

Vote 4

Home Affairs

Budget summary

R million	2009/10				2010/11	2011/12
	Total to be appropriated	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	1 087.1	1 033.8	1.3	52.0	1 203.0	1 454.0
Services to Citizens	1 336.9	1 189.4	3.1	144.4	1 403.3	1 398.5
Immigration Services	1 327.4	1 325.2	0.3	2.0	1 557.7	1 260.7
Transfers to Agencies	1 299.1	–	1 299.1	–	1 416.8	893.8
Total expenditure estimates	5 050.6	3 548.4	1 303.8	198.5	5 580.8	5 007.0
Executive authority	Minister of Home Affairs					
Accounting officer	Director-General of Home Affairs					
Website address	www.home-affairs.gov.za					

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 manage a supporting service for this.

Programme purposes

Programme 1: Administration

Purpose: Provide for the overall management of the department and centralised support services.

Programme 2: Services to Citizens

Purpose: Carry out the department's core functions: grant rights and citizenship to eligible persons.

Programme 3: Immigration Services

Purpose: Control immigration in line with South Africa's skills and investment needs. Manage refugees and asylum seekers in South Africa.

Programme 4: Transfers to Agencies

Purpose: Provide financial support to the Film and Publication Board, the Government Printing Works and the Electoral Commission.

Strategic overview: 2005/06 – 2011/12

The mandate of the Department of Home Affairs is to identify and determine the status of people and issue documents that make it possible for them to realise their rights and access benefits and opportunities in both the public and private domains. By expanding these services to marginalised communities, the department plays a vital role in deepening democracy and promoting social security.

The department is also responsible for managing migration and ports of entry. Through its document processing functions and its role in foreign missions, the department makes a significant contribution to ensuring national security, enabling economic development and tourism, and promoting good international relations.

Improving service delivery

The department's turnaround programme, introduced in June 2007, is in phase 2 of its five-year cycle. The objective is to transform the department into a modern, efficient, cost effective service organisation, responsive to the needs of South African citizens, residents and visitors. Phase 2 focuses on implementing broad based changes and will continue until the end of 2009/10. Phase 3, aimed at consolidating changes, will begin in 2010/11.

In 2009/10, the department will pay special attention to improving the security of enabling documents and related systems. A comprehensive policy and legal framework will be developed through engagements with government and civil society. Specific projects include the launch of the electronic identification card, and a modern passport production facility in conjunction with the Government Printing Works.

Fighting corruption

The national population register is a critical national resource, and the department will accelerate its efforts to update and maintain it. This intervention will make a significant contribution to the fight against corruption by preventing officials from fraudulently entering individuals' details on the register. Other specific anti-corruption measures include increasing the department's human resource capacity in this area and working closely with the relevant agencies. Corruption involving the department's employees and national and international criminal syndicates compromises both the security of the state and the integrity of documents issued by the department. Through the Government Printing Works, the department is in the process of including tamper proof security features in documents.

Improving immigration services

The Department of Home Affairs will focus on improving the operational efficiencies of its immigration services. Key areas include: consolidating and improving the refugee and deportation system; rolling out the large account unit further; implementing standardised processes and operating procedures for the immigration inspectorate, port control and foreign offices; and developing IT applications for the advanced passenger information and advanced passenger profiling systems in preparation for the 2009 FIFA Confederations Cup and the 2010 FIFA World Cup. The passenger information and profiling systems allow airlines to send information on passengers to immigration officers. These systems will be piloted during the 2009 FIFA Confederations Cup.

The completion and implementation of the law enforcement strategy will provide a professional law enforcement capacity within immigration services. The development of analysts, special investigators, fraud detection units and visible operations units will ensure that immigration transgressions are managed effectively.

Focus over the medium term

Over the medium term, the department expects to achieve more client centred and value driven service delivery by improving, safeguarding and managing national identity processes and the status and movement of people. The department aims to achieve these outcomes with competent staff, sound leadership and governance, reliable and measurable end-to-end processes, and secure, cost effective facilities.

Selected performance and operations indicators

Table 4.1 Home Affairs

Indicator	Programme	Past			Current	Projections		
		2005/06	2006/07	2007/08		2009/10	2010/11	2011/12
Number of days to issue an unabridged birth, marriage and death certificate	Services to Citizens	–	–	180-240	180-240	5	5	5
Number of new birth, death and marriage registrations	Services to Citizens	2 238 711	2 136 887	2 058 126	2 144 575	2 251 803	2 364 393	2 482 613

Table 4.1 Home Affairs (continued)

Indicator	Programme	Past			Current	Projections		
		2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Number of days taken to issue all passports and travel documents	Services to Citizens	50	50	41	10	10	5	5
Number of new passports and travel documents issued	Services to Citizens	1 043 920	1 006 701	1 081 771	1 189 948	1 308 942	1 439 837	1 583 820
Number of days to issue an identity document (first issue)	Services to Citizens	–	–	127	60	60	30	30
Number of days to issue an identity document (second issue)	Services to Citizens	–	–	98	56	30	20	20
Number of new identity documents issued	Services to Citizens	2 188 731	1 986 000	1 986 000	3 972 000	1 986 000	1 986 000	2 085 300
Total number of citizenship certificates (naturalisation) issued	Services to Citizens	19 888	24 671	28 372	32 627	37 522	43 150	45 308
Number of calls handled by the customer service centre each year	Services to Citizens	–	–	33 770	162 121	508 073	510 000	535 500
Total number of civic service points (by type)	Services to Citizens	414	456	675	681	691	701	711

Expenditure estimates

Table 4.2 Home Affairs

Programme	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimate		
R million	2005/06	2006/07	2007/08	2008/09		2009/10	2010/11	2011/12
1. Administration	727.3	738.3	950.9	1 266.9	1 235.9	1 087.1	1 203.0	1 454.0
2. Services to Citizens	1 016.0	873.7	911.3	1 225.8	1 111.5	1 336.9	1 403.3	1 398.5
3. Immigration Services	464.6	571.7	764.9	1 113.6	1 113.6	1 327.4	1 557.7	1 260.7
4. Transfers to Agencies	964.2	363.1	614.7	1 210.3	1 210.3	1 299.1	1 416.8	893.8
Total	3 172.1	2 546.9	3 241.7	4 816.6	4 671.4	5 050.6	5 580.8	5 007.0
Change to 2008 Budget estimate				311.6	166.3	155.1	310.7	625.0

Economic classification

	1 623.6	1 781.3	2 395.6	3 442.9	3 411.9	3 548.4	4 075.0	4 054.4
Current payments								
Compensation of employees	717.9	844.7	1 087.0	1 439.5	1 439.5	1 608.6	1 853.3	2 085.4
Goods and services	904.4	926.6	1 282.0	2 003.5	1 972.5	1 939.8	2 221.6	1 969.0
<i>of which:</i>								
Administrative fees	9.3	10.9	14.7	4.6	4.6	1.4	1.5	1.6
Advertising	7.0	16.7	18.0	15.4	15.4	8.3	7.4	7.4
Assets less than R5 000	17.6	9.3	10.6	290.6	290.6	367.9	508.9	429.1
Audit costs: External	5.7	8.4	7.6	8.5	8.5	2.6	2.7	2.9
Bursaries (employees)	2.5	3.4	4.2	4.0	4.0	1.2	1.3	1.3
Catering: Departmental activities	0.4	2.0	5.5	10.6	10.6	6.1	5.7	5.5
Communication	42.9	58.9	65.5	68.5	68.5	36.5	36.1	39.4
Computer services	286.9	191.5	127.2	265.9	265.9	214.9	300.8	262.3
Consultants and professional services: Business and advisory service	1.9	0.9	2.7	371.6	371.6	531.5	453.5	334.5
Consultants and professional services: Legal costs	8.2	7.1	9.9	7.0	7.0	2.1	2.2	2.4
Contractors	11.1	20.0	101.1	69.0	69.0	36.8	36.9	40.2
Agency and support / outsourced services	152.4	164.8	369.3	161.6	161.6	94.3	90.8	102.2
Entertainment	0.5	0.4	0.4	1.2	1.2	0.5	0.5	0.5
Inventory: Other consumables	2.4	3.7	5.2	7.0	(24.0)	3.6	3.6	3.9
Inventory: Stationery and printing	70.6	76.5	87.1	108.4	108.4	104.8	154.2	66.7
Lease payments	4.2	0.2	93.7	155.4	155.4	204.3	268.3	229.5
Owned and leasehold property expenditure	88.1	89.9	82.2	102.3	102.3	115.5	133.7	210.2
Transport provided: Departmental activities	6.0	–	–	80.3	80.3	50.7	47.9	54.8
Travel and subsistence	176.6	242.4	257.6	189.0	189.0	109.9	112.3	117.7
Training and development	–	–	–	22.7	22.7	16.5	23.1	24.9
Operating expenditure	5.7	15.2	14.9	33.2	33.2	18.7	17.8	20.0
Venues and facilities	4.3	4.4	4.6	26.0	26.0	11.5	11.9	11.9
Financial transactions in assets and liabilities	1.3	10.0	26.7	–	–	–	–	–

