisory Management
Self-Management	Original Communication Effectiveness
	Quality Assurance

12.4 MENTORSHIP TRAINING

Mentors have been nominated for purposes of mentoring and coaching the interns. Twenty mentors from Head Office have attended mentorship training. The training is to be rolled out to the Provinces in the next financial year.

*Department of Home Affairs***HUMAN RESOURCE MANAGEMENT****12.5 ADULT BASIC EDUCATION (ABET)**

A total of 334 learners registered for ABET during the year, and of these 218 wrote exams and a total of 150 have passed the exams. The total amount spent on ABET is R4 123 081.00.

12.6 BURSARIES

A total of 303 bursaries have been awarded bringing to 1053 the total number of bursary holders. The total amount spent on bursaries is R1 396 129.00.

12.7 TRAINING STRATEGY AND TRAINING

The Human Resource Development Operational Plan has continued to form the basis for training during the reporting period. The Directorate has intensified their training interventions beyond the scope indicated by the Operational Plan. The training intervention is tabled below and includes the Provinces.

Table 12.7 Training interventions

NO	TRAINING INTERVENTIONS
1.	Public Finance Management Act Training
2.	Project Management
3.	Emerging Management Development Training
4.	Advanced Computer Training
5.	Basic Computer Skills Training
6.	Induction Training
7.	Advanced Computer Skills Training
8.	Civic Services Training
9.	Immigration Training
10.	Performance Management & Development Training
11.	Mentorship Training

13. INJURY ON DUTY

The following table provides basic information on injury on duty.

Table 13.1 – Injury on Duty, 1 April 2005 to 31 March 2006

Nature of Injury on Duty	Number	% of Total
Required basic medical attention only	46	100.0
Temporary total disablement	0	0
Permanent disablement	0	0
Fatal	0	0
Total	46	100.0

14. UTILISATION CONSULTANTS**Table 14.1 – Report on Consultant Appointments using Appropriated Funds**

Project Title	Total Number of Consultants that Worked on the Project	Duration: Work days	Contract Value in Rand
Infrastructure designers, Business analysts, Network supporters, Lan administrators, Web development	21	244	2 960 073
Total number of projects	Total individual consultants	Total duration: Work days	Total contract value in Rand
1	21	244	2 960 073

Human Resource Management

Government Printing Works

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1. SERVICE DELIVERY

All departments are required to develop a Service Delivery Improvement (SDI) Plan. The following tables reflect the components of the SDI plan as well as progress made in the implementation of the plans.

The information as required (Tables 1.1 to 1.5) is reflected in the Department of Home Affairs Information.

2. EXPENDITURE

Departments budget in terms of clearly defined programmes. The following tables summarise final audited expenditure by programme (Table 2.1) and by salary level (Table 2.2). In particular, it provides an indication of the amount spent on personnel costs in terms of the salary bands within the Government Printing Works.

Table 2.1 – Personnel costs by Programme

Programme	Total Expenditure (R'000)	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Profesional and Special Services (R'000)	Personnel cost as percent of Total Expenditure (%)	Average Personnel Cost per Employee (R)	Employment
Government Printing Works	* 405 376	61 285	1 089	4 456	15.1	107 517	570
Total	405 376	61 285	1 089	4 456	15.1	107 517	570

*Breakdown of expenditure R'000

- Cost of Sales 272 870
- Operating expenditure 132 506
- 405 376

Most of the training is provided by the Department of Home Affairs and funded by the Department. Information only reflects expenditure paid by the Government Printing Works.

Table 2.2 - Personnel costs by Salary band

Salary Bands	Personnel Expenditure (R'000)	Percentage of Total Personnel Cost	Average Personnel Cost per Employee (R)
Lower skilled (Levels 1-2)	22 195	36.22	71 138
Skilled (Levels 3-5)	11 787	19.23	107 155
Highly skilled production (Levels 6-8)	20 799	33.94	167 734
Highly skilled supervision (Levels 9-12)	4 844	7.90	209 739
Senior management (Levels 13-16)	1 660	2.71	553 333
Total	61 285	100	107 517

Government Printing Works**HUMAN RESOURCE MANAGEMENT**

The following tables provide a summary by Programme (Table 2.3) and salary band (Table 2.4) of expenditure incurred as a result of overtime, allowances and benefits.

