Friday, 24 October 2025]

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REPUBLIC OF SOUTH AFRICA

ANNOUNCEMENTS, TABLINGS AND COMMITTEE REPORTS

FRIDAY, 24 OCTOBER 2025

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ANNOUNCEMENTS

National Assembly

The Speaker

1. Referral to Committees of papers tabled

(1) The following paper is referred to the **Portfolio Committee on Planning, Monitoring and Evaluation** for consideration and report. The Report of the Auditor-General is referred to the **Standing Committee on Public Accounts** for consideration:

(a) Report and Financial Statements of Vote 1 – The Presidency for 2024-25, including the Report of the Auditor-General on the Financial Statements and Performance Information of Vote 1 for 2024-25.

(2) The following paper is referred to the **Portfolio Committee on Police** for consideration and report:

(a) Annual Report of the National Forensic Oversight and Ethics Board for 2024-25.

(3) The following papers are referred to the **Portfolio Committee on Public Works and Infrastructure** for consideration and report. The reports of the Auditor-General and Independent Auditors are referred to the **Standing Committee on Public Accounts** for consideration:

(a) Report and Financial Statements of South African Council for the Architectural Profession (SACAP) for 2024-25, including the Report of the Independent Auditors on the Financial Statements and Performance Information for 2024-25.

(b) Report and Financial Statements of the Engineering Council of South Africa (ECSA) for 2024-25, including the Report of the Independent Auditors on the Financial Statements and Performance Information for 2024-25.

(c) Report and Financial Statements of the South African Council for the Construction and Project Management Professions (SACPCMP) for 2024-25, including the Report of the Independent Auditors on the Financial Statements and Performance Information for 2024-25.

(d) Report and Financial Statements of the South African Council for the Quantity Surveying Profession (SACQSP) for 2024-25, including the Report of the Auditor-General on the Financial Statements and Performance Information for 2024-25.

2. Membership of Committees

(1) The following committee membership changes have been made by the Other Parties:

(a) **Inkatha Freedom Party**

Portfolio Committee on Communications and Digital Technologies

Appointed: Ngobese, Mr AK

TABLINGS

National Assembly and National Council of Provinces

1. The Minister of Human Settlements

(a) Contribution Agreement between the Government of the Republic of South Africa and the United Nations Human Settlements Programme (UN-Habitat) for the establishment of the UN-Habitat Country Office in South Africa, tabled in terms of section 231(3) of the Constitution of the Republic of South Africa, 1996.

COMMITTEE REPORTS

National Assembly

1. Report of the Portfolio Committee on Home Affairs on the One Stop Border Post Bill [B 12 – 2024], dated 24 October 2025

The Portfolio Committee on Home Affairs ("the Committee), having considered the subject of the One Stop Border Post Bill [B 12 - 2024], referred to it and classified it by the Joint Tagging Mechanism as a section 75 Bill, reports the Bill with amendments [B 12A - 2024].

1. Introduction

On 11 September 2024, the Minister of Home Affairs introduced the One Stop Border Post Bill [B 12–2024] ("the Bill") in Parliament, and it was subsequently referred to the Committee for consideration and report.

The Bill, as introduced, broadly seeks to:

- regulate the establishment of one-stop border posts through international agreements;
- provide for the establishment of common control zones in the territory of an adjoining state;
- provide for one-stop border processing arrangements;
- authorise the application of the laws of the Republic and the adjoining state in the one-stop border post; and
- provide for matters connected therewith.

2. Parliamentary process.

On 5 November 2024, the Minister of Home Affairs and the Department of Home Affairs briefed the Committee on the contents of the One Stop Border Post Bill. The Bill was advertised on the Parliament website and social media platforms from 6 December 2024, and in print media in all official languages during January 2025 to invite public comments. The closing date for submissions was 28 February 2025. The Committee received eight written submissions. The Content Advisor briefed the Committee on a summary of the submissions on 20 May 2025, and public hearings were held on 27 May 2025.

The following organisations and individuals were invited to, and participated in, the public hearings on 27 May 2025:

- Scalabrini Centre and Southern African Bishops' Conference;
- The Consumer Goods Council of South Africa;
- Congress of the South African Trade Unions (Cosatu);
- Office of the High Commissioner for Human Rights;
- Lawyers for Human Rights (LHR); and
- Thato Seleke

On 10 June 2025, the Committee adopted a Motion of Desirability (MoD) and deliberated on the One Stop Border Post Bill. Subsequently on 22 July 2025, the Department of Home Affairs, together with the Parliamentary Legal Services, responded to the submissions received and the issues raised during the public hearings on the Bill.

The Committee further deliberated on the Bill on 3 September 2025 and instructed the Parliamentary Legal Services, the State Law Advisor, and the Department of Home Affairs to finalise the A-list of amendments. Prior to the meeting scheduled for 16 September 2025, at which the Committee was expected to adopt the A-list, the Committee received a letter from the South African Revenue Service (SARS) and the Financial Intelligence Centre (FIC) regarding clause 6 of the Bill. The correspondence raised concerns about the provision allowing officials to move money and goods between South Africa and the adjoining state for official purposes.

Considering the matters raised by SARS and the FIC; the Committee deferred the adoption of the A-list to allow the Department and relevant stakeholders to address the issues. The A-list was subsequently finalised and adopted on 10 October 2025. The clause-by-clause deliberations, as well as the adoption of the Committee's report on the Bill and the Bill itself, took place on 24 October 2025.

Report to be considered.

2. PORTFOLIO COMMITTEE ON HOME AFFAIRS 2025 BUDGETARY REVIEW AND RECOMMENDATION REPORT, DATED 24 OCTOBER 2025

1. INTRODUCTION

As specified by section 5 of the Money Bills Amendment Procedures and Related Matters Act (MBAP) of 2009, the National Assembly, through its Committees, must annually assess the performance of each national department. A Committee must submit the Budgetary Review and Recommendation Report (BRRR) annually to the National Assembly which assesses the effectiveness and efficiency of the department and entities' use and forward allocation of available resources and may include recommendations on the use of resources in the medium term. In this regard, the Portfolio Committee on Home Affairs (the Committee) oversees the Budget and Performance of the Department of Home Affairs (DHA), the Border Management Authority (BMA), the Government Printing Works (GPW) and the Electoral Commission (IEC). Included are an assessment of the Budgets and Plans of the four entities as well as two oversight trips. In addition meetings were held on 7, 10 and 14 October 2025 on the respective Auditor General and Annual Reports of the entities. Due a busy legislative hearings schedule on the Marriage Bill across the country as well as a delayed budget process in the newly formed Government of National Unity, the usual quarterly performance reports were not conducted but form part of the annual reports.

1.1 Mandate of the Portfolio Committee on Home Affairs.

In line with the core objectives of Parliament, the mandate of the Committee is to consider and pass legislation; oversee and scrutinise executive action; facilitate international participation; facilitate co-operative government and facilitate public participation and involvement. The key issues in the DHA, IEC and GPW are put forward by the Committee on the basis of:

- 32 Committee meetings and deliberations since the last BRRR which includes briefings by the DHA, BMA, the IEC and GPW. In addition, the Committee met with the Auditor General, the Electoral Reform Consultation Panel, the Ambassador of Mozambique, the Select Committee on Security and Justice, the State Information Technology Agency (SITA) and the Parliamentary Budget Office.
- 6 of the above 33 meetings included the Marriages Bill (43 of 2023) in addition to Public Hearings in 7 Provinces with the final 2 provinces to be completed at the end of October and beginning of November 2025.
- Scrutinising the DHA and BMA Strategic and Annual Performance Plans, the State of the Nation Address, policy documents, Estimates and Revised Estimates of National Expenditure and the Medium-Term Expenditure, as well as other external briefings and reports.
- Two oversight visits to three DHA offices in the Eastern Cape during Public Hearings there and to the Lelbombo Port of Entry.

- An increasingly busy legislative schedule including the Marriages Bill, Immigration Amendment Bill and One Stop Border Post Bill.
- Committee Members' engagement in their constituencies and over a thousand electronically forwarded requests for intervention on behalf of the public.