Table 4.2 Home Affairs (continued)

R million	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09		2009/10	2010/11	2011/12
Transfers and subsidies	969.9	368.2	625.8	1 214.5	1 214.5	1 303.8	1 421.7	899.0
Provinces and municipalities	2.3	1.0	0.5	–	–	–	–	–
Departmental agencies and accounts	964.2	363.1	614.7	1 210.3	1 210.3	1 299.1	1 416.8	893.8
Households	3.4	4.1	10.7	4.2	4.2	4.6	4.9	5.2
Payments for capital assets	578.5	397.4	220.3	159.2	44.9	198.5	84.1	53.7
Buildings and other fixed structures	72.6	45.9	–	–	–	–	–	–
Machinery and equipment	364.3	233.1	178.7	44.9	44.9	94.0	84.1	53.7
Software and other intangible assets	141.7	118.4	41.6	114.2	–	104.4	–	–
Total	3 172.1	2 546.9	3 241.7	4 816.6	4 671.4	5 050.6	5 580.8	5 007.0

Expenditure trends

Expenditure decreased from R3.2 billion in 2005/06 to R2.6 billion in 2006/07 at an average annual rate of 19.7 per cent. Service delivery improvement initiatives resulted in the increase from 2006/07 to 2007/08. Increases in 2007/08 and 2008/09 were mainly due to transfers to the Electoral Commission to prepare for the 2009 elections. The strong growth in 2008/09 has also been influenced by an increase in allocations to public entities: the Electoral Commission to prepare for the 2009 elections; the Film and Publication Board to expand its monitoring role and its research and compliance capabilities; and the Government Printing Works for a new production facility.

Expenditure is expected to rise by an average annual rate of 1.3 per cent over the medium term, reaching R5 billion in 2011/12.

The department receives additional allocations of R320 million for 2009/10, R482 million for 2010/11, and R752 million for 2011/12. Included in these allocations are provisions for: organisation implementation; foot print optimisation; refurbishment; the repair and maintenance programme; Who Am I On Line; design and planning for the 2010 FIFA World Cup; port control transformation; the Film and Publication Board (intended to cover costs relating to the ministers' task team, the action plan on pornography, council meetings and public awareness campaigns); the Government Printing Works for the passport system; and the Electoral Commission for transparent ballot boxes, civic and democracy (voter) education, and the upgrade of portable barcode scanners.

Savings over the medium term of R154.1 million, R153.3 million and R106.8 million have been identified in goods and services (for consultants and professional services) and the transfer payments to the Film and Publication Board and the Government Printing Works.

Departmental receipts

Revenue is mainly generated from fees charged for issuing passports and identity, travel and other official documents. The increases in 2006/07 and 2007/08 were mainly due to the late capturing of revenue received for services provided in foreign missions. An increase in revenue from fees is expected in 2009/10 due to the projected increase in the demand for identity documents because of the 2009 elections, and for travel documents for the 2010 FIFA World Cup.

Table 4.3 Departmental receipts

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Medium-term receipts estimate		
	2005/06	2006/07	2007/08	2008/09		2009/10	2010/11	2011/12
Departmental receipts	237 568	468 239	421 123	407 883	359 551	429 489	455 258	482 575
Sales of goods and services produced by department	225 262	445 765	369 460	391 618	340 582	415 126	440 033	466 436
Sales of scrap, waste, arms and other used current goods	11	2	12	10	13	–	–	–
Fines, penalties and forfeits	12 235	18 035	28 788	13 489	15 391	14 164	15 014	15 915
Interest, dividends and rent on land	172	154	1 783	190	257	199	211	224
Sales of capital assets	26	1	–	76	135	–	–	–
Financial transactions in assets and liabilities	(138)	4 282	21 080	2 500	3 173	–	–	–
Total	237 568	468 239	421 123	407 883	359 551	429 489	455 258	482 575

Programme 1: Administration

Expenditure estimates

Table 4.4 Administration

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
R million							
Minister ¹	0.8	0.8	1.0	1.6	1.7	1.8	1.9
Deputy Minister ¹	0.6	0.7	0.7	1.3	1.4	1.5	1.6
Management	118.3	112.8	275.8	464.4	282.8	228.2	243.4
Corporate Services	62.0	88.8	93.1	122.4	105.8	112.3	113.6
Financial Services	71.5	75.1	99.9	113.8	116.3	122.6	125.1
Information Services	101.1	146.0	224.4	230.2	182.8	217.0	231.6
Transversal IT Projects	105.7	65.6	58.2	94.7	144.0	189.4	374.8
Connectivity	23.4	13.3	–	–	–	–	–
EDMS	15.7	–	–	–	3.3	3.3	3.3
Live Capturing	7.4	10.1	–	–	–	–	–
Business Intelligence	–	–	–	–	19.0	19.0	7.6
BCMP	–	21.3	–	–	–	–	–
IT Turnaround Intervention Projects	–	–	–	13.1	–	–	–
Information Security System	52.6	6.3	–	6.1	–	–	–
Information Services Infrastructure	–	–	–	50.0	95.0	76.0	81.0
Who Am I Online	–	–	–	–	–	61.8	251.8
Refugee System	–	–	42.0	9.8	10.2	11.2	11.9
Back to Basics	–	–	12.0	11.3	11.8	13.0	13.8
Information Services Programme Management	6.6	14.5	4.3	4.5	4.7	5.2	5.5
Government Motor Transport	104.3	114.1	24.1	27.4	42.6	90.6	41.6
Property Management	163.1	134.4	173.8	211.1	209.7	239.5	320.4
Total	727.3	738.3	950.9	1 266.9	1 087.1	1 203.0	1 454.0
Change to 2008 Budget estimate				88.7	(227.7)	(171.4)	291.4

1. From 2008/09, the current payments relating to the total remuneration package of political office bearers are shown, before this, only salary and car allowance are included. Administrative and other subprogramme expenditure may in addition include payments for capital assets as well as transfers and subsidies.

Table 4.4 Administration (continued)