Table 2.3 - Salaries, Overtime, Home Owners Allowance and Medical Aid by Programme

Programme	Salaries (R'000)	Salaries as % of Personnel Cost	Overtime (R'000)	Overtime as % of Personnel Cost	HOA (R'000)	HOA as % of Personnel Cost	Medical Ass. (R'000)	Medical Ass. as % of Personnel Cost
Government Printing Works	37 696	61.2	8 296	13.5	1 172	1.9	3 886	6.3
Total	37 696	61.2	8 296	13.5	1 172	1.9	3 886	6.3

Table 2.4 - Salaries, Overtime, Home Owners Allowance and Medical Aid by Salary Band

Salary bands	Salaries (R'000)	Salaries as % of Personnel Cost	Overtime (R'000)	Overtime as % of Personnel Cost	HOA (R'000)	HOA as % of Personnel Cost	Medical Ass. (R'000)	Medical Ass. As % of Personnel Cost
Lower skilled (Levels 1-2)	6 755	59.6	2 048	18.1	287	2.5	620	5.5
Skilled (Levels 3-5)	13 312	59.7	3 101	13.9	516	2.3	1 897	8.5
Highly skilled production (Levels 6-8)	13 330	61.9	2 651	12.3	337	1.6	1 141	5.3
Highly skilled supervision (Levels 9-12)	3 226	70.3	496	10.6	32	0.7	162	3.4
Senior management (Levels 13-16)	1 073	59.1	0	0	0	0	66	3.9
Total	37 696	61.2	8 296	13.5	1 172	1.9	3 886	6.3

3. EMPLOYMENT AND VACANCIES

The tables in this section summarise the position with regard to employment and vacancies. The first table (Table 3.1) provides the approved establishment as at 31 March 2005 and provides an estimate of the size of the establishment over the MTEF period.

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

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Table 3.1 - Employment and Vacancies by Programme, 31 March 2006

Programme	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Government Printing Works	1 004	570	43.2	14
Total	1 004	570	43.2	14

Table 3.2 - Employment and Vacancies by Salary Band at end of period

Salary Band	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Lower skilled (Levels 1-2)	486	276	43.2	0
Skilled (Levels 3-5)	269	143	46.8	0
Highly skilled production (Levels 6-8)	202	119	41.1	0
Highly skilled supervision (Levels 9-12)	25	15	40	0
Senior management (Levels 13-16)	8	3	62.5	0
Contracts	14	14	0	14
Total	1 004	570	43.2	14

Table 3.3 - Employment and Vacancies by Critical Occupation, 31 March 2006

Critical Occupations	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Administrative related, Permanent	4	3	25	0
Binding and related workers, Permanent	25	14	44	0
Bookbinding and related machine operators, Permanent	16	11	31.3	0
Cashiers tellers and related clerks, Permanent	1	1	0	0
Cleaners in offices workshops hospitals etc., Permanent	87	69	20.7	0
Client inform clerks (switchb receipt inform clerks), Permanent	4	3	25	0
Compositors typesetters & related printing workers, Permanent	64	28	56.3	0
Finance and economics related, Permanent	6	4	33.3	0
Financial and related professionals, Permanent	4	1	75	0

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Table 3.3 (continued) - Employment and Vacancies by Critical Occupation, 31 March 2006

Critical Occupations	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Financial clerks and credit controllers, Permanent	32	27	15.6	0
Human resources & organisational development & relate prof, Permanent	2	2	0	0
Human resources clerks, Permanent	5	4	20	0
Human resources related, Permanent	1	1	0	0
Information technology related, Permanent	1	1	0	0
Library mail and related clerks, Permanent	9	7	22.2	0
Light vehicle drivers, Permanent	5	3	40	0
Logistical support personnel, Permanent	13	8	38.5	0
Material-recording and transport clerks, Permanent	90	66	26.7	0
Messengers porters and deliverers, Permanent	7	5	28.6	0
Other administrat & related clerks and organisers, Permanent	40	30	25	14
Other administrative policy and related officers, Permanent	3	2	33.3	0
Other printing trade workers	14	6	57.1	0
Photographic lithographic and related workers, Permanent	75	21	72	0
Printing and related machine operators, Permanent	387	202	47.80	0
Printing management and supervisory personnel, Permanent	58	28	51.7	0
Printing planners and production controllers, Permanent	15	6	60	0
Secretaries & other keyboard operating clerks, Permanent	8	3	62.5	0
Security guards, Permanent	8	0	100	0
Security officers, Permanent	12	11	8.3	0
Senior managers, Permanent	7	2	71.43	0
Head of Department, Chief Executive Officer	1	1	0	0
Total	1 004	570	43.2	14