1.2 The Department of Home Affairs (DHA)

The core mission of the Department of Home Affairs is to efficiently determine and safeguard the identity and status of citizens and to regulate migration in a manner that ensures national security and fulfills South Africa's international obligations. Its mandate is administered through four main budget programmes:

Programme	Purpose and Functions
Programme 1: Administration	Provides strategic leadership, management, and support services to the Department. This includes corporate services, finance, human resources, security services, and Information and Communications Technology (ICT) infrastructure.
Programme 2: Citizen Affairs	Focuses primarily on services to citizens and residents. The purpose is to provide secure, efficient, and accessible services and enabling documents, such as the registration of births, marriages, and deaths, and the issuance of identity documents.
Programme 3: Immigration Affairs	Facilitates and regulates the secure movement of people into and out of South Africa through ports of entry. It determines the status of asylum seekers, regulates refugee affairs, and enforces immigration legislation.
Programme 4: Institutional Support and Transfers	Provides institutional support and manages the transfer of funds to entities within the portfolio. This includes the Independent Electoral Commission (IEC), the Represented Political Parties Fund, and the Border Management Authority (BMA).

The DHA's total budget allocation for the 2025/26 financial year is R11.060 billion, a nominal decrease of R1.03 billion (-8.6%) from the 2024/25 adjusted appropriation of R12.1 billion. To support the digital transformation strategy, the DHA aims to increase its self-financing revenue target to R2.5 billion for 2025/26, earmarking R1 billion specifically for digitisation.

1.3 The Electoral Commission (IEC)

As a Chapter 9 institution, the Electoral Commission is constitutionally mandated to manage free and fair elections at the national, provincial, and municipal levels. Its independence is fundamental to upholding South Africa's electoral democracy. The IEC's operations are structured across four key programmes:

Programme	Purpose and Functions

Programme 1: Administration	Provides strategic leadership and corporate support. This includes legal services, Information and Communications Technology (ICT), human resources management, and facilities management to support the core business.
Programme 2: Electoral Operations	Manages all core electoral processes, including voter registration and the coordination of voting day logistics.
Programme 3: Outreach	Aims to inform and engage citizens in electoral democracy through education and communication initiatives.
Programme 4: Party Funding	Manages the public funding of political parties and ensures transparency in private donations. Key targets include conducting 10 liaison sessions and 4 publications regarding donation disclosure annually.

The total transferred funds to the IEC for 2025/26 are R2.14 billion. The total budget decreased from R3.19 billion in 2024/25 to R1.26 billion in 2025/26, reflecting the difference between a national election year and a non-national election year. The IEC operates with significant internal oversight, including constant monitoring, effective internal audit, and an active audit committee, which have contributed to its five consecutive clean audits.

1.4 The Government Printing Works (GPW)

The Government Printing Works (GPW) operates as a self-funding government component, reporting to the Minister of Home Affairs. It serves as the state's mandated security printer, responsible for manufacturing a range of high-security documents essential for national identity and security. Key products include South African passports, smart ID cards, birth certificates, visas, and examination materials.

The GPW's operations are administered across multiple branches, which serve as the key functional areas for budget allocation and oversight:

Programme/Branch	**Core Mandate/Function**
Programme 1: Office of the CEO	Provides high-level strategic oversight. Includes Internal Audit and Enterprise Risk Management functions.
Programme 2: Manufacturing and Engineering	Focuses on identity document production and other core printing outputs.
Programme 3: Operations Management	Handles core operations such as the publication of Government Gazettes and engagement with the SADC region.
Programme 4: Corporate Services	Responsible for support functions, including ICT systems, Security Management, and Facilities Management.
Financial Services (Programme 5)	Manages cost and management accounting, ensuring effective financial management and supply chain services.

The entity generates approximately 99.7% of its required revenue through its business operations and does not receive a budget allocation from the National Treasury.

1.5 The Border Management Authority (BMA)

The Border Management Authority (BMA) is a Schedule 3A public entity established under the BMA Act of 2020. Its mandate, detailed in Section 5 of the Act, is to provide a single, integrated command and control structure for border law enforcement. This involves facilitating and managing the legitimate movement of people and goods across South Africa's ports of entry and border law enforcement areas, while coordinating with other organs of state, including the South African Police Service (SAPS) and the South African National Defence Force (SANDF), to secure the country's borders.

Programme	Purpose and Functions
Programme 1: Corporate Services	Provides strategic leadership, management, and institutional support necessary for the Authority to function effectively. This includes policy development, governance oversight, finance, human resources, ICT, facilities management, and stakeholder engagement.
Programme 2: BMA Operations	Constitutes the core business of the Authority, executing frontline border law enforcement functions. This includes border law enforcement, management of human and goods movement, specialised functions (such as Port Health, Agriculture, Environmental, and Immigration services), national risk management, and threat targeting.

The BMA's total budget allocation for the 2024/25 financial year was R1.407 billion, primarily consisting of transfer funds from the Department of Home Affairs (DHA). Approximately 85% of this budget is committed to Compensation of Employees (CoE), leaving limited funds for operational costs, technology, and infrastructure. The BMA has engaged Cabinet and National Treasury to address its fiscal challenges and secure appropriate funding transfers.

2. OVERVIEW AND ASSESSMENT OF THE DEPARTMENT OF HOME AFFAIRS' AND ENTITIES' 2024/25 FINANCIAL AND NON-FINANCIAL PERFORMANCE

The 2024/25 performance year for the Home Affairs portfolio was characterised by persistent themes of ambitious digital transformation clashing with significant operational, financial, and governance challenges. While entities like the Electoral Commission demonstrated exceptional performance, others struggled to meet critical targets and maintain sound financial controls, revealing a portfolio of stark contrasts.

Overall non-financial performance across the portfolio was mixed, with high-level achievement rates often masking strategic failures:

- Department of Home Affairs (DHA): Achieved 83% of its annual targets (24 of 29). However, this figure is severely questioned by the Auditor-General, who issued

material findings on the reliability of the reported performance data for several key indicators. Furthermore, the DHA failed on strategically critical targets, including the digitisation of civic records, the development of the e-Visa prototype, and the registration of births within the mandated 30-day period.

- Border Management Authority (BMA): Achieved 81% of its targets (13 of 16). While showing strong performance in planned law enforcement operations, its overall effectiveness and ability to modernise its infrastructure were severely undermined by a gross funding shortfall and critical capacity constraints.
- Electoral Commission (IEC): Stood out as the portfolio's top performer, achieving a 100% success rate across all targets in its four programmes, underscoring its operational effectiveness and robust governance.
- Government Printing Works (GPW): Achieved 88% of its targets, but failed to meet key indicators related to its Information Systems ecosystem and the completion of its new headquarters building, highlighting ongoing IT and infrastructure challenges.

The financial health and audit outcomes of the portfolio reflect a deep divide in governance maturity. For the fifth consecutive year, the Electoral Commission received a clean audit with no findings, setting a benchmark for the portfolio. In stark contrast, the Department of Home Affairs, Border Management Authority, and Government Printing Works all received qualified audit opinions from the Auditor-General of South Africa (AGSA). While portfolio-wide irregular expenditure decreased from R614 million to R243 million, the DHA accounted for 82% of this total, signalling persistent weaknesses in its procurement and contract management systems. These high-level statistics, however, mask profound systemic weaknesses in governance and execution, which the Committee's detailed findings now address.

3. BUDGETS AND PLANS FOR THE 2025/26 FINANCIAL YEAR

The Committee reviewed the forward budget allocations, annual and strategic plans for the 2025/26 financial year across the portfolio, noting significant financial shifts and continued focus on digital transformation despite persistent funding constraints.

3.1 Department of Home Affairs

The DHA's total budget allocation for 2025/26 is R11.06 billion. This represents a nominal decrease of R1.03 billion (-8.6%) from the adjusted appropriation of R12.1 billion in the 2024/25 financial year. Key budget allocations show reductions in Programme 2 (Citizen Affairs), which decreased by R1.094 billion (-24.90%). The strategic focus remains on the "Home Affairs@home" vision, driven by digital transformation. Key strategic outputs include finalising the Digital Identity Policy and the National Identification Registration Bill, finalising the Revised White Paper and Bill on Citizenship, Immigration and Refugee Protection, and expanding the e-Visa system with AI integration. To mitigate fiscal constraints, the DHA intends to increase its self-financing revenue target to R2.5 billion for 2025/26, earmarking R1 billion specifically for digital transformation.

