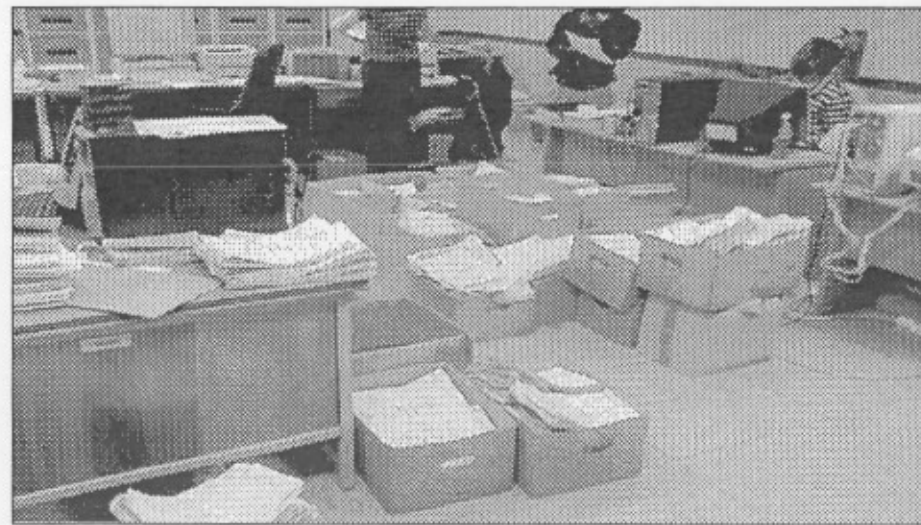
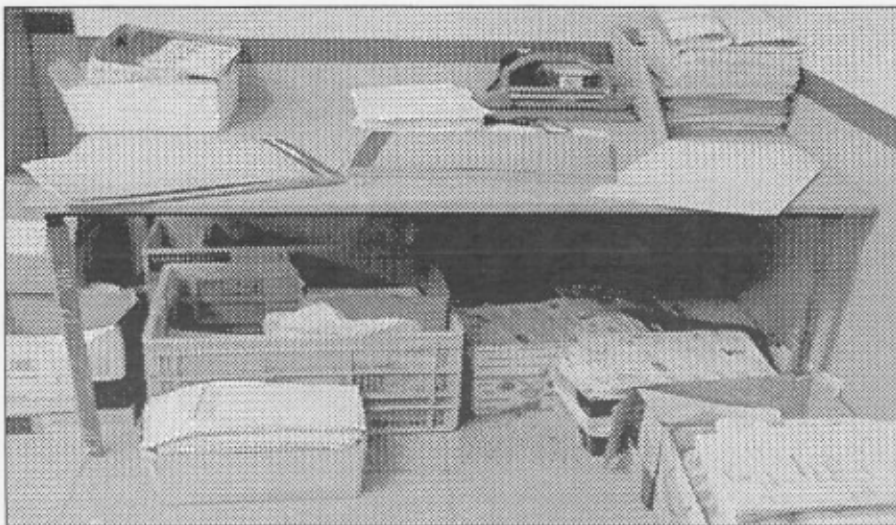
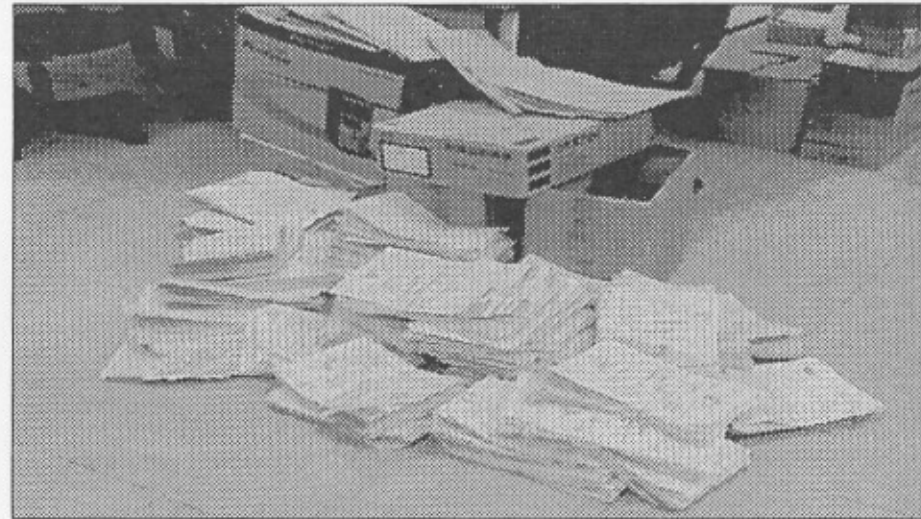