4. JOB EVALUATION

The following table (Table 4.1) summarises the number of jobs that were evaluated during the year under review. The table also provides the statistics on the number of posts that were upgraded or downgraded.

Government Printing Works
HUMAN RESOURCE MANAGEMENT

Table 4.1 – Job Evaluation

Salary Band	Number of Posts	Number of Jobs Evaluated	% of Posts Evaluated	Number of Posts Upgraded	% of Upgraded Posts Evaluated	Number of Posts Downgraded	% of Downgraded Posts Evaluated
Lower skilled (Levels 1-2)	486	0	0	0	0	0	0
Skilled (Levels 3-5)	14	0	0	0	0	0	0
Skilled (Levels 3-5)	269	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	202	0	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	25	0	0	0	0	0	0
Senior Management (Salary Band A)	3	0	0	0	0	0	0
Senior Management (Salary Band B)	4	0	0	0	0	0	0
Senior Management (Salary Band C)	1	0	0	0	0	0	0
Total	1 004	0	0	0	0	0	0

Table 4.2 - Profile of employees whose positions were upgraded due to their posts being upgraded

Beneficiaries	African	Asian	Coloured	White	Total
Total number of employees whose salary positions were upgraded due to their positions being upgraded.					None

Table 4.3 - Employees whose salary level exceeded the grade determined by Job Evaluation [i.t.o PSR 1.V.C.3]

Total number of employees whose salaries exceeded the upgrades determined by job evaluation in 2005/2006	None
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Table 4.4 - Profile of employees whose salary level exceeded the grade determined by job evaluation [i.t.o. PSR 1.V.C.3]

Beneficiaries	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

Government Printing Works**HUMAN RESOURCE MANAGEMENT****5. EMPLOYMENT CHANGES**

This section provides information on changes in employment over the financial year. Table 5.1 summarises appointments, promotions and service terminations by race, gender and disability. In addition, the table provides an indication of the impact of these changes on the employment of the Department.

Table 5.1 - Annual Turnover Rates by Salary Band

Salary Band	Employment at Beginning of Period	Appointments	Terminations	Turnover Rate
Lower skilled (Levels 1-2)	174	0	22	12.64
Skilled (Levels 3-5)	269	2	11	4.09
Highly skilled production (Levels 6-8)	142	1	15	10.56
Highly skilled supervision (Levels 9-12)	13	1	2	15.38
Senior Management Service (Salary levels 13 – 14)	2	1	0	0
Senior Management Service (Salary level 15)	0	1	0	0
Other	0	15	1	0
Total	600	21	51	8.50

Table 5.2 - Annual Turnover Rates by Critical Occupation

Occupation	Employment at Beginning of Period	Appointments	Terminations	Turnover Rate
Administrative related, Permanent	2	0	0	0
Binding and related workers, Permanent	18	0	0	0
Bookbinding and related machine operators, Permanent	5	0	0	0
Cleaners in offices workshops hospitals etc., Permanent	73	0	3	4.11
Client inform clerks (switchboard receptionist clerks), Permanent	4	0	0	0
Compositors typesetters & related printing workers, Permanent	32	0	1	3.13
Finance and economics related, Permanent	4	1	1	25
Financial and related professionals, Permanent	2	0	0	0
Financial clerks and credit controllers, Permanent	26	0	1	3.85
Human resources & organisational development & related professional, Permanent	2	0	0	0
Human resources clerks, Permanent	4	0	1	20
Human resources related, Permanent	1	0	0	0
Library mail and related clerks, Permanent	8	0	0	0
Logistical support personnel, Permanent	5	0	0	0