Programme	Purpose and Functions	2025/26 Budget
Programme 1: Administration	Provides strategic leadership, management, and support services to the Department. This includes corporate services, finance, human resources, security services, and Information and Communications Technology (ICT) infrastructure.	R2.696 billion (R191.5 million nominal decrease from 2024/25).
Programme 2: Citizen Affairs	Focuses primarily on services to citizens and residents. The purpose is to provide secure, efficient, and accessible services and enabling documents, such as the registration of births, marriages, and deaths, and the issuance of identity documents.	R3.194 billion (R1.094 billion nominal decrease from 2024/25).
Programme 3: Immigration Affairs	Facilitates and regulates the secure movement of people into and out of South Africa through ports of entry. It determines the status of asylum seekers, regulates refugee affairs, and enforces immigration legislation.	R939.7 million (R86.0 million nominal increase from 2024/25).
Programme 4: Institutional Support and Transfers	Provides institutional support and manages the transfer of funds to entities within the portfolio. This includes the Independent Electoral Commission (IEC), the Represented Political Parties Fund, and the Border Management Authority (BMA).	R3.946 billion (R391.9 million nominal decrease from 2024/25).

3.2 Border Management Authority

The BMA's total budget for 2025/26 is R1.823 billion, derived largely from transfers from the DHA (R1.75 billion). The ongoing significant risk is the BMA's lack of National Treasury funding, as its business case was not approved, leading to limited additional funding. This constraint impacts plans to invest in technology and capacitate the authority. The BMA continues to engage National Treasury for phased MTEF increases and has submitted an application for R3.4 billion to the Criminal Assets Recovery Account (CARA) to procure essential tools of trade, such as scanners and drones. Operational targets include assessing 25 Ports of Entry for compliance with International Health Regulations (IHR) 2005 core capacity requirements and finalising a three-year ICT strategy.

Programme	Purpose and Functions	2024/25 Budget
Programme 1: Corporate Services	Provides strategic leadership, management, and institutional support necessary for the Authority to function effectively. This includes policy development, governance oversight, finance, human resources, ICT, facilities management, and stakeholder engagement.	R81 million.

Programme 2: BMA Operations	Constitutes the core business of the Authority, executing frontline border law enforcement functions. This includes border law enforcement, management of human and goods movement, specialised functions (such as Port Health, Agriculture, Environmental, and Immigration services), national risk management, and threat targeting.	R1.327 billion.

3.3 Electoral Commission (IEC)

The IEC's budget saw a significant nominal decrease in its total budget from R3.19 billion in 2024/25 to R1.26 billion in 2025/26. This reduction reflects the difference between a national election year and a non-national election year. The total transferred funds for 2025/26 are R2.14 billion. The budget incorporates additional funding of R885 million for the Local Government Elections preparations in 2026/27. The Committee noted concern regarding the significant reduction in funding for the Outreach Programme (from R380 million to R158.9 million), highlighting its continued importance even in non-election years. Strategic objectives focus on continuous system improvement, strategic partnerships, and expansion of civic education and communication initiatives.

Programme	Purpose and Functions	2025/26 Budget Allocation
Programme 1: Administration	Provides strategic leadership and corporate support. This includes legal services, Information and Communications Technology (ICT), human resources management, and facilities management to support the core business.	This budget area is included in the total transfers for the IEC, which decreased significantly from the election year.
Programme 2: Electoral Operations	Manages all core electoral processes, including voter registration and the coordination of voting day logistics.	Subject to total transfer funds.
Programme 3: Outreach	Aims to inform and engage citizens in electoral democracy through education and communication initiatives.	The funding for this programme saw a significant reduction from R380 million to R158 million, raising concern for the Committee.
Programme 4: Party Funding	Manages the public funding of political parties and ensures transparency in private donations. Key targets include conducting 10 liaison sessions and 4 publications regarding donation disclosure annually.	Subject to total transfer funds.

3.4 Government Printing Works

The overall budget of the GPW has slightly increased by 5.5% (R98.3 million) in nominal terms, from R1.785 billion in 2024/25 to R1.883 billion in 2025/26. The entity is projected to generate 99.7% of its required revenue (R6.1 billion total). GPW plans include transforming into a digital trusted centre providing digital products and services, and developing two indicators to support the DHA strategy to supply enabling documents timeously. The Committee has expressed concern regarding GPW's challenges with retaining surpluses (R1.7 billion surrendered previously) and recommends that National Treasury approve a full retention of the GPW profit for three years to fund infrastructure and asset recapitalisation.

Programme/Branch	**Core Mandate/Function**	**2024/25 Budget Allocation**
Programme 1: Office of the CEO	Provides high-level strategic oversight. Includes Internal Audit and Enterprise Risk Management functions.	R52 million.
Programme 2: Manufacturing and Engineering	Focuses on identity document production and other core printing outputs.	R470 million.
Programme 3: Operations Management	Handles core operations such as the publication of Government Gazettes and engagement with the SADC region.	R210 million.
Programme 4: Corporate Services	Responsible for support functions, including ICT systems, Security Management, and Facilities Management.	R315 million.
Financial Services (Programme 5)	Manages cost and management accounting, ensuring effective financial management and supply chain services.	R360 million.

4. DEPARTMENT OF HOME AFFAIRS 2024/25 ANNUAL REPORT

The Department's performance in the 2024/25 financial year was framed by the ambitious vision of "Home Affairs @home," a complete digital transformation agenda aimed at delivering modern, efficient, and dignified services. This vision, however, was set against a challenging reality of significant operational hurdles, a qualified audit opinion, and persistent service delivery failures that continue to affect citizens. The Auditor-General's assessment that "The Department’s modernization strategy lacks alignment with current technological standards and operations" underscores the depth of these strategic challenges.

4.1 Performance Against Annual Targets

The DHA reported an achievement rate of 83% (24 out of 29 targets) against its Annual Performance Plan (APP). However, this headline figure is fundamentally undermined by the

Auditor-General's material finding that the reported performance information for several key indicators—including fraud cases, online birth registrations, Smart ID card issuance, and visa adjudication—was unreliable. Furthermore, this claimed success masks critical failures in strategic projects that are foundational to the Department's modernisation programme.

Target Not Achieved	Impact and Reason for Failure
14.8 million civic records digitised	Only 12.19 million were digitised. This 2.6 million record shortfall significantly delays the entire modernisation agenda and was caused by delays in operationalising digitisation sites.
e-Visa prototype developed: AI-enabled adjudication	Development was not completed. This hampers efforts to streamline visa processes, which are critical for boosting tourism and attracting economic investment.
730,500 births registered within 30 calendar days	Only 724,999 were registered. This failure compromises the integrity of the National Population Register from the very beginning of a citizen's life.
95% of critical skills visa applications adjudicated within 4 weeks	Only 89% was achieved. This delay creates uncertainty for highly skilled professionals and negatively impacts South Africa's economic competitiveness.

The key target for the number of health facilities with automated birth functionality was zero, due to issues with the previous service provider.

4.2 Financial Performance and Audit Outcome

The Department's final expenditure for the year was R11.831 billion against a total appropriation of R12.095 billion (97.8% spent). The underspending of R263.620 million was primarily linked to an under-collection of revenue, which forces a curtailment of self-financing expenditure. Revenue collected amounted to only R1.415 billion.

Critically, the DHA received a qualified audit opinion from the Auditor-General for the 2024/25 financial year, the same as 2023/24 but a regression from the unqualified report in the years before that. The qualification was based on material misstatements related to two key areas:

a. Immovable Tangible Capital Assets: Assets no longer under the Department's control were not correctly derecognised, leading to an overstatement of R101 million. This was noted as a repeat finding.

b. Contingent Liabilities: The Department failed to implement adequate controls to identify and account for all legal cases against it, resulting in an understatement of contingent liabilities.

The AGSA identified the root causes as inadequate controls over financial statement preparation and the incorrect application of accounting standards. Irregular expenditure for the

year stood at R202.658 million (closing balance). The DHA was the largest contributor to irregular expenditure in the portfolio, with 82% attributable to the DHA. Non-compliance with legislation was noted in areas including annual financial statements, revenue management, and consequence management.

4.3 Human Resources

The Department remains insufficiently capacitated to optimally deliver on its mandate, operating at only a fraction of its required strength. As of 31 March 2025, there were 17 vacant Senior Management Service (SMS) posts out of 139 funded posts, representing a vacancy rate of 12.23%. The inability to fill critical vacancies, such as the DDG: Immigration Services and CIO, continues to undermine strategic leadership and operational oversight. In terms of consequence management, the Department reported that 80% of misconduct cases were concluded within the 90-day target.