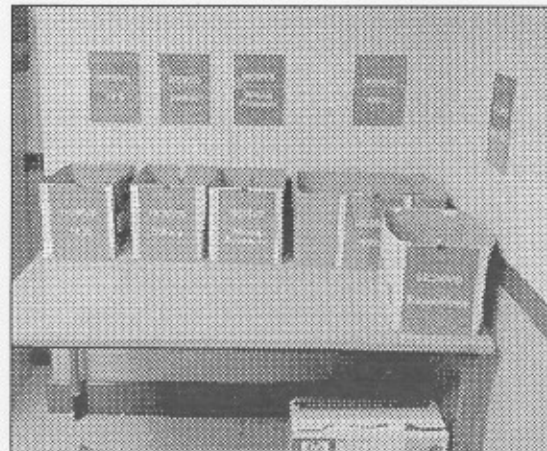
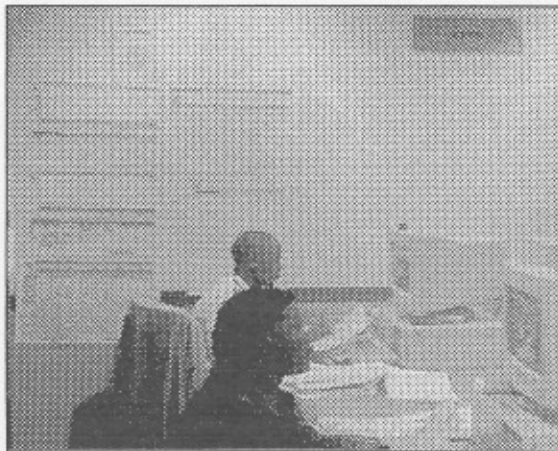
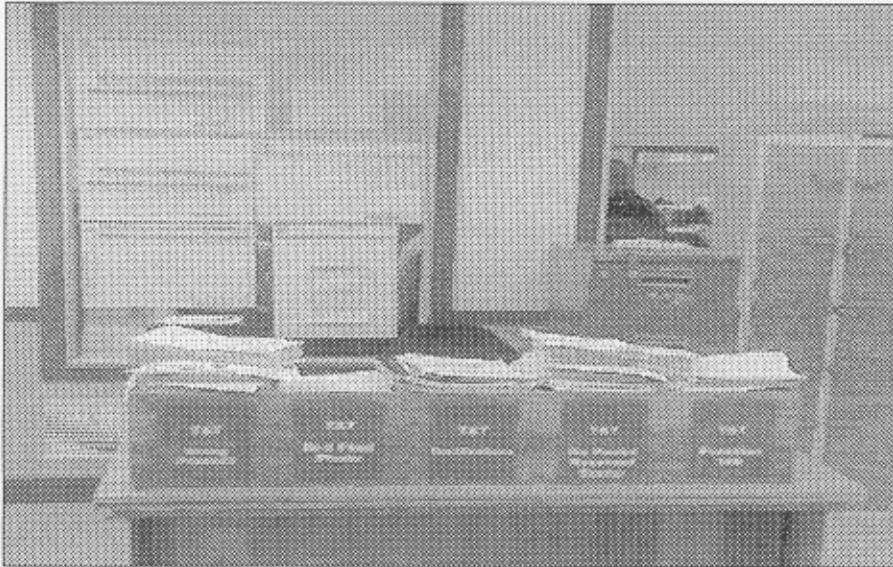
Before the Operations Management exercise, documents were stored haphazardly and the environment was untidy

Fingerprint Scanning Area Before Operations Management



Today the environment has been cleaned up and a basic document management processes have been put in place

Fingerprint Scanning Area After Operations Management



III. Refugee Matters

Objectives:

- To streamline the process of applying for asylum and clear the backlog of applications clogging the system
- Upgrade refugee reception centres to ensure human rights principles are upheld.

