

Vote 4

Home Affairs

2007/08				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	3 314 589	3 520 898	–	206 309
<i>of which:</i>				
Current payments	2 079 228	2 592 534	–	513 306
Transfers and subsidies	508 523	618 523	–	110 000
Payments for capital assets	726 838	309 841	(416 997)	–
Executive authority	Minister of Home Affairs			
Accounting officer	Director-General of Home Affairs			

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 regarding their individual status, identity and specific rights and powers, and to promote a supporting service for this.

Adjusted Estimates of National Expenditure 2007

Table 4.1: Adjusted estimates

2007/08							
Programme	Additional appropriation						Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments	Total additional appropriation	
1. Administration	1 052 588	156 309	–	14 474	–	170 783	1 223 371
2. Civic and Immigration Services	1 757 333	50 000	–	(124 474)	–	(74 474)	1 682 859
3. Transfers to Agencies	504 668	–	–	110 000	–	110 000	614 668
Total	3 314 589	206 309	–	–	–	206 309	3 520 898
Economic classification							
Current payments	2 079 228	97 346	–	415 960	–	513 306	2 592 534
Compensation of employees	1 209 866	50 346	–	(126 360)	–	(76 014)	1 133 852
Goods and services	869 362	47 000	–	542 320	–	589 320	1 458 682
Transfers and subsidies	508 523	–	–	110 000	–	110 000	618 523
Departmental agencies and accounts	504 668	–	–	110 000	–	110 000	614 668
Households	3 855	–	–	–	–	–	3 855
Payments for capital assets	726 838	108 963	–	(525 960)	–	(416 997)	309 841
Buildings and other fixed structures	53 500	58 963	–	–	–	58 963	112 463
Machinery and equipment	180 831	50 000	–	(126 389)	–	(76 389)	104 442
Software and other intangible assets	492 507	–	–	(399 571)	–	(399 571)	92 936
Total	3 314 589	206 309	–	–	–	206 309	3 520 898

Details of adjustments to Estimates of National Expenditure 2007

Roll-overs – R206.309 million

Programme 1: Administration

R156.309 million has been rolled over for the repair and maintenance programme (RAMP) for the department's offices (R58.963 million), for paying outstanding claims to the Department of Foreign Affairs for foreign missions (R50.346 million), and for quick win projects, mainly to review existing business processes, as part of the department's turnaround strategy (R47 million).

Programme 2: Civic and Immigration Services

R50 million has been rolled over for HANIS technology rehabilitation.

Virements

Table 4.2: Details on virements per programme and economic classification

Programme / Economic classification	R thousand		Motivation
	From	To	
1. Administration	(178 797)	193 271	
Current payments	(12 656)	189 660	
Compensation of employees	(12 656)	–	Savings due to non-critical posts at head office not being filled have been shifted to goods and services (R12.545 million) and machinery and equipment (R111 000).
Goods and services	–	189 660	R126.249 million shifted from compensation of employees in this programme (R12.545 million) and programme 2 (R113.704 million) will be used mainly to fund consultant fees (R124.410 million), and increased travel expenditure related to turnaround initiatives (R1.839 million). R8 million shifted from the HANIS Smart ID card project (software and other intangible assets in programme 2) will be used for the new Client Contact Centre. R5.758 million shifted from goods and services (in programme 2) will be used for computer equipment leases. R49.653 million shifted from software and other intangible assets in this programme will be used for information services, including SITA costs, WAN upgrade and various software licenses.
Payments for capital assets	(166 141)	3 611	
Machinery and equipment	–	3 611	R111 000 shifted from compensation of employees will be used for office equipment such as photocopiers. R3.5 million shifted from software and other intangible assets and R4.5 million savings on other equipment will be used for printers and scanners for the Track and Trace project.
Software and other intangible assets	(166 141)	–	Savings due to reprioritising different IT projects, i.e. live capture, business intelligence and the electronic document management system, have been shifted to goods and services (R49.653 million) and machinery and equipment (R3.5 million) in this programme and goods and services in programme 2 (R112.988 million).
2. Civic and Immigration Services	(477 134)	352 660	
Current payments	(113 704)	352 660	
Compensation of employees	(113 704)	–	Savings due to slow filling of vacant posts in provincial offices have been shifted to goods and services in programme 1.
Goods and services	–	352 660	R205.430 million has been reclassified and shifted from software and other intangible assets to goods and services but remains earmarked for the HANIS Smart ID Card project. R112.988 million shifted from software and other intangible assets (in programme 1) will be used for HANIS technology rehabilitation (R26.157 million), the maintenance of the HANIS automated fingerprint identification system (R58.176 million), and the HANIS disaster recovery system (R28.655 million). R40 million shifted from machinery and equipment (R20 million) and software and other intangible assets (R20 million) will be used for the new passport system. Savings of R5.758 million due to the reprioritisation of consultant fees have been shifted to goods and services (in programme 1).
Payments for capital assets	(363 430)	–	
Machinery and equipment	(130 000)	–	Funds earmarked for the passport system have been reclassified and shifted to departmental agencies and accounts in programme 3 (R110 million) and goods and services in this programme (R20 million) for the same purpose.
Software and other intangible assets	(233 430)	–	Due to the reclassification of capital funds earmarked for the Smart ID Card, funds have been shifted to goods and services in this programme (R205.43 million) and programme 1 (R8 million). Due to the reclassification of funds earmarked for the passport system, R20 million has been shifted to goods and services in this programme.