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Table 5.2 (Continued) - Annual Turnover Rates by Critical Occupation

Occupation	Employment at Beginning of Period	Appointments	Terminations	Turnover Rate
Material-recording and transport clerks, Permanent	74	1	8	10.81
Messengers porters and deliverers, Permanent	4	0	0	0
Motor vehicle drivers, Permanent	4	0	1	25
Other administrat & related clerks and organisers, Permanent	14	15	1	7.14
Other administrative policy and related officers, Permanent	4	0	0	0
Other occupations, Permanent	1	0	0	0
Other printing trade workers, Permanent	6	0	0	0
Photographic lithographic and related workers, Permanent	18	0	3	16.67
Printing and related machine operators, Permanent	230	1	23	10
Printing management and supervisory personnel, Permanent	32	0	4	12.5
Printing planners and production controllers, Permanent	10	0	2	20
Secretaries & other keyboard operating clerks, Permanent	2	1	0	0
Security officers, Permanent	13	0	3	23.08
Senior managers, Permanent	2	0	0	0
Head of department, Chef Executive Officer	0	1	0	0
Total	600	21	51	8.50

Table 5.3 – Reasons why staff are leaving the department

Termination Type	Number	Percentage of Total Resignations	Percentage of Total Employment
Death, Permanent	3	5.88	0.50
Resignation, Permanent	24	47.06	4.00
Discharged due to ill health, Permanent	13	25.49	2.17
Transfers, Permanent	1	1.96	0.17
Retirement, Permanent	5	9.80	0.83
Dismissal misconduct	4	7.84	0.67
Other	1	1.96	0.17
Total	51	100.0	8.50

Resignations as % of Employment

8.5

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Table 5.4 - Promotions by Critical Occupation

Occupation	Employment at Beginning of Period	Promotions to another Salary Level	Salary Level Promotions as a % of Employment	Progressions to another Notch within Salary Level	Notch progressions as a % of Employment
Administrative related	2	0	0	0	0
Binding and related workers	18	0	0	13	72.2
Bookbinding and related machine operators	5	0	0	4	80
Cleaners in offices workshops hospitals etc.	73	0	0	45	61.64
Client inform clerks (switchb receipt inform clerks)	4	0	0	1	25
Compositors typesetters & related printing workers	32	1	2.86	16	50
Finance and economics related	4	0	0	1	25
Financial and related professionals	2	0	0	0	0
Financial clerks and credit controllers	26	0	0	22	84.62
Human resources & organisat developm & relate prof	2	0	0	2	100
Human resources clerks	4	0	0	4	100
Human resources related	1	0	0	1	100
Library mail and related clerks	8	0	0	8	100
Logistical support personnel	5	0	0	1	20
Material-recording and transport clerks	74	1	1.35	43	58.11
Messengers porters and deliverers	4	0	0	0	0
Motor vehicle drivers	4	0	0	3	75
Other administrat & related clerks and organisers	14	0	0	14	100
Other administrative policy and related officers	4	0	0	2	50
Other printing trade workers	7	0	0	1	14.29
Photographic lithographic and related workers	18	0	0	9	50
Printing and related machine operators	230	0	0	93	40.43
Printing management and supervisory personnel	32	0	0	11	34.38
Printing planners and production controllers	10	0	0	3	30
Secretaries & other keyboard operating clerks	2	0	0	1	50
Security officers	13	0	0	9	69.23
Senior managers	2	0	0	0	0
Total	600	3	0.5	307	51.17

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Table 5.5 - Promotions by Salary Band

Salary Band	Employment at Beginning of Period	Promotions to another salary level	Salary Level Promotions as a % of employment	Progressions to another notch within Salary Level	Notch progressions as a % of employment
Lower skilled (Levels 1-2)	174	0	0	135	77.59
Skilled (Levels 3-5)	269	2	0.74	104	38.66
Highly skilled production (Levels 6-8)	142	1	0	64	45.07
Highly skilled supervision (Levels 9-12)	13	0	0	9	69.23
Senior management (Levels 13-16)	2	0	0	0	0
Total	600	3	0.5	312	51.17

6 EMPLOYMENT EQUITY

The tables in this section are based on the formats prescribed by the Employment Equity Act, 55 of 1998.