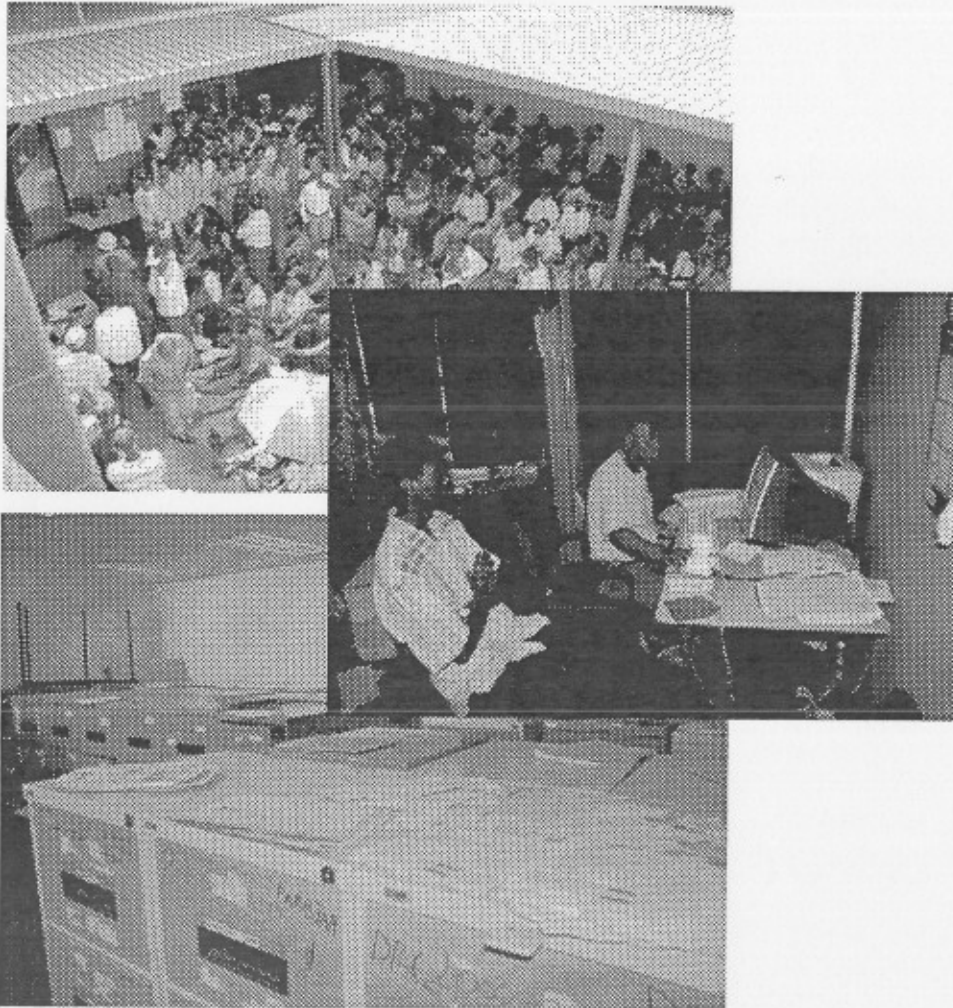
Progress To Date

1. Launched a project to clear the backlog of 144,000 asylum applications
2. Announced a 2 month grace period for outstanding asylum applications during September & October 2007; Any files still outstanding after this time will be closed.
3. A new refugee IT system (Live Capture) is being finalised to facilitate processing of applications
4. Earmarked Rossettenville Refugee Centre for closure and designated a new site for a pilot Centre Of Excellence at Crown Mines
5. Agreed a nation-wide plan to upgrade the refugee facilities
6. The Marabastad outside area has been cleaned and stabilised; Tenders for the facility upgrade has been adjudicated

Currently upgrading our refugee facilities and increasing our capacity to more effectively process applications

Permits & Refugees... The Rosettenville site is being addressed urgently – its overflow is creating a large part of the problem at Marabastad