4.4 Key Challenges

The key challenges identified in the Department's reports and during Committee engagements highlight systemic weaknesses that impede performance:

a. IT System Instability: Persistent system downtime, largely attributed to issues at the State Information Technology Agency (SITA) data centres, continues to cripple service delivery at frontline offices. The impact of ICT delays and network challenges negatively impacted service delivery.

b. Budget Constraints: Significant budget reductions and ongoing cost containment measures severely restrict the Department's capacity to hire staff, procure modern tools of trade, and fund its modernisation projects.

c. Legacy Systems: The reliance on outdated IT platforms hinders the implementation of modern controls, slows down project delivery, and increases exposure to cyber threats.

d. Procurement and Consequence Management: Systemic weaknesses in supply chain management and the failure to enforce accountability continue to result in irregular expenditure and contribute directly to qualified audit outcomes. The loss control committee is slow in investigating non-compliances.

5. BORDER MANAGEMENT AUTHORITY 2024/25 ANNUAL REPORT

The BMA's second year of operation as a standalone entity was defined by the immense challenge of fulfilling its critical national security mandate while grappling with a severe and persistent funding crisis. The authority's efforts to consolidate border management functions from multiple departments were significantly hampered by its inability to secure the resources required for a modern, technology-driven border force.

5.1 Performance Against Annual Targets

The BMA achieved 81% of its targets (13 out of 16) in its Annual Performance Plan. Key operational successes included processing 100% of illegal persons detected at Ports of Entry for deportation. These achievements demonstrate a growing operational capability on the ground.

However, this was starkly contrasted by a challneges to modernise its ICT infrastructure. A key target to install Local Area Network (LAN) and Wide Area Network (WAN) connectivity at 13 Ports of Entry saw zero achievement due to a failed tender process that had to be re-advertised. Bid adjudication for the redevelopment of six priority land Ports of Entry was also not concluded due to capacity challenges.

5.2 Financial Performance and Audit Outcome

The BMA's financial position is precarious. The entity reported an operating deficit of R90.5 million for the 2024/25 financial year, reflecting a severe liquidity crisis and insufficient funding. Compensation of Employee costs accounted for about 85% of the budgeted revenue, leaving limited resources for infrastructure, technology, and border security initiatives. The Commissioner stated unequivocally that the "gross underfunding of the BMA continues to undermine national security and the growth of the broader economy".

For the 2024/25 financial year, the BMA received a qualified audit opinion from the AGSA, which remained stagnant compared to the prior year. The remaining qualifications relate to the impairment of receivables and leave liability.

The cumulative closing balance for irregular expenditure stood at R5.988 billion, with R3.22 billion confirmed irregular expenditure confirmed in 2024/25 (up from R2.76bn in 2023/24). The total closing balance for fruitless and wasteful expenditure stood at R3.880 billion, highlighting immature financial systems and a critical lack of internal controls.

5.3 Human Resources

The BMA is critically under-capacitated, operating with 2,573 permanent officials plus three presidential appointments, five interns, and 18 Community Service Health Practitioners. This severe staff shortage is a direct result of its financial constraints.

5.4 Key Challenges

The BMA faces several critical challenges that threaten its ability to execute its mandate effectively:

a. Chronic Underfunding: The most significant challenge is the lack of adequate funding, which prevents the BMA from procuring critical technology (such as scanners), capacitating its workforce, and maintaining border infrastructure. This gross underfunding continues to undermine national security.

b. SAPS Integration Impasse: Engagements are ongoing between the BMA and SAPS on border-policing handover. The continued failure to finalise the transfer of SAPS border policing functions and their associated budgets to the BMA, creates jurisdictional confusion and operational inefficiencies at the border.

c. Inadequate Infrastructure: The entity is forced to operate with dilapidated border fences, and a critical lack of essential tools like scanners. At the Port of Durban, capacity is limited, with only one goods scanner.

d. Governance and Financial Controls: The BMA's nascent financial systems and lack of mature internal controls are a direct cause of its qualified audit opinion and massive accumulated irregular and fruitless expenditure that requires urgent investigation and resolution. Internal control weaknesses were noted in governance, performance information, deployment of border guards, uniform management, leave and revenue.

6. ELECTORAL COMMISSION (IEC) 2024/25 ANNUAL REPORT

In a portfolio marked by governance and performance challenges, the Electoral Commission's performance in 2024/25 stands as a benchmark of excellence. The achievement of a fifth consecutive clean audit and a 100% success rate on all performance targets demonstrates strong governance, operational effectiveness, and a commitment to its constitutional mandate, even in the face of budgetary pressures.

6.1 Performance and Financials

The IEC achieved 100% of its planned targets across all four of its programmes: Administration, Electoral Operations, Outreach, and Party Funding. This perfect record underscores its meticulous planning and execution capabilities. For the 2024/25 election year, the Commission reported total revenue of R2.597 billion and total expenditure of R3.123 billion, resulting in a planned operational deficit of R525.6 million to fund election activities.

Critically, the AGSA issued a clean audit with no findings, making the IEC the only entity in the Home Affairs portfolio to achieve this distinction. This outcome signifies the highest standard of financial management and compliance. Despite this, the Committee noted the persistence of recurring irregular expenditure, which amounted to R10.5 million in 2024/25, related to ongoing commercial lease agreements for its offices.

6.2 Key Challenges Despite its outstanding performance, the IEC faces several strategic challenges that require ongoing attention:

a. Voter Apathy: The Commission continues to grapple with persistent voter disillusionment, particularly among the youth. This is reflected in a net decline in the national voters' roll, posing a long-term risk to democratic participation.

b. Budget Reductions: Reduced funding allocations have constrained the IEC's communication and outreach activities, forcing a strategic shift towards more efficient and digitally focused methods to engage the electorate.

c. Technological Performance: While largely successful, some technological systems showed strain during the 2024 National and Provincial Elections. The Voters' Roll application on the Voter Management Devices (VMDs) experienced performance issues, resulting in the successful harvesting of only 56% of targeted demographic data.

7. GOVERNMENT PRINTING WORKS (GPW) 2024/25 ANNUAL REPORT

The Government Printing Works (GPW) navigated a difficult operational environment in 2024/25, marked by a qualified audit opinion, ongoing recovery from catastrophic data loss incidents, and significant tensions between management and labour unions. These challenges threaten the stability and performance of an entity critical to the state's security printing needs.

7.1 Performance and Financials

The GPW achieved 88% of its annual performance targets. Key production achievements included printing 3,663,149 Smart ID cards and 927,473 passports for the Department of Home Affairs. However, the GPW failed on several strategic targets, including the completion of its new headquarters building and shortfalls on its IT disaster management targets.

For the second consecutive year, the GPW received a qualified audit opinion from the AGSA. The qualification was due to material misstatements in Property, Plant, and Equipment, indicating persistent weaknesses in asset management and financial reporting.

7.2 Key Challenges

The GPW is beset by several critical challenges that were highlighted during the Committee's oversight visit and in its review of the entity's performance:

a. Labour Unrest and Governance Crisis: The Committee received severe allegations from the PSA and NEHAWU unions during its visit, including claims of broken machinery, outsourcing of printing functions, lack of Personal Protective Equipment (PPE), and a toxic work environment. This points to a fundamental breakdown in the relationship between management and labour.
b. Data Loss Recovery: While 89% of the recommendations (148 out of 166) from the Ministerial Review Panel (MRP) on the 2021/2022 data loss incidents have been implemented, a critical 11% (18 recommendations) remain outstanding. Notably, a key recommendation assigned to the Internal Audit unit is yet to be completed, raising governance concerns.
c. Infrastructure and Maintenance Backlog: An unannounced oversight visit by the Committee to the Bosman Street facility revealed broken machines and reliance on manual processes. The long-delayed move to the new headquarters further compounds these infrastructure challenges.
d. Artisan Vacancy Rate: The GPW suffers from a high vacancy rate for artisans. This is largely attributed to the poaching of skilled technicians by the private sector, which undermines the entity's capacity to maintain its specialised printing equipment.

8. OVERSIGHT VISIT FINDINGS

In line with its constitutional mandate, the Portfolio Committee on Home Affairs conducted crucial oversight visits to border regions and frontline offices to directly assess the state of service delivery, border management, and the operational realities faced by officials and the public. The findings from these visits provide a vital, on-the-ground perspective that complements the analysis of annual reports and financial statements.