R million	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Economic classification							
Current payments	443.9	517.0	870.3	1 220.9	1 033.8	1 149.0	1 398.9
Compensation of employees	114.4	139.6	158.9	215.6	220.9	279.6	297.9
Goods and services	328.8	377.3	684.7	1 005.3	812.9	869.4	1 101.1
of which:							
Administrative fees	8.9	9.7	12.6	3.4	1.4	1.4	1.5
Advertising	6.1	12.3	10.3	9.4	3.8	3.0	3.2
Assets less than R5 000	1.9	1.7	6.0	59.2	91.9	111.9	199.4
Audit costs: External	5.7	8.4	7.6	8.5	2.6	2.7	2.9
Bursaries (employees)	2.5	3.4	4.2	4.0	1.2	1.3	1.3
Catering: Departmental activities	0.2	1.0	3.3	5.5	1.8	1.9	2.2
Communication	14.5	18.7	11.6	13.2	4.8	5.0	5.4
Computer services	62.6	78.7	95.0	183.6	95.0	109.4	161.2
Consultants and professional services:	1.9	0.9	2.7	318.9	241.0	175.4	213.6
Business and advisory service							
Consultants and professional services:	8.2	7.1	9.9	7.0	2.1	2.2	2.4
Legal costs							
Contractors	8.3	17.6	44.8	13.5	4.1	4.3	4.6
Agency and support / outsourced services	51.0	50.7	234.4	14.9	4.7	4.9	5.3
Inventory: Other consumables	0.5	1.6	2.8	1.9	0.6	0.6	0.7
Inventory: Stationery and printing	9.1	8.8	8.8	11.2	4.5	4.6	6.1
Lease payments	4.1	0.2	93.7	154.4	200.1	264.7	225.8
Owned and leasehold property expenditure	88.0	89.6	82.0	94.0	110.6	128.9	204.9
Travel and subsistence	50.9	60.7	48.9	56.3	22.0	23.6	28.2
Training and development	–	–	–	19.0	11.5	13.6	21.5
Operating expenditure	2.8	3.5	3.5	6.2	2.4	2.2	2.3
Venues and facilities	1.2	2.5	2.3	20.5	6.7	7.2	8.3
Financial transactions in assets and liabilities	0.8	0.0	26.7	–	–	–	–
Transfers and subsidies	1.0	1.2	2.7	1.1	1.3	1.3	1.4
Provinces and municipalities	0.5	0.5	0.5	–	–	–	–
Departmental agencies and accounts	–	0.0	–	–	–	–	–
Households	0.5	0.7	2.3	1.1	1.3	1.3	1.4
Payments for capital assets	282.4	220.2	77.8	44.9	52.0	52.6	53.7
Buildings and other fixed structures	72.4	45.9	–	–	–	–	–
Machinery and equipment	154.0	165.4	42.0	44.9	52.0	52.6	53.7
Software and other intangible assets	56.1	8.8	35.8	–	–	–	–
Total	727.3	738.3	950.9	1 266.9	1 087.1	1 203.0	1 454.0

Expenditure trends

Expenditure increased from R727.3 million in 2005/06 to R1.3 billion in 2008/09, at an average annual rate of 20.3 per cent, for improvements in the department's offices and information services. The substantial increases in 2007/08 and 2008/09 were mainly for the repair and maintenance of offices and expanded capacity in support services. The decrease of 14.2 per cent in 2009/10 due to the reallocation of funds for the turnaround project to the *Services to Citizens* and *Immigration Services* programmes which were under the *Management* subprogramme.

Over the MTEF period, spending is estimated to increase at an average annual rate of 4.7 per cent. The budget reaches R1.5 billion in 2011/12 mainly to provide for increased capacity in support services and transformation initiatives. Expenditure in the *Transversal IT Projects* subprogramme increases at an average annual rate of 58.2 per cent over the MTEF period. This growth is due to additional allocations (R120 million in 2010/11 and

R250 million in 2011/12) for implementing the new organisational structure, undertaking repairs and maintenance, and implementing Who Am I Online, the integrated IT system. The average annual increase of 45.1 per cent in goods and services between 2005/06 and 2008/09 was due to the reclassification of expenditure for repair and maintenance programme projects from payments for capital assets.

Programme 2: Services to Citizens

- *Management.*
- *Status Services* regulates all matters relating to the national population register. These include: maintaining an accurate register of all citizens and immigrants who have acquired the right to permanent residence; registering births, deaths and marriages; providing travel and citizenship documents; providing financial assistance to citizens abroad by paying for their visas and air travel costs if they wish to return to South Africa and have no means of doing so; and determining and granting citizenship. Funding is mainly used to cover the costs of issuing identity documents for first time applicants. Second time applicants pay for these services.
- *Identification* oversees issues relating to identity, such as fingerprints, photographs and identity documents. Once personal details are recorded in the national population register, identity documents are issued. The subprogramme is responsible for storing fingerprints in the central database of the automated fingerprint identification system and its overall administration. Funding is mainly used for salaries and other personnel related costs.
- *Hanis* includes projects designed to develop, establish and maintain national identity systems. The subprogramme is responsible for the overall maintenance of the existing systems and ensuring that they are rehabilitated when the technology becomes obsolete. Funding is mainly used for monthly maintenance costs.
- *Customer Service Centre* is a multichannel service through which external and internal customer enquiries are resolved. Funding is used to employ 102 agents and 22 agents in the back office. The number of agents will be increased in line with the high demand for the services provided by the customer service centre.
- *Provincial Civic Services* provides for civic services in the provinces and the necessary support functions. Customers submit their applications for identity documents and other enabling documents at provincial offices, which are then routed to head office for final processing. Funding is mainly used for salaries and other personnel related costs.

Objectives and measures

- Improve the provision of specified services and products to eligible citizens and residents by reducing the time taken to issue valid documents as indicated below:
 - unabridged birth, marriage and death certificates: from 180 to 240 days in 2007/08 to 5 days in 2011/12
 - passports and travel documents: from 10 days in 2008/09 to 5 days in 2011/12
 - first issue of an identity document: from 60 days in 2008/09 to 30 days in 2011/12
 - second issue of an identity document: from 56 days in 2008/09 to 20 days in 2011/12
 - temporary identity documents: from 7 days in 2008/09 to 1 day by the end of 2008/09.
- Expand the capacity of the customer service centre to increase the number of calls managed from approximately 508 073 calls in 2009/10 to 535 500 in 2011/12, with 90 per cent of calls answered in 20 seconds (currently 60 seconds).
- Increase the number of service points from 684 in 2009/10 to 677 in 2011/12 by closing those down service points at hospitals with lower birth registrations and relocating these to Thusong service centres.

Service delivery and spending focus

Online fingerprint verification was piloted in 2007, and 215 offices are now equipped to perform this function, including the 40 highest volume offices. The equipment allows for the immediate checking of fingerprints for customers whose fingerprints are already on the Department of Home Affairs' system. Temporary identification

certificates are issued immediately at all the equipped offices. Online fingerprint verification also resulted in the processing of over 2 500 applications a day in 2008, compared with 1 000 in 2007.

The average turnaround time for most of the department's key documents has improved. In the first half of 2008/09, identity documents were issued in 60 days, compared to about 180 days in 2007. Temporary identity documents were issued on the same day in 2008, compared to 7 days in 2007. Passports were issued in 27 working days in 2008, compared to 41 days in 2007.

The entire identity document production process has been transformed. All bottlenecks have been addressed and a single courier now manages all identity document collections and deliveries. This has had a significant impact on the turnaround times.

Over 100 professionally trained call centre agents manage approximately 100 000 monthly contacts via phone, fax and email in the new state-of-the-art customer service centre. This means that more than 1 million queries per year are resolved without customers having to queue at Department of Home Affairs' offices. 90 per cent of all calls are answered in 20 seconds and solved during the first call. The department has also increased the staff complement in the office for second line queries from 15 in 2007 to 22 in 2008. In 2008, the department received an award for the best public procurement project (for the service centre) from the Institute of Purchasing and Supply.

Over the MTEF period, spending will focus mainly on the issuing of the smart identity card. A pilot of 50 000 cards will be implemented during the first quarter of 2009/10.

Expenditure estimates

Table 4.5 Services to Citizens

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
R million							
Management	3.9	5.9	6.9	59.2	31.3	78.2	29.0
Status Services	67.8	67.0	84.2	119.5	188.1	206.7	112.2
Population Register	23.1	26.3	32.2	40.1	44.3	51.4	54.8
Travel Documents and Citizenship	41.5	40.7	47.5	47.8	48.1	51.3	48.8
National Population Register Optimisation	–	–	–	–	13.3	9.5	8.6
Passport System	3.2	–	4.5	31.7	82.4	94.4	–
Identification	94.6	94.5	99.0	110.7	115.6	125.1	133.5
Hanis	483.5	276.9	221.7	255.7	227.9	130.8	139.4
Identification Infrastructure	257.2	118.0	71.6	57.5	60.1	60.1	64.1
Hanis Disaster Recovery System	–	112.6	24.2	24.6	25.7	25.7	27.3
Hanis Techno Refresh	–	–	118.6	59.4	37.7	45.0	48.0
Back Record Conversion	226.3	46.3	–	–	–	–	–
Smart ID Card	–	–	7.3	114.2	104.4	–	–
Customer Service Centre	2.5	2.6	7.4	70.0	106.7	110.3	176.9
Provincial Civic Services	363.7	426.7	492.2	610.6	667.3	752.2	807.5
KwaZulu-Natal	45.5	49.2	57.3	78.9	88.6	104.6	111.5
Mpumalanga	27.5	33.4	39.1	51.0	34.8	53.8	62.5
Free State	21.6	30.1	36.1	40.1	50.5	55.6	59.3
Northern Cape	10.4	15.1	21.1	26.9	31.4	38.3	40.9
North West	40.2	45.9	52.5	61.4	71.3	77.2	82.4
Eastern Cape	50.7	63.6	73.7	83.6	91.7	99.1	105.8
Western Cape	32.4	38.8	44.1	58.1	69.6	76.3	81.3
Gauteng	81.6	95.0	110.8	138.8	146.0	157.5	168.1
Limpopo	53.7	55.6	57.6	71.9	83.4	89.8	95.8
Total	1 016.0	873.7	911.3	1 225.8	1 336.9	1 403.3	1 398.5
Change to 2008 Budget estimate				43.1	(127.6)	196.2	116.7