Table 4.2: Details on virements per programme and economic classification (continued)

Programme / Economic classification	R thousand		Motivation
	From	To	
3. Transfers to Agencies	–	110 000	
Transfers and Subsidies	–	110 000	
Departmental agencies and accounts	–	110 000	Funds shifted from machinery and equipment in programme 2 will be transferred to the Government Printing Works to implement the new end-to-end passport system.
Total for Vote	(655 931)	655 931	

Expenditure 2006/07 and preliminary expenditure 2007/08

Table 4.3: Expenditure trends

Programme	2006/07				2007/08		
	Expenditure outcome				Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2006 - Sep 2006	Apr 2006 - Mar 2007	Apr 06 - Mar 07 % of adjusted appropriation	Adjusted appropriation	Apr 2007 - Sep 2007	% change 06/07 - 07/08 Apr - Sep
1. Administration	878 365	279 704	773 143	88.0	1 223 371	297 445	6.3
2. Civic and Immigration Services	1 558 907	614 494	1 410 640	90.5	1 682 859	617 638	0.5
3. Transfers to Agencies	363 133	201 334	363 132	100.0	614 668	252 614	25.5
Total	2 800 405	1 095 532	2 546 915	90.9	3 520 898	1 167 697	6.6
Current payments	1 831 492	808 195	1 781 260	97.3	2 592 534	846 043	4.7
Compensation of employees	901 911	397 308	844 673	93.7	1 133 852	470 041	18.3
Goods and services	929 581	410 865	926 559	99.7	1 458 682	375 972	(8.5)
Financial transactions in assets and liabilities	–	22	10 028	–	–	30	36.4
Transfers and subsidies	372 109	206 344	368 212	99.0	618 523	255 823	24.0
Provinces and municipalities	1 896	579	988	52.1	–	76	(86.9)
Departmental agencies and accounts	363 133	203 801	363 134	100.0	614 668	252 446	23.9
Households	7 080	1 964	4 090	57.8	3 855	3 301	68.1
Payments for capital assets	596 804	80 993	397 443	66.6	309 841	65 831	(18.7)
Buildings and other fixed structures	104 913	1 957	45 949	43.8	112 463	13 928	611.7
Machinery and equipment	425 657	71 626	233 093	54.8	104 442	26 546	(62.9)
Software and other intangible assets	66 234	7 410	118 401	178.8	92 936	25 357	242.2
Total	2 800 405	1 095 532	2 546 915	90.9	3 520 898	1 167 697	6.6

Selected expenditure trends for the first half of 2007/08

Expenditure in the first six months of 2007/08 was R1.167 billion, or 33.1 per cent of the adjusted appropriation of R3.521 billion for the year as a whole. Expenditure in the first six months of 2007/08 increased by 6.6 per cent compared to the first six months of 2006/07.

The main increases compared to 2006/07 are related to transfers to the Independent Electoral Commission which are managed in accordance with the needs of the commission, repair and maintenance projects going ahead with minimal delays, and higher spending on personnel due to key appointments and bulk advertisements early in the year.

Expenditure in 2006/07 was 90.9 per cent of the adjusted appropriation for that year.

Changes to transfers and subsidies

Table 4.4: Summary of changes to transfers and subsidies per programme

R thousand	2007/08						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
2. Civic and Immigration Services	2 811	-	-	-	-	-	2 811
Households							
Social benefits							
Current	157	-	-	(157)	-	(157)	-
Advances to Citizens	157	-	-	(157)	-	(157)	-
Other transfers							
Current	2 654	-	-	157	-	157	2 811
Leave gratuity	2 654	-	-	157	-	157	2 811
3. Transfers to Agencies	504 668	-	-	110 000	-	110 000	614 668
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	504 668	-	-	110 000	-	110 000	614 668
Government Printing Works	212	-	-	110 000	-	110 000	110 212