Rosettenville Refugee Reception Office



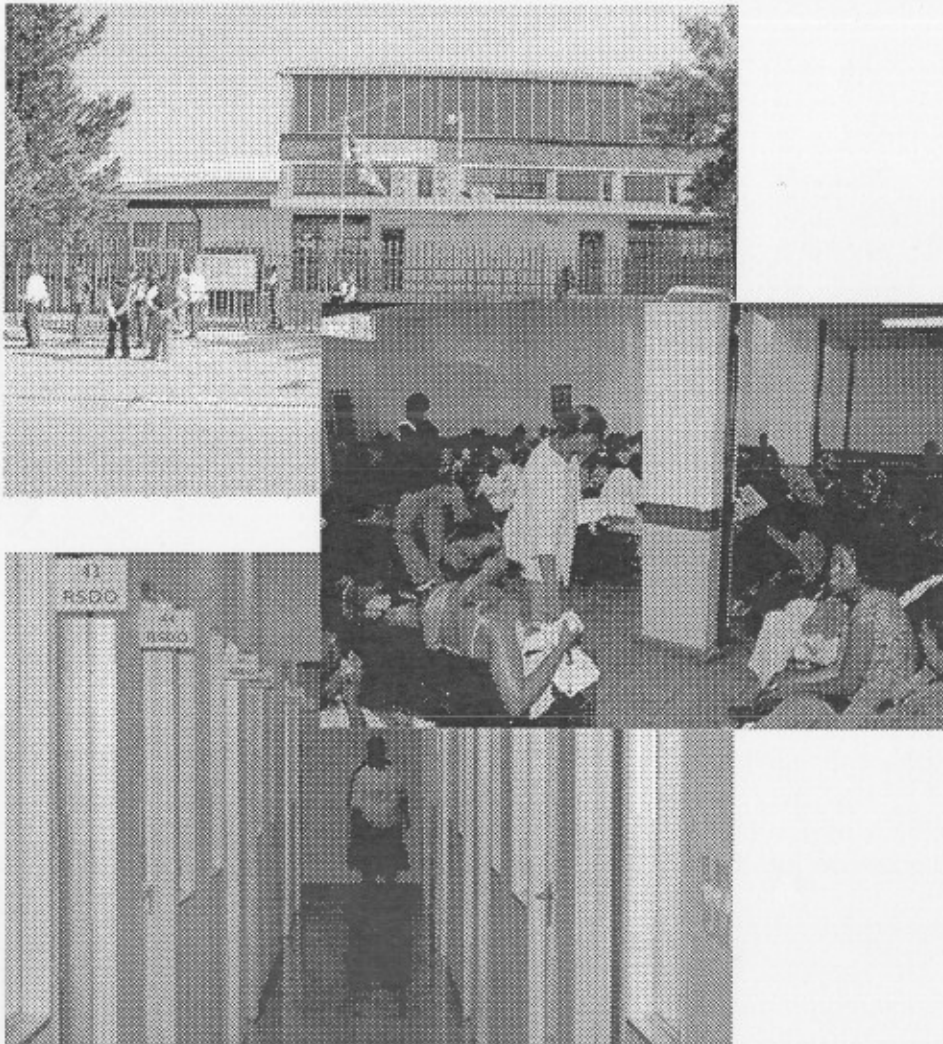
Key Stats

- **Location & property:** Rental inside Rosettenville shopping man, creating issues with shop keepers
- **Size:** 757 sqm
- **Facility quality:** Filthy, smelly, no air conditioning – partitioning done haphazardly, without taking air flow into account, no (enough) waiting rooms, no real ablutions
- **Personnel:** 47 total positions (9 vacant), of which 27 RROs and 10 RSDOs
- **Annual processing capacity:** 13,222 applications⁽¹⁾, 1,188 adjudications⁽²⁾ (9%)

Notes: 1) Based on 12 months 2006
2) Annualized, based on three first months of 2007

Crown Mines is located 15 minutes drive away – it is being utilised for the backlog and has 1,500 sqm of available space

Crown Mines Backlog Refugee Reception Office



Key Stats

- **Location & property:** Building owned by DHA located in Crown Mines industrial area
- **Size:** 1,600 sqm (+ 1,500 sqm available in the adjacent building)
- **Facility quality:** Clean, fully refurbished early 2006, proper ablutions, filing / waiting rooms, RRO / RSDO offices
- **Personnel:** 84 positions, of which 25 RROs and 50 RSDOs
- **Annual processing capacity:** no application (adjudication backlog site), 12,500 adjudications⁽¹⁾

Note: 1) Based on 12 months 2006

IV. Permits

Objective:

- To support the ASGISA/JIPSA and 2010 World Cup endeavours by helping SA fill its scarce skills needs and to facilitate the importation of scarce skills by streamlining the issuing of quota work permits

Progress To Date

1. Established a special help desk to assist and facilitate queries regarding the 35,000 available scarce skills work permits - fully operational by end of September 2007
2. Piloting a Large Account approach to streamline the issuing of work permits to major investors