Table 4.5 Services to Citizens (continued)

R million	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Economic classification							
Current payments	742.3	700.8	765.8	1 108.7	1 189.4	1 368.5	1 395.0
Compensation of employees	374.7	412.4	476.6	646.5	723.1	829.9	943.5
Goods and services	367.2	287.7	289.2	462.2	466.3	538.6	451.6
of which:							
Administrative fees	0.1	0.4	0.5	–	–	–	–
Advertising	0.7	4.4	7.7	5.3	4.0	4.0	3.7
Assets less than R5 000	5.5	3.9	–	89.1	94.1	96.5	104.2
Catering: Departmental activities	0.2	0.5	1.4	2.5	1.4	1.4	1.6
Communication	19.2	26.1	30.3	39.9	23.3	23.3	25.4
Computer services	223.2	112.8	32.1	51.0	58.3	60.0	64.7
Consultants and professional services: Business and advisory service	–	–	–	23.7	86.4	101.7	85.0
Contractors	2.6	2.0	55.7	55.2	32.6	32.5	35.4
Agency and support / outsourced services	14.4	15.9	26.2	45.5	26.0	25.9	28.4
Inventory: Other consumables	0.6	1.3	1.4	3.2	1.8	1.8	2.0
Inventory: Stationery and printing	57.0	58.8	66.1	82.4	91.8	141.2	51.4
Lease payments	–	–	0.0	0.0	3.0	3.0	3.0
Owned and leasehold property expenditure	0.1	0.1	0.1	5.9	3.4	3.3	3.7
Travel and subsistence	41.7	59.7	63.7	50.0	35.3	38.1	37.9
Training and development	–	–	–	1.1	0.6	1.6	0.7
Operating expenditure	1.4	1.4	2.6	5.3	3.0	3.0	3.3
Venues and facilities	0.4	0.4	1.3	1.8	1.0	1.0	1.1
Financial transactions in assets and liabilities	0.4	0.8	–	–	–	–	–
Transfers and subsidies	2.8	2.4	4.8	2.8	3.1	3.3	3.5
Provinces and municipalities	1.1	0.3	–	–	–	–	–
Households	1.7	2.1	4.8	2.8	3.1	3.3	3.5
Payments for capital assets	270.9	170.5	140.6	114.2	144.4	31.5	–
Buildings and other fixed structures	0.2	–	–	–	–	–	–
Machinery and equipment	190.3	60.9	134.9	–	40.0	31.5	–
Software and other intangible assets	80.4	109.6	5.7	114.2	104.4	–	–
Total	1 016.0	873.7	911.3	1 225.8	1 336.9	1 403.3	1 398.5
Details of selected transfers and subsidies							
Households							
Social benefits							
Current	1.7	2.1	4.8	2.8	3.1	3.3	3.5
Leave gratuity	1.7	2.1	4.8	2.8	3.1	3.3	3.5

Expenditure trends

Expenditure increased from R1 billion in 2005/06 to R1.2 billion in 2008/09 at an average annual rate of 6.5 per cent. Expenditure trends were volatile over this period. The high expenditure in 2005/06 was mainly due to the acquisition of the automated fingerprint identification system and the development of a new population register.

Over the MTEF period, expenditure is estimated to increase at an average annual rate of 4.5 per cent. The *Provincial Civic Services* subprogramme accounts for a significant portion of overall spending. Spending increases steadily from R610.6 million in 2008/09 to R807.5 million in 2011/12 to fund service delivery improvements at frontline offices. The increase of 203.8 per cent between 2005/06 and 2008/09 in the *Customer Service Centre* subprogramme was due to the outsourcing of the centre to a private party (Call Centre Nucleus).

The increase of 36.2 per cent over the MTEF period in this subprogramme is for the increase in call centre agents from 349 in 2010/11 to 650 in 2011/12, and due to the additional allocations of R58.7 million, R99.7 million and R103.652 million.

Programme 3: Immigration Services

- *Management.*
- *Admissions* controls visas, the admission of travellers at ports of entry, the processing of applications for permanent and temporary residence permits, as well as work, study and other temporary permits. Funding is mainly used for salaries and other personnel related costs.
- *Immigration Control* deals with immigration matters in foreign countries, detects, detains and deportes illegal immigrants in terms of the Immigration Act (2002), and provides policy directives on immigration matters. The subprogramme is responsible for: developing the strategy for deporting illegal immigrants; the operational management of services at the Lindela holding facility, which includes accommodation, catering, security and medical services for offenders; and liaising with embassies about the deportation of illegal immigrants. Funding is mainly used for salaries, operational costs for the holding facility, and transportation costs for deportees.
- *Provincial Immigration Control* provides for the delivery of immigration services in the provinces and the necessary support functions. Funding is distributed based on the number of employees at each province.
- *Refugee Affairs* considers and processes refugee asylum cases in line with the Refugees Act (1998). The subprogramme is responsible for processing and issuing section 22 asylum permits, referring appeals to the standing committee on refugee affairs for adjudication, and handing over unsuccessful applicants to immigration control for deportation. There are five refugee reception offices: Pretoria (Marabastad), Johannesburg (Crown Mines), Durban, Cape Town and Port Elizabeth. Funding is mainly used for salaries and office equipment.
- *Foreign Missions* delivers core immigration functions in foreign countries. The subprogramme acts as a portal for communication and information, communicates policies and procedures determined by civic services, and manages enquiries from foreign offices. Funding is mainly used for salaries in foreign missions and office and other equipment.

Objectives and measures

- Control and facilitate the immigration of various categories of foreigners into and out of the country, and specifically reduce the time taken on the following:
 - issuing of visas: from 10 days in 2007/08 to 3 days by the end of 2010/11
 - issuing of section 22 asylum permits: from 5 days in 2007/08 to same day issue by the end of 2010/11
 - issuing of refugee status determinations: from 12 months in 2007/08 to 1 month by the end of 2010/11
 - issuing of temporary residence permits: from 24 weeks in 2007/08 to 4 weeks by the end of 2010/11
 - issuing of permanent residence permits: from 18 months in 2007/08 to 4 months in 2010/11
 - issuing of refugee identity documents: from 6 months in 2007/08 to 3 months by the end of 2008/09.
- Control and facilitate the immigration of various categories of foreigners into and out of the country:
 - by reducing the number of days taken to:
 - adjudicate an appeal and finalise the case by the standing committee for refugees affairs: from 3 months in 2007/08 to within 1 month of the decision by refugee status determination officers by the end of 2010/11
 - adjudicate an appeal to the standing committee for refugee affairs: from 2 months in 2007/08 to within 10 days of the Refugee Appeal Board decision by the end of 2009/10
 - issue a refugee identity document: from 6 months in 2007/08 to 3 months by the end of 2009/10.
 - increasing the percentage of detainees at the Lindela detention centre deported to their countries within 30 days of arrest and 90 days from the issue of a court warrant from 90 per cent to 95 per cent by 2009/10, through more effective management of Lindela and increasing deportations directly from provinces

- maintaining clearance times of 1.5 to 2 minutes per traveller for the movement of South African and foreign travellers through land and air border posts by increasing the number of immigration officers at ports of entry.
- Improve the asylum management process for political refugees by:
 - establishing fully functional refugee centres of excellence in Johannesburg, Cape Town and Durban in 2009/10, and Port Elizabeth, Marabastad and Musina in 2010/11
 - eliminating the processing backlog of 68 585 asylum applications by the end of the 2008/09.