8.1 Oversight Visit to Lebombo Port of Entry (Limpopo/Mpumalanga Borderline)

The Committee's visit to the Lebombo Port of Entry, one of Africa's busiest land borders, revealed an operation under immense strain. Key findings from the visit include:

a. Operational Strain and Economic Disruption: The Committee observed a queue of trucks stretching approximately 20 kilometers on the South African side. This massive backlog, caused by political instability in Mozambique, severely impacts cross-border trade, disrupts supply chains, and creates hazardous health and safety conditions for truck drivers.

b. Jurisdictional Conflicts and Lack of Integration: A primary concern noted was the non-integration of SAPS members into the BMA's command structure. This leads to duplicated functions, confusion over roles, and undermines the principle of a single, coordinated border authority.

c. Infrastructure Deficiencies: The port suffers from inadequate infrastructure. The Committee identified a need for better lighting (Mast Lights) to improve security, noted the poor state of the border fence in adjacent areas, and observed that the BMA has to borrow drones from other departments instead of having its own fleet for surveillance.

d. Corruption and Security Risks: The high volume of movement creates significant risks. Challenges highlighted included illegal passport stamping syndicates and the issue of "self-repatriation," where undocumented migrants exploit peak periods to exit the country without being formally processed, only to return illegally later.

8.2 Unannounced Oversight Visits to Home Affairs Offices in the Eastern Cape

To assess the quality of service delivery experienced by ordinary citizens, the Committee conducted unannounced oversight visits to the Home Affairs offices in Gqeberha and Komani. These visits exposed systemic failures that directly impact the public:

a. Chronic Network and IT Failures: Both offices suffered from persistent network problems and system downtime. In Komani, the Biometric Movement Control System (BMCS) had been offline for a week, completely halting immigration services. This chronic instability prevents officials from delivering services and forces citizens to make multiple, fruitless visits.
b. Outdated Tools of Trade: The Committee found that the Department has not procured new computers for its offices since 2022. Offices suffer from a severe shortage of essential equipment like biometric capture devices and scanners, with officials in Gqeberha having to share the few working units.
c. Severe Staff Shortages: The Komani office reported a 33% staff shortage, while the Gqeberha office had visibly unoccupied workstations despite long queues. This lack of capacity leads to excessive workloads for existing staff and unacceptable waiting times for the public.
d. Public Dissatisfaction and Frustration: The Committee received direct feedback from citizens queuing outside the offices, who expressed deep frustration with long waits,

repeated system failures, and the need for extended operating hours to accommodate the public.

These oversight findings provide tangible, on-the-ground evidence of the strategic SITA-related risks that plague the Department at a systemic level, demonstrating a clear link between high-level strategic mismanagement and the degradation of frontline public services.

9. SUMMARY OF THE PORTFOLIO COMMITTEE'S KEY FINDINGS FOR THE 2024/25 FINANCIAL YEAR

The Committee's findings for the 2024/25 financial year reveal a portfolio of stark contrasts, where commendable operational successes are frequently overshadowed by systemic weaknesses in governance, financial controls, and information technology infrastructure. These recurring, systemic failures actively degrade service delivery, compromise national security, and impede the portfolio's progress towards modernisation.

a. Divergent Audit Outcomes and Weak Internal Controls

The portfolio is sharply divided between the IEC's sustained excellence, marked by a fifth consecutive clean audit, and the persistent failures of the DHA, BMA, and GPW, all of which received qualified audit opinions. The AGSA attributed these negative outcomes to fundamental and systemic weaknesses, including the failure to implement previous audit action plans, inadequate controls over the preparation of financial statements, and widespread non-compliance with the Public Finance Management Act (PFMA) and supply chain management (SCM) prescripts. This divergence points to a critical gap in governance and financial discipline that hampers the performance of key state institutions.

b. Pervasive ICT and Modernisation Failures

Chronic information and communication technology (ICT) challenges continue to plague the portfolio, directly impeding the government's digital transformation agenda. Key failures include the DHA's slow progress on the full rollout of the Automated Biometric Identification System (ABIS), the non-completion of the e-Visa prototype, and significant delays in the digitisation of 340 million civic records. The strategic shift away from self-service kiosks toward bank partnerships, following R20.63 million in expenditure on the kiosks, raises serious concerns about fruitless expenditure. The AGSA's finding that the DHA's modernisation strategy "lacks alignment with current technological standards" is a severe indictment of its IT planning and execution, impacting every facet of its service delivery mandate.

c. Critical Underfunding of the Border Management Authority

The BMA is grossly underfunded, a reality that the Committee finds directly undermines its national security mandate. Operating with a severe staff shortage, the BMA cannot procure essential technology, adequately capacitate its border guards, or secure vulnerable segments of the border. The AGSA noted with concern that high personnel spending (85% of the budget) is

crowding out the BMA's ability to fund its core operations, leaving it reliant on borrowing drones and unable to deploy necessary scanners at key ports of entry.

d. Inadequate Consequence Management

The slow pace of consequence management across the portfolio allows for a culture of impunity and repeat offenses. The DHA's Loss Control Committee has demonstrated significant delays in finalising cases of misconduct. More alarmingly, vast sums of unresolved cumulative irregular expenditure (R202.658 million for DHA; a closing balance of R5.988 billion for BMA) and fruitless and wasteful expenditure (a closing balance of R3.880 billion for BMA) remain. This failure to hold officials accountable for non-compliance with financial and procurement laws perpetuates the cycle of poor audit outcomes and erodes public trust.

e. Persistent Service Delivery Deficiencies

Despite the Department's stated "war on queues," oversight visits to frontline offices in the Eastern Cape and feedback from the public confirm that service delivery remains a significant challenge. Persistent network downtime from SITA, long queues, severe staff shortages, and outdated equipment (with no new computers procured since 2022) demonstrate that the benefits of modernisation have not reached many citizens. These on-the-ground realities contradict high-level performance statistics and show that fundamental operational issues remain unresolved.

f. Governance and Labour Instability at the Government Printing Works

An oversight visit to the GPW revealed a deeply troubled entity. The Committee received serious allegations from unions (PSA and NEHAWU) regarding the outsourcing of core security printing functions, broken machinery leading to manual processes, low staff morale, and a toxic breakdown in the relationship between management and labour. These internal governance and labour challenges threaten the stability of a critical state security component responsible for producing passports and identity documents.

These findings inform the Committee's detailed assessment of each entity's performance and its subsequent recommendations.

10. ASSESSMENT OF THE DEPARTMENT AND ENTITIES' RESPONSE TO THE COMMITTEE'S 2024 BRRR RECOMMENDATIONS

This section assesses the progress made by the Department of Home Affairs and its entities on the specific recommendations contained in the Portfolio Committee's 2024 Budgetary Review and Recommendation Report. The evaluation is based on a response received from the Minister of Home Affairs in January 2025 and updated with the information received from the Annual Reports and Auditor General.

The overall assessment remains that progress on core systemic issues—such as IT modernisation, consequence management, and institutional funding—has been severely limited, with most critical targets either **Not Met** or **Partially Addressed**.

10.1 DHA Progress

Recommendation No.	Initial Response (January 2025)	Updated Status (October 2025)
9.1 (Clean Audit/Fines & Penalties)	Committed to achieving an unqualified audit for 2024/25; Audit Action Plan developed. Fines and penalties functions transferred to the BMA, but AGSA is still considering the MI response regarding non-collection of legacy debt.	**NOT MET.** The DHA **regressed to a Qualified Audit Opinion** for 2024/25. The AGSA identified a **Material Irregularity** concerning the failure to collect fines and penalties. The CFO reported that most legacy debt (pre-2013) is deemed **prescribed** following a legal opinion, and the Department must motivate to National Treasury for a write-off.
9.2 (Capacitation/Immigration Posts)	Awaiting National Treasury feedback on the second capacitation business case (submitted July 2023). Identified R50 million savings to fund **99 critical positions** (45 for Immigration).	**NOT MET.** The DHA remains **"insufficiently capacitated"** and critical vacancies remain unfilled. While resource balancing helped the Immigration Branch achieve high performance rates (e.g., 93% permanent residence targets), the underlying structural capacity issue persists.
9.3 (PNR Procurement Delay)	SITA bid failed. BMA advised it would procure the PNR module as the function transferred; DHA requested National Treasury to shift the earmarked budget to the BMA.	**ACTIONED.** The DHA un-earmarked the R108.134 million allocated for PNR to cater for operational funding pressures within Programme 3. This aligns the budget with the transfer of function to the BMA.
9.4 (CTS Consortium)	The contract award to the CTS Consortium (transaction advisor for visa facilitation services) was	**RESOLVED/DEREGISTERED.** The Public Private Partnership (PPP) for Frontline Visa Facilitation Services was subsequently **deregistered in 2025**, following the cancellation of the