Table 6.1 – Total Number of Employees (including Employees with Disabilities) per Occupational Category (SASCO)

Occupational Categories	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Legislators, senior officials and managers	2	0	0	2	1	0	0	0	0	0	3
Professionals	7	0	0	7	6	3	0	0	3	4	20
Clerks	36	2	1	39	6	57	6	3	66	31	142
Service and sales workers	7	1	0	8	0	2	0	0	2	0	10
Craft and related trades workers	28	0	0	28	51	12	0	0	12	15	106
Plant and machine operators and assemblers	47	6	0	53	49	28	10	1	39	73	214
Elementary occupations	34	5	0	39	15	17	2	0	19	2	75
Total	161	14	1	176	128	119	18	4	141	125	570

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	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Employees with disabilities	3	0	0	3	6	1	0	0	1	4	14

Table 6.2 - Total number of Employees (incl. Employees with disabilities) per Occupational Bands

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Senior Management	2	0	0	2	1	0	0	0	0	0	3
Professionally qualified and experienced specialists	9	0	0	9	6	2	0	0	2	3	20
Skilled technical and academically qualified workers,	28	0	0	28	47	25	1	1	27	25	127
Semi-skilled and discretionary decision making	34	2	1	37	23	47	4	2	53	30	143
Unskilled and defined decision making	88	12	0	100	51	45	13	1	59	67	277
Total	161	14	1	176	128	119	18	4	141	125	570

Table 6.3 – Recruitment

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Senior Management	2	0	0	2	0	0	0	0	0	0	2
Professionally qualified and experienced specialists	0	0	0	0	0	1	0	0	1	0	1
Skilled technical and academic qualified	0	0	0	0	0	0	1	0	1	0	1
Semi-skilled and discretionary decision making	1	0	0	1	0	1	0	0	1	0	0
Other	6	0	0	6	0	9	0	0	9	0	15
Total	9	0	0	9	0	12	0	0	12	0	21

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Table 6.4 – Promotions

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Professionally qualified and experienced specialists	1	0	0	1	0	0	0	0	0	0	1
Semi-skilled and discretionary decision making	2	0	0	2	0	0	0	0	0	0	2
Total	3	0	0	3	0	0	0	0	0	0	3

Table 6.5 – Terminations

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Professionally qualified and experienced specialists	1	0	0	1	1	0	0	0	0	0	2
Skilled technical and academically qualified workers	1	0	0	1	9	0	0	0	0	4	14
Semi-skilled and discretionary decision making	3	0	0	3	7	1	0	0	1	2	13
Unskilled and defined decision making	3	0	1	4	14	0	1	0	1	3	22
Total	8	0	1	9	31	1	1	0	2	9	51

Table 6.6 - Disciplinary Action

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Total	23	2	1	26	18	2	1	0	3	2	49

Table 6.7 - Skills Development

This information is included in the Department of Home Affairs report.

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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 and disability (Table 7.1), personnel below SMS (Table 7.2), critical occupations (Table 7.3) and salary bands for SMS (Table 7.4).

Table 7.1 - Performance Rewards by Race, Gender and Disability

	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)
African, Female	35	119	29.4	138	3 952
African, Male	47	160	29.4	187	3 971
Asian, Female	2	4	50	12	6 168
Asian, Male	0	1	0	0	0
Coloured, Female	5	18	27.8	18	3 595
Coloured, Male	5	14	35.7	17	3 412
Total Blacks, Female	42	14	29.8	169	4 015
Total Blacks, Male	52	175	29.7	204	3 917
White Female	57	124	46	270	4 731
White Male	45	128	35.2	237	5 265
Total	196	570	34.4	879	4 484

Table 7.2 - Performance Rewards by Salary Band for Personnel below Senior Management Service

Salary Band	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)
Lower skilled (Levels 1-2)	59	81	72.8	175	2 966
Skilled (Levels 3-5)	89	327	27.2	346	3 888
Highly skilled production (Levels 6-8)	48	125	38.4	358	7 458
Highly skilled supervision (Levels 9-12)	0	20	0	0	0
Other	0	37	0	0	0
Total	196	590	33.2	879	4 485