Service delivery and spending focus

The Department of Home Affairs improved the average turnaround time for several key documents during 2008/09.

Section 22 permits were issued on the same day compared to 3 days in 2007. At Crown Mines, Marabastad, Durban and Port Elizabeth, the department processed more than 300 same day permits compared to 50 in 2006/07. Refugee adjudications were processed and finalised on the same day, compared with a month in 2007/08. Temporary residence permits were issued in 2 weeks in 2008/09 compared with 12 weeks in 2007/08. Permanent residence permits were issued in 15 months compared with 18 months in 2007/08.

The asylum process was improved, doubling output at Marabastad and Crown Mines in the first half of 2008/09.

To improve processes and increase productivity, the Department of Home Affairs launched operations management interventions at asylum centres from the beginning of 2008/09. Significant improvements have been recorded and output doubled within two months of the intervention.

All 5 of the permanent refugee reception centres were equipped with the refugee and deportation system in August 2008. 180 additional staff members were appointed to deal with the increasing volume of applications. In addition, 5 new centre managers were appointed and 31 other managers completed training.

In 2007, the department launched a large account pilot project with 4 corporate clients. Phase 2 of the large account unit was implemented, and 23 additional companies were selected during the first 6 months of 2008/09. The large account unit provides customised solutions for big companies needing to import large numbers of skilled workers from other countries.

Key to the turnaround plan is the improvement of the front office experience by customers. A detailed plan to refurbish all Department of Home Affairs offices is in place. As part of a pilot project, 9 offices were completed by the end of December 2008, and the remaining 6 will be completed by the end of March 2009.

Over the MTEF period, spending will mainly focus on the transformation and control of border posts through the implementation of the integrated border control strategy, with the South African Revenue Service as the lead department of the border control coordinating committee.

Expenditure estimates

Table 4.6 Immigration Services

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
R million							
Management	19.6	41.1	38.9	99.4	62.1	85.9	85.0
Admissions	10.0	27.6	20.6	184.0	335.4	481.3	80.2
Permits	8.2	12.8	9.3	11.7	15.0	17.6	18.9
Port Control	1.9	12.6	9.0	4.0	4.9	4.9	7.2
National Border Priorities	–	2.3	2.2	3.4	1.7	1.8	1.9
2010 Project Management	–	–	0.1	64.9	171.3	124.5	4.8
2010 Readiness (WAIO)	–	–	–	100.0	142.5	332.5	47.5
Immigration Control	165.9	168.6	196.8	218.2	222.7	232.3	247.6
Law Enforcement	0.3	3.1	6.3	9.2	7.7	13.4	14.2
Movement Control System	10.6	–	–	–	–	–	–
Deportation	23.1	9.7	5.7	15.2	16.0	17.0	18.1
Lindela Holding Facility	131.9	155.8	184.7	193.8	199.0	202.0	215.2
Provincial Immigration Control	229.0	255.2	329.2	418.5	458.7	508.3	581.7
KwaZulu-Natal	23.5	25.0	30.7	41.1	45.8	53.1	61.5
Mpumalanga	29.1	30.3	41.2	49.8	46.2	56.2	76.2
Free State	21.2	25.0	33.2	39.0	43.9	47.4	59.0
Northern Cape	9.0	12.4	16.8	22.5	22.6	26.2	30.6
North West	26.0	30.0	37.6	48.8	51.6	55.7	59.7
Eastern Cape	21.7	27.4	32.1	37.8	40.4	43.6	47.4
Western Cape	18.3	20.7	27.3	33.2	45.5	50.2	54.9
Gauteng	48.6	52.5	72.6	96.7	110.3	119.8	129.9
Limpopo	31.4	31.8	37.7	49.6	52.3	56.0	62.6
Refugee Affairs	27.9	47.0	47.4	69.8	99.1	88.3	94.4
Refugee Affairs	16.5	31.1	30.9	16.7	30.5	14.6	15.6
Refugee Reception Offices	5.7	9.0	10.2	42.3	59.3	63.8	68.3
Boards and Committees	5.7	7.0	6.2	10.8	9.2	9.8	10.5
Foreign Missions	12.3	32.2	132.2	123.6	149.5	161.6	171.8
Total	464.6	571.7	764.9	1 113.6	1 327.4	1 557.7	1 260.7
Change to 2008 Budget estimate				97.4	188.7	188.7	128.6

Economic classification

Current payments	437.5	563.4	759.5	1 113.3	1 325.2	1 557.5	1 260.4
Compensation of employees	228.9	292.6	451.5	577.4	664.7	743.8	844.1
Goods and services	208.4	261.5	308.0	536.0	660.5	813.6	416.3
of which:							
Administrative fees	0.3	0.8	1.6	1.2	0.1	0.1	0.1
Advertising	0.2	0.0	0.0	0.7	0.5	0.4	0.5
Assets less than R5 000	10.2	3.8	4.6	142.3	182.0	300.6	125.6
Catering: Departmental activities	–	0.4	0.8	2.6	2.8	2.4	1.8
Communication	9.2	14.0	23.6	15.4	8.3	7.8	8.7
Computer services	1.0	0.0	0.1	31.3	61.5	131.5	36.3
Consultants and professional services: Business and advisory service	–	0.0	–	29.0	204.1	176.4	35.9
Agency and support / outsourced services	86.9	98.2	108.6	101.3	63.5	59.9	68.6
Entertainment	0.2	0.1	0.1	0.7	0.1	0.1	0.1
Inventory: Other consumables	1.3	0.8	0.9	1.9	1.2	1.1	1.3
Inventory: Stationery and printing	4.5	8.9	12.1	14.7	8.5	8.4	9.1
Lease payments	0.1	–	0.0	1.0	1.3	0.6	0.7
Owned and leasehold property expenditure	0.1	0.2	0.1	2.4	1.5	1.4	1.7
Transport provided: Departmental activities	6.0	–	–	80.2	50.7	47.8	54.7
Travel and subsistence	83.9	122.1	145.0	82.7	52.6	50.6	51.5
Training and development	–	–	–	2.7	4.4	7.9	2.7
Operating expenditure	1.5	10.2	8.8	21.7	13.3	12.6	14.4
Venues and facilities	2.6	1.6	1.0	3.7	3.8	3.7	2.6
Financial transactions in assets and liabilities	0.2	9.2	–	–	–	–	–

Table 4.6 Immigration Services (continued)

R million	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Transfers and subsidies	1.9	1.5	3.6	0.2	0.3	0.3	0.3
Provinces and municipalities	0.7	0.2	–	–	–	–	–
Households	1.2	1.3	3.6	0.2	0.3	0.3	0.3
Payments for capital assets	25.2	6.8	1.8	–	2.0	–	–
Machinery and equipment	20.0	6.8	1.8	–	2.0	–	–
Software and other intangible assets	5.2	–	–	–	–	–	–
Total	464.6	571.7	764.9	1 113.6	1 327.4	1 557.7	1 260.7

Expenditure trends

Expenditure increased from R464.6 million in 2005/06 to R1.1 billion in 2008/09 at an average annual rate of 33.8 per cent, mainly for higher costs for detaining and deporting illegal immigrants, and for preparations for the 2010 FIFA World Cup. The *Foreign Missions* subprogramme has been moved from the *Administration* programme to this programme. The significant increase of 310.4 per cent between 2006/07 and 2007/08 in the *Foreign Missions* subprogramme was for services provided at foreign missions on behalf of the Department Foreign Affairs.

Over the MTEF period, expenditure is estimated to increase (although not evenly) at an average annual rate of 4.2 per cent, rising to R1.6 billion in 2010/11 and declining to R1.3 billion in 2011/12, to provide for 2010 FIFA World Cup preparations, organisational implementation, and the expansion of provincial services by increasing the number of district offices. The significant decline in the budget in 2011/12 is because the advanced passenger information and advanced passenger profiling systems have been concluded and only need maintenance.

Programme 4: Transfers to Agencies

Through its three subprogrammes, this programme makes transfers to the Film and Publication Board, the Government Printing Works and the Electoral Commission.