	cancelled as a member withdrew.	transaction advisor's appointment in February 2024.
9.5 & 10.22 (CSIR/SITA/Network Stability)	High-speed network pilots with CSIR were successful. DHA is initiating a Request for Information (RFI) to explore alternative connectivity (e.g., satellite/fibre) due to insufficient funding.	**PARTIALLY ADDRESSED.** Chronic IT instability and network problems **persist**, confirmed by oversight visits (e.g., BMCS system offline for a week in Komani). The DHA is proceeding with its RFI for alternative connectivity and expanding digital options (bank partnerships, mobile app) to alleviate reliance on SITA and outdated infrastructure.
10.2 (e-Visa User-Friendliness)	Change request submitted to implement user-friendly changes.	**NOT MET.** The target for the AI-enabled e-Visa prototype was **Not Achieved** in 2024/25 due to development delays. The project has been reformulated to the **Electronic Travel Authorization (ETA)** system, now planned for 2025/26.
10.3 (Birth Registration Rollout)	Rolling out online registration in 251 health facilities; target 299 by end 2024/25.	**NOT MET.** The specific target to roll out automated birth functionality in **one health facility** was **Not Achieved**. The failure was attributed to the previous service provider not delivering on commitments and the target being rolled over to 2025/26. The target to register **730,500 births within 30 days was missed** (724,999 achieved).
10.5 (SCM Targets for Clean Audit)	Established operational targets, including 100% invoice payment within 30 days and 75% reduction in current year irregular expenditure.	**PARTIALLY ADDRESSED.** Irregular expenditure decreased significantly to **R200 million** closing balance (down from R728 million in 2023/24). However, the target of paying **100% of invoices within 30 days was not met** (achieved **97.58%**), contributing to non-compliance findings.
10.6 (ABIS Roll-out)	Procurement for online verification scanners initiated; migration of remaining offices	**NOT MET.** The roll-out is **incomplete**. The DHA was still using the legacy **HANIS system** alongside ABIS. An **arbitration process** (R115.2 million claim) with the service provider remains

	planned by March/April 2025.	unresolved, further delaying full functionality.
10.11 (Digitisation Rollout)	Refurbishment of Silverton 2 facility finalised; digitisation of 3.9 million records by Dec 2024.	**NOT MET.** The project **significantly underperformed** in 2024/25, digitising only **12.19 million records** against a target of 14.8 million. Failure was blamed on delays in operationalising sites. Irregular expenditure related to the project was confirmed by the DHA.
10.13 (Smart ID for Naturalised Citizens)	System development for automated verification "still in progress." Pilot for manual verification of naturalised citizens started. Applications for citizens born abroad are being taken.	**NOT MET.** There is no evidence that the required automated functionality was enabled by the end of 2024/25. The application for Smart ID cards remains limited to citizens born in South Africa.
10.15 (Contingent Liabilities)	DHA settling weak cases and using alternative dispute resolution to reduce the R2 billion liability.	**NOT ADDRESSED.** Contingent liabilities remain a major issue, forming a **Qualification Paragraph** on the 2024/25 financial statements. The total value of legal claims remains high at **R2.263 billion**. A counter legal claim of **R115.2 million** from a service provider is listed as a contingent liability.
10.20 (Clear Visa/Permit Backlog)	Backlog project in place; over **93% of backlog eradicated** by end January 2025.	**ADDRESSED.** The backlog was reduced by **more than 94%** (from 306,042 to less than 18,000 by 31 March 2025). Performance on adjudicating visas improved significantly in 2024/25, including critical skills to **89%** and general work visas to **98%**.
10.27 (BMA Funding/SAPS Integration)	BMA engaging National Treasury; no positive outcomes yet on additional budget allocation. BMA remains hopeful.	**NOT MET.** The BMA confirmed in its 2024/25 report that **"gross underfunding... continues to undermine national security"**. Engagements between the BMA and SAPS on border policing handover are **ongoing**. The Minister sent a formal letter to the acting Police Minister

		confirming that SAPS must comply with the BMA Act.

10.2 IEC Progress

Recommendation No.	Committee Recommendation	Updated Status (October 2025)
9.11 (Headquarters Lease)	Commission resolved to procure a permanent home; planned move after the 2026 LGE to prevent further irregular expenditure on rental.	**NOT RESOLVED.** Despite achieving a fifth consecutive clean audit, **recurring irregular expenditure** related to commercial lease agreements amounted to **R10.5 million** in 2024/25. Procurement of a permanent home is still ongoing.
10.36 & 10.38 (Voter Education Funding)	Renewed financial case needed for voter education funding.	**PARTIALLY ADDRESSED.** The IEC noted **budget reductions** constrained communication and outreach activities. Despite this, the IEC reported conducting extensive civic and democracy education campaigns, including a radio campaign that reached 4.7 million listeners. The effectiveness of these efforts is still being assessed against persistent voter disillusionment, reflected in a **net decline in the voters' roll**.

10.3 BMA Progress

Recommendation (No. & Text)	Initial Response (January 2025)	Updated Status (October 2025)
10.27 The BMA to communicate and submit its annual report as soon as possible before the requested extension of 30 November 2024.	The report of the Auditor-General to Parliament on the audit outcome of the Border Management Authority was signed-off on the 8th of November 2024. Following the sign-off, the BMA engaged and presented its Annual Report to the Audit and Risk Committee for recommendation on the 24th of November 2024. Following the recommendation by the	**PARTIALLY ADDRESSED.** The Annual Report for the 2024/25 financial year was submitted to Parliament on **18 December 2024**.

	Audit and Risk Committee, the Annual Report was finalised and submitted to Parliament on the **18th of December 2024**.	
10.28 The collaboration of BMA with SARS to ensure the proper roll out of network capacity that can handle the new Border Management Control System (BMCS) should proceed with haste to improve border security and be reported on in May 2025.	The BMA has benchmarked on SARS' terms of reference for the network proposal. The total estimated budget of the BMA Network for the 71 Ports of Entry is approximately R100 million over a period of 3 years. The procurement of the new BMA biometric movement control system, Passenger Name Record and Advanced Passenger processing is estimated at R950 million over a period of 5 years.	**NOT MET.** The target to install Local Area Network (LAN) and Wide Area Network (WAN) connectivity at **13 Ports of Entry was zero achievement**. Received bids were **non-responsive**, causing delays. The BMA confirmed system instability and downtime, hindering processing time measurement. The AGSA recommended finalising the ICT strategy covering system integration and future adoption of BMCS and eMCS systems.
10.29 A detailed report on the engagement with National Treasury (NT) on fully funding the BMA, including indications on how the entity is fulfilling its mandate to be more efficient.	Discussions with National Treasury are ongoing, but **no positive outcomes** have emerged regarding additional budget allocation during the MTEF adjustments. The BMA remains hopeful that funding will be provided for vital investments.	**NOT MET.** The BMA confirmed in its 2024/25 Annual Report that **gross underfunding continues to undermine national security**. The BMA faces a budgetary shortfall of **over R4 billion** (R4.353 billion mentioned in previous context, R4 billion in source headline). The AGSA advised the Minister to seek **certainty on funding over the MTEF** to ensure the BMA prioritises key initiatives.
10.30 Motivate for procuring further Criminal Assets Recovery Account (CARA) funding for essential tools of trade.	The BMA applied for the CARA funding to procure specialised equipment and fulfill its mandate through the acquisition of essential tools and technologies. The initial CARA application of R500 million resulted in **R150 million approval**.	**PARTIALLY ADDRESSED.** The BMA continues to seek CARA funding for essential tools. Of the R150 million approved, **R89.24 million has been withdrawn and spent**, with R60.76 million in advanced procurement stages.