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Table 7.3 - Performance Rewards by Critical Occupation, 1 April 2005 till 31 March 2006

Critical Occupations	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)
Administrative related	0	2	0	0	0
Binding and related workers	3	19	15.8	15	5 000
Bookbinding and related machine operators	2	7	28.6	10	5 000
Cleaners in offices workshops hospitals etc.	20	70	28.6	60	3 000
Client inform clerks (switchb receipt inform clerks)	0	4	0	0	0
Compositors typesetters & related printing workers	16	31	51.6	95	5 938
Finance and economics related	0	4	0	0	0
Financial and related professionals	1	2	50	11	11 000
Head of department/ chief executive officer	0	1	0	0	0
Financial clerks and credit controllers	9	29	31	44	4 889
Human resources & organisat developm & relate prof	2	2	100	20	10 000
Human resources clerks	3	4	75	20	6 667
Human resources related	0	0	0	0	0
Library mail and related clerks	2	8	25	11	5 500
Logistical support personnel	1	5	20	9	9 000
Material-recording and transport clerks	25	64	39.1	131	5 240
Messengers porters and deliverers	2	4	50	7	3 500
Motor vehicle drivers	3	3	100	12	4 000
Other administrat & related clerks and organisers	8	29	27.6	32	4 000
Other administrative policy and related officers	1	4	25	9	9 000
Other occupations	0	1	0	0	0
Other printing trade workers	4	6	66.7	25	6 250

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Critical Occupations	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)
Photographic lithographic and related workers	4	15	26.7	26	6 500
Printing and related machine operators	75	204	36.8	233	3 107
Printing management and supervisory personnel	8	29	27.6	74	9 250
Printing planners and production controllers	2	6	33.3	20	10 000
Secretaries & other keyboard operating clerks	1	4	25	4	4 000
Security officers	4	10	40	14	3 500
Senior managers	0	2	0	0	0
Total	196	570	34.4	882	4 500

Table 7.4 - Performance Related Rewards (Cash Bonus) by Salary Band for Senior Management Service

SMS Band	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)	% of SMS Wage Bill	Personnel Cost SMS (R'000)
Total	0	0	0	0	0	0	0

8. FOREIGN WORKERS

The tables below summarize the employment of foreign nationals in the Department in terms of salary bands and major occupations. The tables also summarize changes in the total number of foreign workers in each salary band and by each major occupation.

Table 8.1 – Foreign Workers by Salary Band

Major Occupation	Employment at Beginning Period	Percentage of Total	Employment at End of Period	Percentage of Total	Change in Employment	Percentage of Total	Total Employment at Beginning of Period	Total Employment at End of Period	Total Change in Employment
Lower skilled (Levels 1-2)	0	0	0	0	0	0	0	0	0
Skilled (Levels 3-5)	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0

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Table 8.2 – Foreign Workers by Major Occupation

Major Occupation	Employment at Beginning Period	Percentage of Total	Employment at End of Period	Percentage of Total	Change in Employment	Percentage of Total	Total Employment at Beginning of Period	Total Employment at End of Period	Total Change in Employment
Total	0	0	0	0	0	0	0	0	0

9. LEAVE UTILIZATION FOR THE PERIOD 1 JANUARY 2005 TO 31 DECEMBER 2005

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 (Table 9.1) and disability leave (Table 9.2). In both cases, the estimated cost of the leave is also provided.