Expenditure estimates

Table 4.7 Transfers to Agencies

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
R million							
Film and Publication Board	19.8	12.9	19.2	33.5	39.0	54.2	60.7
Government Printing Works	0.2	0.2	110.2	137.4	331.2	93.0	123.3
Electoral Commission	944.3	350.0	485.3	1 039.4	929.0	1 269.6	709.8
Total	964.2	363.1	614.7	1 210.3	1 299.1	1 416.8	893.8
Change to 2008 Budget estimate				82.4	321.6	97.2	88.3

Economic classification

Transfers and subsidies	964.2	363.1	614.7	1 210.3	1 299.1	1 416.8	893.8
Departmental agencies and accounts	964.2	363.1	614.7	1 210.3	1 299.1	1 416.8	893.8
Total	964.2	363.1	614.7	1 210.3	1 299.1	1 416.8	893.8

Details of selected transfers and subsidies

Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	964.2	363.1	614.7	1 210.3	1 299.1	1 416.8	893.8
Film and Publication Board	19.8	12.9	19.2	33.5	39.0	54.2	60.7
Government Printing Works	0.2	0.2	110.2	137.4	331.2	93.0	123.3
Electoral Commission	944.3	350.0	485.3	1 039.4	929.0	1 269.6	709.8

Expenditure trends

Most of the expenditure in the *Transfers to Agencies* programme relates to the transfers made to the Electoral Commission. Large movements in the allocations are because the Electoral Commission's budget is driven by the electoral cycle. The increase in 2005/06 was mainly for the 2006 local government elections. The increases of 69.3 per cent in 2007/08 and 96.9 per cent in 2008/09 provided for upward adjusted transfers to the Government Printing Works for a new passport system and preparations for the 2009 national elections. The increases for the Film and Publication Board over the MTEF period will accommodate the expansion of compliance monitoring and classification activities.

Public entities and other agencies

Government Printing Works

Strategic overview: 2005/06 – 2011/12

The Government Printing Works provides security printing services to the South African government and governments in the Southern African Development Community (SADC). The Government Printing Works was initially established as a trading account in the Department of Home Affairs, but in September 2008 a panel approved the conversion to a government component in terms of the Public Service Act (2007).

The Government Printing Works aims to position itself as the security printer of choice in Africa. Its four key strategic thrusts are:

- **Corporatisation/conversion:** The Government Printing Works is reviewing its services with a view to enabling its conversion to a government component. The conversion will allow the entity to focus on being a specialist security printer for the state and will require a new business model.
- **Technological upgrade:** The Government Printing Works has not recapitalised its machinery and equipment in the last 40 years. Advances in technology in the printing industry over the past decade have made it necessary to consider significant recapitalisation to become competitive and provide high standard printing.
- **New production facility:** A high security environment is critical to the Government Printing Works. Currently accommodated in two separate buildings, the entity aims to acquire more secure and suitable accommodation over the medium term.
- **Effective marketing and alignment:** The Government Printing Works needs an aggressive marketing and sales strategy for it to become competitive in the printing industry.

Selected performance and operations indicators

Table 4.8 Government Printing Works

Indicator	Past			Current	Projections		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Number of editions of national and provincial gazettes published each year	2 245	2 300	2 064	2 520	2 772	2 857	2 943
Number of new passports printed	1 013 724	1 041 478	1 140 978	1 298 394	1 363 318	1 431 479	1 503 053
Number of new identity documents printed	2 255 225	2 080 114	2 345 146	2 579 660	2 708 643	2 844 075	2 986 278
Number of new birth certificates printed	9 million	8 million	2 million	– ¹	–	–	–
Number of new marriage certificates printed	4.8 million	4.5 million	4 million	–	–	–	–
Days to recover outstanding debt	280	260	230	210	160	120	90

1. From 2008/09, these indicators will not be reported by the Government Printing Works but by the Department of Home Affairs. This decision was a result of the department's turnaround strategy.

Service delivery and spending focus

A Proudly South African security paper product was developed by two South African paper mills in 2008, which is compliant with International Civil Aviation Organisation requirements. In 2008, a specimen was endorsed by the government security cluster, and the product will be used from April 2009.

Over the MTEF period, spending will focus on accelerating the recapitalisation programme, which aims at replacing obsolete machinery and equipment with the latest technology. The recapitalisation started in 2007

with the procurement of the new passport machine. It was delivered in August 2008, and production of the new passport will start at the end of January 2009.

Expenditure estimates

Table 4.9 Government Printing Works: Activity information

R million	Audited outcome			Revised estimate	Medium-term estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Printing of provincial and government gazettes	405.3	482.2	565.8	533.2	605.2	632.9	658.2
Total expense	405.3	482.2	565.8	533.2	605.2	632.9	658.2

Table 4.10 Government Printing Works: Financial information

R million	Audited outcome			Revised estimate	Medium-term estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Statement of financial performance							
Revenue							
Non-tax revenue	466.2	482.5	470.0	521.7	605.6	658.5	717.2
Sale of goods and services other than capital assets	464.1	475.7	455.9	518.1	521.2	559.5	603.1
of which:							
Printing and publications	464.1	475.7	455.9	518.1	521.2	559.5	603.1
Other non-tax revenue	2.2	6.8	14.1	3.6	84.3	99.0	114.1
Transfers received	0.2	0.2	110.2	137.4	331.2	93.0	123.3
Total revenue	466.4	482.7	580.2	659.1	936.7	751.5	840.5
Expenses							
Current expense	405.3	482.2	565.8	533.2	605.2	632.9	658.2
Compensation of employees	61.3	69.2	80.3	84.2	144.5	172.3	180.9
Goods and services	334.8	401.0	477.6	396.5	455.2	428.4	422.4
Depreciation	9.3	12.0	7.9	52.4	5.5	32.1	54.9
Total expenses	405.3	482.2	565.8	533.2	605.2	632.9	658.2
Surplus / (Deficit)	61.1	0.4	14.4	126.0	331.5	118.6	182.2
Statement of financial position							
Carrying value of assets	35.7	25.5	50.5	420.2	726.2	739.5	694.6
of which: Acquisition of assets	2.6	1.8	33.0	422.1	311.5	45.4	10.0
Inventory	103.3	96.0	104.7	178.8	177.6	135.1	132.7
Receivables and prepayments	170.9	139.2	120.1	85.0	103.7	98.2	105.2
Cash and cash equivalents	118.2	167.0	276.8	71.7	27.0	95.6	204.8
Total assets	428.2	427.7	552.1	755.6	1 034.5	1 068.3	1 137.3
Accumulated surplus/deficit	346.1	342.5	352.6	683.4	961.4	985.4	1 057.7
Trade and other payables	74.2	83.3	197.6	62.4	68.5	66.1	76.4
Provisions	7.9	1.9	1.9	9.8	4.6	16.8	3.2
Total equity and liabilities	428.2	427.7	552.1	755.6	1 034.5	1 068.3	1 137.3

Expenditure trends

Key revenue sources for the Government Printing Works include printing identity documents, forms, examination papers and passports. Before 2008/09, the Government Printing Works printed 2 million identity documents annually but due to the 2009 elections revenue is set to increase significantly. The printing of passports and examination papers is also expected to increase over the MTEF period.

The Department of Home Affairs transfers funds to the Government Printing Works only to service bank charges. Additional transfers of R110 million in 2007/08 and R130 million in 2008/09 are for the new passport machine. The transfers in 2009/10 and 2010/11 are for capacity and skills development and a new production facility.

As business grows over the MTEF period, there will be a proportional increase in sales, from R559.5 million in 2007/08 to a projected R616.6 million in 2010/11. Expenditure will increase from R501.9 million to

R614.8 million at an average annual rate of 7 per cent, with key cost drivers being raw materials, personnel expenditure, depreciation, and stores and warehousing.

Electoral Commission

Strategic overview: 2005/06-2011/12

The Electoral Commission is a constitutional institution reporting directly to Parliament. In line with its mandate, the commission manages the elections of national, provincial and municipal legislative bodies, ensures that those elections are free and fair, and declares the results within a period prescribed by national legislation.

The Electoral Commission was established in terms of the Electoral Commission Act (1996), which sets out the composition, powers, functions and duties of the commission, as well as the establishment, composition, powers, duties and functions of the electoral court. The act has been amended to remove the commission's responsibility for municipal demarcation, which is now in the mandate of the Municipal Demarcation Board. The amendments also change the provisions for commissioners' term of office and the registration of parties.