10.31 There is a need for ethics training and a wellness programme for BMA staff.	The BMA has a Wellness programme in place and is conducting roadshows until March 2025. Ethics training has been included in the 2024/25 training plan, to be conducted internally before 31 March 2025. The Executive Manager: Integrity Management was appointed to coordinate all integrity and ethics matters.	**ADDRESSED.** Wellness roadshows continued. Ethics training was included in the 2024/25 plan. The BMA established an Integrity Management Unit and stresses the importance of institutionalised controls to ensure officials behave **ethically** and comply with legislation.
10.32 In particular, the proportion of goods and services funding for improved surveillance and other technology should be increased significantly.	The BMA is dedicated to ensuring that any additional funds received will be **specifically allocated to the acquisition of surveillance and other technologies** to help address the considerable shortage of human resources.	**NOT MET.** Due to the funding shortfall (R4.353 billion mentioned in previous context, R4 billion in source headline), the budget remains heavily skewed towards Compensation of Employees (CoE) (around 85-87%). The AGSA advised the BMA to formalise cost-sharing or user-pay agreements with partner agencies for resource intensive functions.
10.33 Plans for the allocations and roll out of the BMA Coast Guard should be accelerated in line with increasing duties as new patrol vessels are procured.	The BMA applied for CARA funding to procure specialised equipment, including Maritime Inshore Patrol Vessels. **R14 million** was budgeted to procure at least three vessels, with delivery expected in the 4th quarter of the 2024/25 Financial Year.	**PARTIALLY ADDRESSED.** The procurement process for the vessels is taking longer than expected, though delivery is still expected in the **4th quarter of the 2024/25 Financial Year**. The BMA deployed **50 Coast Guards**.
10.34 Provide a detailed report on the need for legislative changes to improve the functioning of the BMA in the border environment.	The BMA believes it is too early to fully determine the need for amendments prior to full implementation of the Act and promulgation of regulations, as provisions exist in the BMA Act to address certain shortcomings.	**ONGOING.** Legislative changes are not yet fully determined, as the BMA continues to focus on full implementation of the current Act and regulations.

10.27 (part of) The Minister of Police on the integration of SAPS.	The BMA is in continuous engagement with SAPS on the border-policing handover.	**NOT MET.** The **impasse between the BMA and SAPS has not been resolved**. The AGSA advised that Cabinet should resolve the impasse to ensure clear responsibility and accountability over border policing. The AGSA noted that coordination with other departments should be enhanced.
10.16 (linked to DHA MI) Consequence management for non-compliance.	N/A (Recommendation applied to DHA, but related to BMA functions).	**NOT MET.** The AGSA identified a **Material Misstatement** concerning **Receivables from non-exchange** and a lack of effective steps to **collect all fines and penalties** owed to the BMA, which constitutes material non-compliance. The BMA received a **Qualified Audit Opinion**, which involves material misstatements relating to **Accruals and other liabilities**, linked to the lack of an automated leave management system.

10.4 GPW progress

Recommendation No.	Committee Recommendation	Updated Status (October 2025)
9.7 (State Security Printers Bill)	Ensure the Bill is submitted to Parliament soon.	**OUTSTANDING.** No progress on the submission of this critical Bill was reported, and it remains a key legislative gap.
9.8 (MRP Recommendations)	Ensure all Ministerial Review Panel (MRP) recommendations are fully implemented.	**IN PROGRESS.** Significant progress was made, with **148 of 166 (89%)** of the recommendations completed by 31 March 2025. The remaining 11% include items related to consequence management and long-term implications.
10.43 (New Headquarters Move)	Finalise the long-delayed move to the new GPW offices by March 2025.	**NOT MET.** The building reached **80% completion** by 31 March 2025. The move was **not finalised** and is now envisaged for the **second quarter of the 2025/26 financial year**.
10.47 (Tariff Negotiation)	Negotiations on addressing the rebate unsustainability on documents printed for the	**ONGOING.** The proposed pricing structure for 2025/26 involved a 7.5% tariff increase. The DHA Minister

	DHA should be concluded urgently.	committed to introducing cost-saving measures, including **renegotiating GPW prices**, indicating the matter is not yet concluded.

11. COMMITTEE'S 2025 BUDGETARY REVIEW RECOMMENDATIONS

Based on the comprehensive review of performance reports, audit outcomes, and direct oversight activities for the 2024/25 financial year, the Portfolio Committee on Home Affairs submits the following recommendations to the Minister of Home Affairs and the National Assembly for consideration in the medium-term budget process. This is inclusive of outstanding recommendations from previous years. Follow up on progress on these recommendations must form part of the Executive and Accounting officer's quarterly reporting by the four entities in February and June 2026. These recommendations are designed to address the systemic weaknesses identified in this report and steer the portfolio towards improved governance, financial accountability, and service delivery.

Department of Home Affairs (DHA)

11.13 The Minister must enforce the Department's commitment to achieving an unqualified audit for the 2025/26 financial year, which requires ensuring the full and timely implementation of the audit action plan and applying strict consequence management for officials responsible for repeat audit findings, non-compliance with the Public Finance Management Act (PFMA), and the unreliable performance reporting flagged by the Auditor-General of South Africa (AGSA).

11.14 The Department must resolve the Material Irregularity concerning the failure to collect fines and penalties, and must urgently motivate to National Treasury for the write-off of legacy debt (pre-2013) deemed prescribed following legal opinion.

11.15 The DHA leadership must provide the Committee with a fully costed, technologically sound, and viable implementation plan for its digital transformation agenda, addressing the AGSA's finding of strategic misalignment and confirming that the reprioritised R500 million is sufficient to overcome the 2.6 million record shortfall and prevent further delays.

11.16 The implementation plan for digital transformation must include definitive timelines to finalise the full functionality rollout of the Automated Biometric Identification System (ABIS) and completely discontinue the use of the legacy HANIS system, while resolving the unresolved R115.2 million arbitration process with the ABIS service provider that continues to delay full functionality.

11.17 The DHA must accelerate the implementation of the reformulated Electronic Travel Authorization (ETA) system, replacing the failed e-Visa prototype.

11.18 The Department must address confirmed irregular expenditure related to the digitisation project and explain the delays in operationalising digitisation sites that caused the performance shortfall.

11.19 The DHA, in urgent collaboration with the State Information Technology Agency (SITA), must present a concrete plan to the Committee to resolve the chronic IT infrastructure and network connectivity issues plaguing frontline offices.

11.20 The plan for service delivery improvements must include specific interventions and timelines for capacitating under-resourced offices, particularly in underserved areas like the Eastern Cape, with modern tools of trade and adequate staffing.

11.21 The DHA must fast-track the Request for Information (RFI) for alternative connectivity (e.g., satellite/fibre) to alleviate the detrimental reliance on SITA and outdated infrastructure, which causes persistent system downtime confirmed by oversight visits.

11.22 The Department must resolve the issues with the previous service provider to ensure the successful rollout of automated birth registration functionality in health facilities, and achieve the mandated target of registering 730,500 births within the 30-day period.

11.23 The DHA must provide the Committee with the comparative cost-benefit analysis that informed its strategic shift from self-service kiosks to the bank partnership model. This report must demonstrate how the R20.63 million spent on kiosks will not become fruitless expenditure and how the bank model will be implemented to ensure it does not exclude unbanked and rural citizens.

11.24 The Minister must prioritise the filling of critical vacant Senior Management Service (SMS) posts, including the Deputy Director-General (DDG): Immigration Services, DDG: Human Resources, and the Chief Information Officer (CIO), to restore stability and strategic leadership, given that the Department remains "insufficiently capacitated".

Border Management Authority (BMA)

11.25 The Committee strongly recommends that the Minister, through Cabinet, engages National Treasury as a matter of national security urgency to address the BMA's severe underfunding, noting that the "gross underfunding... continues to undermine national security".

11.26 The BMA's assessment of its relative financial efficiency, compared to the line department functions it is due to replace, must form part of this funding engagement.

11.27 The Minister must seek certainty on MTEF funding to allow the BMA to prioritize key initiatives, addressing the budgetary shortfall of over R4 billion.

11.28 The BMA must formalise cost-sharing or user-pay agreements with partner agencies for resource-intensive functions to increase the proportion of the budget allocated to goods and services, surveillance, and other technology, as the budget remains heavily skewed towards Compensation of Employees (CoE) (around 85-87%).

11.29 The Minister of Home Affairs, in conjunction with the Minister of Police, must finalise the long-delayed transfer of SAPS border functions and the associated budget to the BMA without further delay, noting that Cabinet intervention, as advised by the AGSA, is necessary to resolve the current jurisdictional confusion and operational duplication at the border.

11.30 The BMA, in partnership with the Department of Public Works and Infrastructure (DPWI), must provide the Committee with a comprehensive plan and timeline for repairing the national border fence and procuring essential technology.

11.31 This plan must include a sufficient number of scanners for ports of entry (to address the 0.05% coverage at Durban) and a dedicated fleet of surveillance drones.

11.32 The BMA must finalise the procurement process for the delayed Maritime Inshore Patrol Vessels.

11.33 The BMA must finalise the three-year ICT strategy to cover system integration, the future adoption of the Biometric Movement Control System (BMCS) and eMCS systems, and the installation of Local Area Network (LAN) and Wide Area Network (WAN) connectivity at Ports of Entry, following zero achievement on the previous target due to a failed tender process.