Table 9.1 - Sick Leave, 1 JANUARY 2005 TO 31 DECEMBER 2005

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)	Total number of Employees using Sick Leave	Total number of days with medical certification
Lower skilled (Levels 1-2)	1212	89.3	194	33.1	14	398	586	2495
Skilled (Levels 3-5)	3721.5	87.5	252	43	15	699	586	3255
Highly skilled production (Levels 6-8)	1856	87.5	130	22.2	14	645	586	1624
Highly skilled supervision (Levels 9-12)	23	52.2	8	1.4	3	15	586	12
Senior management (Levels 13-16)	8	0	2	0.3	4	13	586	0
Total	8404	87.9	586	100	14	1770	586	7386

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Table 9.2 - Disability Leave (Temporary and Permanent)

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)	Total number of days with medical certification	Total number of Employees using Disability Leave
Lower skilled (Levels 1-2)	250	100	24	24.5	10	37	250	98
Skilled (Levels 3-5)	722	100	51	52	14	141	722	98
Highly skilled production (Levels 6-8)	347	100	23	23.5	15	130	347	98
Total	1 319	100	98	100	13	308	1319	98

Table 9.3 - Annual Leave

Salary Band	Total Days Taken	Average Employee	per Employment
Lower skilled (Levels 1-2)	3 485.84	21	170
Skilled (Levels 3-5)	6 267.08	23	269
Highly skilled production (Levels 6-8)	3 416.08	24	140
Highly skilled supervision (Levels 9-12)	298	18	17
Senior management (Levels 13-16)	47	24	2
Total	13 514	23	598

Table E 9.4 - Capped Leave

Salary Band	Total days of capped leave taken	Average number of days taken per employee
Lower skilled (Levels 1-2)	64	5
Skilled (Levels 3-5)	162	6
Highly skilled production (Levels 6-8)	124	5
Total	350	16

Table 9.5 - Leave Pay-outs

Reason	Total Amount (R'000)	Number of Employees	Average Payment per Employee (R)
Leave payout for 2004/05 due to non-utilisation of leave for the previous cycle	28	12	2 333
Capped leave payouts on termination of service for 2004/05	81	34	2 382
Current leave payout on termination of service for 2004/05	25	12	2 083
Total	134	58	2 310

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10. HIV/AIDS & HEALTH PROMOTION PROGRAMS**Table 10.1 - 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		
N/A	N/A		
N/A	N/A		

Table 10.2 - Details of Health Promotion and HIV/AIDS Programmes [tick Yes/No and provide required information]

Question	Yes		Details, if yes
As a Chief Directorate of the Department of Home Affairs this responsibility is vested at the Department of Home Affairs			

11. LABOUR RELATIONS**Table 11.1 - Collective Agreements**

As Government Printing Works is an entity of the Department of Home Affairs, this information is included in the Department of Home Affairs annual report.

Table 11.2 – Misconduct and Disciplinary Hearings Finalised

Outcomes of disciplinary hearings	Number	Percentage of Total
Corrective counselling	0	0
Final written warning	2	28.57
Suspended without pay	1	14.29
Dismissal	4	57.24
Total	7	100

Table 11.3 - Types of Misconduct Addressed and Disciplinary Hearings

Type of misconduct	Number	% of total
Unauthorised absenteeism	1	14.29
Theft	2	28.57
Disrespective conduct	4	57.24
Total	7	100

Table 11.4 - Grievances Lodged

Number of grievances addressed	Number	% of total
Resolved	5	50
Not resolved	5	50
Total	10	100

Table 11.5 - Disputes Lodged

Number of disputes addressed	Number	% of total
Upheld	0	0
Dismissed	1	100
Total	1	100

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Table 11.6 - Strike Actions

Strike Actions	
Total number of person working days lost	0
Total cost (R'000) of working days lost	0
Amount (R'000) recovered as a result of no work no pay	0

Table 11.7 - Precautionary Suspensions

Precautionary Suspensions	
Number of people suspended	0
Number of people whose suspension exceeded 30 days	1
Average number of days suspended	275
Cost (R'000) of suspensions	158

12. SKILLS DEVELOPMENT**Table 12.1 - Training Needs identified**

This information is included in the Department of Home Affairs report.

Table 12.2 - Training Provided

This information is included in the Department of Home Affairs report.

13. INJURY ON DUTY

The following table provides basic information on injury on duty.

Table 13.1 – Injury on Duty

Nature of injury on duty	Number	% of total
Required basic medical attention only	54	100
Temporary Total Disablement	0	0
Permanent Disablement	0	0
Fatal	0	0
Total	54	100

14. UTILIZATION OF CONSULTANTS

Government Printing Works had engaged services of consultants in IT and Finance.

NOTES

[illegible]

NOTES

[illegible]