The legislation required by the Constitution to manage national and provincial elections is found in the Electoral Act (1998). There have been a number of amendment acts, one of which limited certain categories of prisoners from registering and voting in national and provincial elections. These provisions were subsequently declared unconstitutional, and the commission put in place facilities which allowed prisoners register and vote in the 2004 national elections.

The Local Government: Municipal Electoral Act (2000) regulates municipal elections, which allow for a hybrid of ward and proportional representation. There have been no amendments to this act.

The electoral legislation grants the commission the power to issue regulations, and between 1998 and 2008 the commission issued 21 sets of regulations or amended regulations under these acts.

The Electoral Commission's strategy focuses on promoting the commission as the focal point in the delivery of free and fair, cost effective elections. This is also an important enabler in the commission's interaction with other Chapter 9 and associated institutions, and other election management bodies. The other strategic focus is maintaining an optimal network of voting districts and voting stations, and an accurate, up to date national common voters' roll to ensure reasonable access by voters. The commission strives to constantly improve the quality and accuracy of the voters' roll and to increase the registration of eligible voters, particularly young people.

Following a 2007 review and concerns raised by both the portfolio committee and standing committee on public accounts, the commission strengthened its civic and democracy (voter) education structures and activities to better equip voters to vote and to encourage them to exercise their right and civic obligation to vote. The commission also has a schools programme that aims to introduce these elements into the school curriculum.

The Electoral Commission aims to improve elections by: implementing its revised organisational structure; replacing the IT infrastructure to provide a stable elections platform; replacing obsolete systems, including the portable barcode scanners for voter registration; and maintaining infrastructure and agencies for future elections.

The next national and provincial elections, scheduled for the first quarter of 2009, are one of the commission's key priorities over the MTEF period.

Selected performance and operations indicators

Table 4.11 Electoral Commission

Indicator	Past			Current	Projections		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Number of registered voters in elections each year	21 million (January 2006)	20.1 million (March 2007)	20.3 million	22 million	21.5 million	22.5 million	22.5 million
Percentage of registered voters who cast their vote (baseline: 89% in 1999)	–	48%	–	65%	–	40%	–
Number of voter education interventions each year	–	231 118	–	254 000	246 170	253 555	261 161
Number of research projects on electoral systems each year	1	2	–	3	2	4	10

Table 4.11 Electoral Commission (continued)

Indicator	Past			Current	Projections		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Number of party liaison interventions each year	494	988	449	1 482	494	1 482	519
Number of voting stations each year	16 966	18 873	18 873	20 000	20 000	20 500	20 500
Number of mobile voting stations each year	–	82	–	41	–	–	–
Number of temporary voting stations each year	–	920	–	828	–	745	–
Number of schools as voting stations each year	–	11 688	–	11 868	–	12 048	–
Number of public information drives each year	5	4 163	6	4 579	5	5 037	50
Number of election officials trained each year	500	176 000	386	185 000	610	190 000	2 500
Number of staff training and development interventions each year	88	107	98	391	440	489	450

Service delivery and spending focus

In 2007/08, the voters' roll was reduced by 335 911 registrations, mainly as a result of natural deaths and the removal of non-citizens. However, 96 268 new voters were registered, 12 300 re-registered in the same voting districts, and 26 944 re-registered in different voting districts. The number of registered voters at the end of 2007/08 was 20.3 million.

To improve access to voting stations, the commission reviewed the delimitation of voting districts. The exercise resulted in an increase of voting districts from 18 873 in 2006 to 19 713 by the end of December 2008, an overall increase of 840 new voting districts.

The first of the two national registration drives planned for the 2009 elections was held in November 2008. An additional 1.6 million voters were registered, which increased the number of verified voters on the voters' roll from 20.3 million in 2007/08 to 21.7 million.

Over the MTEF period, spending will focus on expanding civic and democracy (voter) education to attract more young people to register by extending activities to more secondary schools and universities.

Expenditure estimates

Table 4.12 The Electoral Commission: Objective information

R million	Audited outcome			Revised estimate	Medium-term estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Office of the CEO; Commission Services - Strat Object 1	4.6	139.3	8.9	5.6	8.5	5.9	5.7
Electoral Matters; Delim; Voters Roll - Strat Object 4	12.6	1.0	1.1	99.5	10.1	118.9	8.0
Electoral Matters; Voting; Counting; Party Liaison - Strat Object 5	158.5	1.7	5.0	17.7	180.3	140.2	8.6
Electoral Matters; Logistics; Infrastructure - Strat Object 6	303.9	50.9	50.5	383.7	150.8	322.0	65.5
Outreach; Civic Education; Research; Knowledge Man - Strat Object 7	40.0	8.2	13.1	78.7	44.5	95.3	48.4
Other objectives	406.9	256.8	301.5	694.5	555.8	606.9	591.6
Total expense	926.5	458.0	380.1	1 279.7	950.0	1 289.1	727.8

Table 4.13 The Electoral Commission: Financial information

R million	Audited outcome			Revised estimate	Medium-term estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Statement of financial performance							
Revenue							
Non-tax revenue	23.3	18.0	27.5	22.5	20.5	19.0	17.5
Sale of goods and services other than capital assets	0.1	0.0	0.0	0.0	0.0	0.0	0.0
of which:							
Admin fees	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Sales by market establishments	0.1	–	–	–	–	–	–
Other non-tax revenue	23.2	18.0	27.5	22.5	20.5	19.0	17.5
Transfers received	944.3	477.4	486.9	1 257.2	929.5	1 270.1	710.3
Total revenue	967.6	495.4	514.4	1 279.7	950.0	1 289.1	727.8

Table 4.13 The Electoral Commission: Financial information (continued)

R million	Audited outcome			Revised estimate	Medium-term estimate		
Statement of financial performance	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Expenses							
Current expense	924.2	457.3	379.8	1 278.0	948.2	1 286.9	726.1
Compensation of employees	237.8	139.4	159.0	309.5	341.4	413.4	322.5
Goods and services	662.5	296.2	202.5	921.2	562.9	826.9	360.0
Depreciation	23.8	21.6	18.3	47.2	43.9	46.6	43.7
Interest, dividends and rent on land	0.0	—	—	—	—	—	—
Transfers and subsidies	2.3	0.7	0.4	1.7	1.8	2.2	1.6
Total expenses	926.5	458.0	380.1	1 279.7	950.0	1 289.1	727.8
Surplus / (Deficit)	41.1	37.5	134.3	—	—	—	—
Statement of financial position							
Carrying value of assets	77.8	67.6	98.4	277.1	244.9	238.4	206.9
of which: Acquisition of assets	9.5	11.8	50.5	226.0	11.7	40.1	12.2
Inventory	0.9	0.8	1.3	2.0	1.5	1.8	2.0
Receivables and prepayments	9.9	17.0	12.4	8.1	10.0	6.0	7.0
Cash and cash equivalents	215.0	174.4	290.6	153.6	91.2	128.9	71.4
Total assets	303.6	259.7	402.7	440.8	347.5	375.0	287.3
Accumulated surplus/deficit	159.3	196.7	331.0	393.0	289.5	308.8	217.8
Borrowings	1.3	0.9	0.5	0.8	0.8	1.0	0.8
Trade and other payables	118.8	47.6	59.1	43.9	50.9	56.9	59.9
Provisions	10.1	2.9	2.7	3.1	6.3	8.3	8.8
Managed funds	14.2	11.6	9.4	—	—	—	—
Total equity and liabilities	303.6	259.7	402.7	440.8	347.5	375.0	287.3

Expenditure trends

The Electoral Commission is funded mainly by a transfer from the Department of Home Affairs. In 2005/06 and 2006/07, funding of R2.7 million and R127.4 million was received from the African Renaissance Fund for supporting elections in the Democratic Republic of the Congo.

Following a court ruling in 2007/08, the commission's staff complement increased to include contract electoral project coordinators as permanent employees. This resulted in a significant increase in staff costs. A major cost driver in 2008/09 was the replacement of the fleet of portable barcode scanners for voter registration. In the adjusted Budget, R53.3 million was allocated to the commission for results slip scanners.