We will improve the process by which individuals and corporations can apply for special skills work permits

V. Finance & Audit Cleanup

Objectives:

- To ensure compliance with PFMA in terms of financial control and management and to reduce fraud and corruption

Progress To Date

1. 58 risks have been identified, analysed and prioritised
2. Established a preliminary revenue baseline for the department
3. Began collecting data from each of the offices on the 51 services that generate revenue
4. Began piloting “Cash Collection Machines” at selected offices to improve revenue collection
5. A Memorandum Of Understanding being finalized with Department Of Foreign Affairs to address revenue collection in foreign offices

We have reviewed the qualified audit reports and are developing a plan to implement mitigating actions against key risks

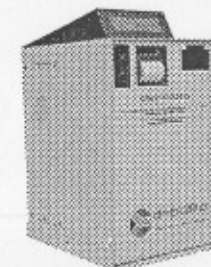
The pilot of ACHD started in the first week of November

Automated Cash Handling Devices (ACHD)

Device Type	Self-Service Kiosk	Cashier Operated Device
Availability	December	First week November
Benefits	<ul style="list-style-type: none"> ▪ Cash counting and immediate banking (CIT risk transferred to banks) ▪ Authentication of notes ▪ Reconciliation of money banked to BAS is automatic ▪ Captures volume statistics ▪ DHA official will not handle cash 	<ul style="list-style-type: none"> ▪ Reduce impact of un-matched accounts ▪ Tracing capabilities to individual users (cashiers) ▪ Timeous banking with full audit trail and statements that feed into BAS ▪ Enforces daily capturing into BAS thus limiting the risk of large suspense accounts
Providers ⁽¹⁾	ABSA, FNB, and Standard Bank	ABSA, FNB, and Standard Bank



Self-Service Kiosk



Cashier Operated Device

Pilot started to secure and improve cash collection

The initiatives being worked by the Audit “Clean Up” workstream cover a number of key areas

Audit Clean Up Workstream – Quick Wins

Quick win	High Level Root Causes	Progress of actions to date	In progress
HR Overtime and Leave	<ul style="list-style-type: none"> Overtime and Leave forms are not entered timely at HO due to inadequate processes and controls 	<ul style="list-style-type: none"> Drafted HR filing guidelines for distribution based on best practices Drafted new simplified forms Drafted process to simplify overtime payment Drafted dash report and exceptions reports for monthly review 	<ul style="list-style-type: none"> Implement register for tracking of documents Get team to perform employee record verification and filing of overtime claims Obtain approval and implement templates and dash reports
Assurance – Audit committee and internal audit	<ul style="list-style-type: none"> Internal audit function and audit committee ineffective and not monitored 	<ul style="list-style-type: none"> Reviewed audit committee and internal audit charter Created declaration of interest and reporting template to Audit Committee 	<ul style="list-style-type: none"> Coaching of staff to perform minutes at Audit Committee Audit Committee to approve charters and quarterly reports
Fruitless and wasteful	<ul style="list-style-type: none"> Inadequate disclosure and process for fruitless and wasteful expenditure 	<ul style="list-style-type: none"> Followed up possible corruption findings: 	<ul style="list-style-type: none"> Review current process to identify fruitless and wasteful expenditure Clear rest of audit findings
Property, Plant and Equipment	<ul style="list-style-type: none"> Inadequate reconciliation between the AMS and BAS 	Not a quick win after further investigation	

These quick wins are complemented by the work of the other initiatives in the Turn Around effort

VI. Contract Management and Review

Objectives:

- To ensure that our suppliers are delivering quality products and services within the PFMA and supply chain management prescripts

Progress To Date

1. Put in place a process to review all existing contracts and Service Level Agreements (SLAs) to assess compliance
2. Determined actual supplier spend from Accounts Payables database
3. Performing deep dive analyses for key suppliers (eg. Lindela, Mobile Units, Fleet Management)
4. Begun negotiations with key suppliers to improve SLAs

We are reviewing all key contracts to improve performance

We are currently in the final stages of Phase I of the transformation project

Next Steps

- Finalise the Vision and Design of the New Home Affairs
- Finalise plans for Phase 2 (Implementation) of the project

We are on track to launch Phase 2 of the Project at the beginning of 2008. We are looking forward to the ongoing support of the Portfolio Committee