Expenditure is mainly influenced by the electoral cycle, peaking during preparations for an election and then decreasing to fund regular activities in non-election cycles. Over the MTEF period, the commission will be managing the national and provincial elections in 2009 and the local government elections in early 2011.

New allocations over the MTEF period are: R4.8 million in 2009/10 and R7.8 million in 2010/11 for translucent ballot boxes; R20.2 million in 2009/10, R20.2 million in 2010/11 and R30.2 million in 2011/12 for civic and democracy education (voter education); and R25 million in 2010/11 for upgrading the portable barcode scanners with smartcard technology.

Additional tables

Table 4.A Summary of expenditure trends and estimates per programme and economic classification

Programme	Appropriation		Audited outcome	Appropriation			Revised estimate
	Main	Adjusted		Main	Additional	Adjusted	
R million	2007/08		2007/08	2008/09			2008/09
1. Administration	1 046.4	1 223.4	950.9	1 178.3	88.7	1 266.9	1 235.9
2. Services to Citizens	1 110.2	1 682.9	911.3	1 182.6	43.1	1 225.8	1 111.5
3. Immigration Services	653.3	614.7	764.9	1 016.2	97.4	1 113.6	1 113.6
4. Transfers to Agencies	504.7	–	614.7	1 127.9	82.4	1 210.3	1 210.3
Total	3 314.6	3 520.9	3 241.7	4 505.0	311.6	4 816.6	4 671.4

Economic classification

Current payments	2 079.2	2 592.5	2 395.6	3 124.7	318.2	3 442.9	3 411.9
Compensation of employees	1 209.9	1 133.9	1 087.0	1 431.6	7.8	1 439.5	1 439.5
Goods and services	869.4	1 458.7	1 282.0	1 693.1	310.4	2 003.5	1 972.5
Financial transactions in assets and liabilities	–	–	26.7	–	–	–	–
Transfers and subsidies	508.5	618.5	625.8	1 132.1	82.4	1 214.5	1 214.5
Provinces and municipalities	–	–	0.5	–	–	–	–
Departmental agencies and accounts	504.7	614.7	614.7	1 127.9	82.4	1 210.3	1 210.3
Households	3.9	3.9	10.7	4.2	–	4.2	4.2
Payments for capital assets	726.8	309.8	220.3	248.2	(89.0)	159.2	44.9
Buildings and other fixed structures	53.5	112.5	–	68.0	(68.0)	–	–
Machinery and equipment	180.8	104.4	178.7	44.9	–	44.9	44.9
Software and intangible assets	492.5	92.9	41.6	135.3	(21.0)	114.2	–
Total	3 314.6	3 520.9	3 241.7	4 505.0	311.6	4 816.6	4 671.4

Table 4.B Summary of personnel numbers and compensation of employees

	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Permanent and full time contract employees							
Compensation (R million)	701.5	813.1	1 048.2	1 343.0	1 510.8	1 745.6	1 971.8
Unit cost (R million)	0.1	0.1	0.1	0.2	0.2	0.2	0.2
Personnel numbers (head count)	6 614	6 993	7 100	7 961	8 126	8 653	9 304
Part time and temporary contract employees							
Compensation (R million)	9.1	18.8	26.4	86.4	90.6	96.9	102.8
Unit cost (R million)	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Personnel numbers (head count)	102	195	279	933	933	933	933
Interns							
Compensation of interns (R million)	7.4	12.8	12.4	10.1	7.2	10.8	10.8
Unit cost (R million)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Number of interns	245	459	410	280	200	300	300
Total for department							
Compensation (R million)	717.9	844.7	1 087.0	1 439.5	1 608.6	1 853.3	2 085.4
Unit cost (R million)	0.1	0.1	0.1	0.2	0.2	0.2	0.2
Personnel numbers (head count)	6 961	7 647	7 789	9 174	9 259	9 886	10 537
Learnerships							
Number of learnerships (head count)	–	–	–	–	60	100	150

Table 4.C Summary of expenditure on training

	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Compensation of employees (R million)	717.9	844.7	1 133.6	1 431.6	1 581.5	1 831.7	2 105.3
Training expenditure (R million)	26.3	35.3	37.4	53.2	40.7	42.8	39.4
Training as percentage of compensation	3.7%	4.2%	3.3%	3.7%	2.6%	2.3%	1.9%
Total number trained in department (head count)	5 143	5 222	5 300	5 311			
<i>of which:</i>							
<i>Employees receiving bursaries (head count)</i>	1 052	1 345	1 356	1 056			
<i>Internships trained (head count)</i>	245	459	410	347			

Table 4.D Summary of expenditure on infrastructure

Table 4.2: Summary of expenditure on infrastructure											
R million	Type of infrastructure	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
					2005/06	2006/07	2007/08		2009/10	2010/11	2011/12
Small projects or programmes (costing less than R50 million per annum)	Buildings	New constructed Department of Home Affairs building	–	10.9	–	–	–	–	5.4	5.4	–
	Buildings	New constructed Department of Home Affairs building	–	5.4	–	–	–	–	2.7	2.7	–
	Buildings	New constructed Department of Home Affairs building	–	2.1	–	–	–	–	2.1	–	–
	Facilities	Major upgrade of 14 Department of Home Affairs facilities	–	62.5	–	–	39.2	12.3	8.7	2.3	–
	Facilities	Major upgrade of 12 Department of Home Affairs facilities	–	186.7	72.4	45.9	21.1	35.4	5.0	6.8	–
	Facilities	Buildings repaired in terms of requirements the Occupational and Health Safety Act (OHSA) and compliance with Department of Home Affairs' new corporate requirements. This will be a once-off project per financial year	–	46.3	–	–	–	18.9	12.0	15.4	–
	Facilities	In collaboration with the Government Communication Information System (GCIS) and South African Social Security Agency (SASSA), the Department of Home Affairs will participate in the Thusong service centre initiative. The Department is in the process of improving the original design of the new generation Thusong service centres. The Department of Home Affairs already accessed the GCIS business plan and the Department of Home Affairs Council for Scientific and Industrial Research (CSIR) report was accepted. New business plans to be approved by the Department of Public Works and GCIS and offices of premiers. Approximately 77 offices of the 172 new proposed offices will be catered for under this initiative. The original estimate provided was R6 500.00 per m². GCIS is already giving 120m². The Department of Home Affairs will have to provide a further 380 m². This will result in R2 470 000.00 per Thusong service centre. Costs include professional services and finishes. In total, an amount of R190 190 000.00 would be required to cater for 77 Thusong service units.	–	48.0	–	–	–	–	15.7	32.3	–
	Department of Home Affairs office expansion plan										

Table 4.D Summary of expenditure on infrastructure (continued)

Table 4.3: Summary of Expenditure on Infrastructure (continued)											
	Type of infrastructure	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
					2005/06	2006/07	2007/08		2009/10	2010/11	2011/12
R million											
Small projects or programmes (costing less than R50 million per annum)											
RAMP Group 3	Facilities	Major upgrade and revamp of 9 facilities in terms of the OHSA and compliance with the Department of Home Affairs' new corporate requirements. (Brakpan, Randfontein, Sibasa and the two Komandos will be major works, while Itsoeseng , Market Street, and Themba will be minor works)	–	72.7	–	–	–	–	–	–	72.7
	Refurbishment	Facilities	(180 Offices in total, therefore 60 offices per financial year)	–	114.2	–	–	–	–	–	43.1
	Soweto regional office (centre of excellence)	Buildings	New constructed Department of Home Affairs building	–	10.4	–	–	–	–	–	7.3
	Welkom regional office	Buildings	New constructed Department of Home Affairs building	–	9.4	–	–	–	–	–	6.3
Dendron (Bochum) department office	Buildings	New constructed Department of Home Affairs building	–	9.0	–	–	–	–	–	–	4.5
Foot print	Facilities	Department of Home Affairs will lease 71 district offices and 14 permanent service points for three years starting from 2009/2010 financial year	–	138.4	–	–	–	–	–	–	–
Planned maintenance	Facilities	Upgrading of Department of Home Affairs facilities, such as painting and repairs, and installation of new counters	–	17.4	–	–	1.1	1.4	4.5	5.0	5.0
Total			–	733.3	72.4	45.9	61.4	68.0	56.1	70.0	138.8