11.34 The BMA must urgently implement the AGSA's recommendations to strengthen internal financial controls, which includes developing an automated leave management system to address the material misstatements related to Accruals and other liabilities.

11.35 The BMA must create a clear action plan to investigate and resolve the cumulative R5.988 billion in irregular expenditure and R3.880 billion in fruitless and wasteful expenditure.

11.36 The BMA must implement effective steps to collect all outstanding fines and penalties to address the Material Misstatement concerning Receivables from non-exchange.

Electoral Commission (IEC)

11.37 The IEC should provide the Committee with its research on the impact of its Civic and Democracy Education programmes, noting the constraints caused by budget reductions on outreach activities.

11.38 The IEC must develop a targeted, evidence-based strategy along with Political Parties to specifically address youth voter disillusionment ahead of the 2026 Local Government Elections, particularly given the persistent net decline in the national voters' roll.

11.39 The IEC must report to the Committee on the definitive timeline and funding mechanism for procuring its national office building. This procurement is essential to eliminate the recurring R10.5 million in irregular expenditure arising from commercial leases and to ensure long-term financial prudence.

Government Printing Works (GPW)

11.40 The Minister must ensure the full and urgent implementation of the outstanding 11% (18) of the Ministerial Review Panel (MRP) recommendations, with a particular focus on the recommendations related to IT governance and the outstanding action required from the Internal Audit unit.

11.41 GPW management must provide the Committee with an urgent plan to repair or replace broken printing machinery to reduce reliance on outsourcing and manual processes.

11.42 The GPW, along with the Development Bank and Department of Public Works, must ensure the final phase of transition to its new facilities is finalised without any further delays, providing a final, non-negotiable timeline to complete the long-delayed move from the dilapidated Bosman Street facility.

11.43 The Minister must ensure that the proposed State Security Printers Bill is submitted to Parliament without further delay, addressing this critical legislative gap.

11.44 The GPW and the DHA must urgently conclude negotiations on the proposed pricing structure for 2025/26, particularly regarding the sustainability of rebates and the Minister's commitment to renegotiating GPW prices.

Report to be considered.

3. BUDGETARY REVIEW AND RECOMMENDATION REPORT OF THE PORTFOLIO COMMITTEE ON LAND REFORM AND RURAL DEVELOPMENT, DATED 22 OCTOBER 2025

The Portfolio Committee on Land Reform and Rural Development, having considered the 2024/25 annual financial and service delivery reports of the former Department of Agriculture, Land Reform and Rural Development and the relevant public entities, reports as follows:

1. INTRODUCTION

This report accounts for the processes undertaken by the Portfolio Committee on Land Reform and Rural Development (the Committee) in considering the 2024/25 Annual Reports for the former Department of Agriculture, Land Reform, and Rural Development (DALRRD) and the relevant national public entities. The Minister of Agriculture and the Minister of Land Reform and Rural Development tabled the reports in September 2025 and presented them to the Committee as shown in Table 1 below. This report focuses on the land reform and rural development portfolio (reconfigured to Vote 42).

Table 1: Briefing Sessions by the Auditor-General, Department, and its Public Entities

Department and Public Entities	**Date of briefing**
Auditor-General of South Africa (AGSA)	07 October 2025
Department of Agriculture, Land Reform and Rural Development	07 October 2025
Commission on Restitution of Land Rights (CRLR)	08 October 2025
Office of the Valuer-General (OVG)	08 October 2025
DRDRL: Communal Property Associations 2024/25 Annual Report	15 October 2025

The Money Bills Amendment Procedures and Related Matters Act, 2009 (Act No. 9 of 2009), mandates the National Assembly to annually assess the performance of each national department with emphasis on the medium-term expenditure estimates (MTEF). Section 5 of the Act outlines procedures for assessing the performance of each department by the National Assembly and for the preparation of the Budgetary Review and Recommendations Report (BRRRs) by parliamentary committees. Accordingly, this report presents the Committee's assessment of the 2024/25 financial and non-financial performance of the Department and its

associated public entities, evaluates the efficiency, effectiveness, and alignment of resource allocation with policy priorities and legislative mandates.

1.1. Mandate of the Portfolio Committee on Land Reform and Rural Development

The Committee derives its mandate from Sections 55 and 56 of the Constitution of the Republic of South Africa and the Rules of the National Assembly. In terms of this mandate, the Committee is empowered to exercise oversight over the Department of Land Reform and Rural Development (the Department) and its public entities, as well as the relevant Ministries responsible for the land reform and rural development portfolio. Specifically, the Committee is mandated to consider, amend and/or initiate legislation that is specific to, or has an impact on, land reform and rural development; consider and review the annual budget and expenditure plans of the Department and its public entities; scrutinise international treaties and agreements falling within its functional area of responsibility; and facilitate public participation and engagement, ensuring that the views and experiences of affected communities are heard.

1.2. Purpose of the Budgetary Review and Recommendation Report

The Money Bills Amendment Procedures and Related Matters Act (2009) establishes the process by which the National Assembly, acting through its portfolio committees, assesses the performance of national departments and makes recommendations to the Minister of Finance regarding amendments to departmental budgets. The BRRR must –

- Provide an assessment of the Department's service delivery performance given available resources;
- Assess the effectiveness and efficiency with which the Department has utilised its allocated resources, including reflections on forward allocation of resources; and
- Include, where applicable, recommendations on the forward use of resources.

The BRRR also serves as an essential source document for the Standing and Select Committees on Appropriations/Finance. These Committees may use the BRRRs to formulate recommendations to the Houses of Parliament on the Medium-Term Budget Policy Statement (MTBPS) and subsequent budget processes.

1.3. Preparation for this Budget Review and Recommendations Report

In preparation for this BRRR, the Committee undertook the following activities -

- Briefings by the Department and entities on their quarterly performance and expenditure reports for the 2024/25 financial year.
- Undertook oversight visits to Mpumalanga and KwaZulu-Natal provinces in October 2024 and February 2025, respectively.
- Held briefings and considered the Annual Performance Plans (APP) and Budget of the Department and its entities for the 2025/26 financial year.
- On 7 October 2025, the AGSA briefed a joint meeting of the Portfolio Committee on Agriculture and Portfolio Committee on Land Reform and Rural Development on the 2024/25 audit outcome for the former DALRRD and associated public entities.
- On 7 October 2025, the Department of Agriculture and the Department of Land Reform and Rural Development jointly briefed a joint sitting of the Portfolio Committees on Agriculture and the Portfolio Committee on Land Reform and Rural Development on the Annual Report of the former DALRRD.
- On 8 and 15 October 2025, the Department and public entities briefed the Committee on the 2024/25 annual reports of the OVG, CRLR, and CPAs.
- The Ingonyama Trust Board has lodged with the Speaker of the National Assembly a request for the late submission of its 2024/25 Annual Report.
- The Committees then produced separate BRRRs that draw from other briefings and inputs that they have received throughout the financial year.

1.4. Outline of the contents of this report

Following this introduction, the report reflects on the government's key policy areas, including those of the Department, as they relate to the national Government Priority Outcomes. It further presents an analysis of the financial and service delivery performance of the Department and associated public entities for the 2024/25 financial year, as well as the Auditor-General of South Africa's audit findings and opinion. The report concludes with the Committee's key observations and recommendations to the National Assembly for consideration by the Minister of Finance and the Minister of Land Reform and Rural Development.

2. OVERVIEW OF THE KEY RELEVANT POLICY FOCUS AREAS

The Department's strategic plans were informed by and aligned with government-wide planning and policy mandates, particularly the National Development Plan (NDP), the Medium-Term Strategic Framework (MTSF), the State of the Nation Address, and other sectoral policies and frameworks.

2.1. The National Development Plan: Vision 2030

The NDP serves as a blueprint for reducing unemployment, eliminating poverty, and reducing inequality by 2030. It envisions an inclusive dynamic economy in which the benefits of growth are shared equitably amongst all citizens. Chapter 6 of the NDP, titled *"Inclusive Rural Economy",* sets out the NDP's vision for the development of rural areas. It emphasises sustainable land reform and agrarian transformation, which aligns with the mandate of the Department. The NDP is implemented through successive five-year Medium-Term Strategic Frameworks (MTSFs).

The NDP identifies agriculture as one of the key sectors for promoting inclusive growth, job creation, and poverty reduction. In this regard, it projects that by 2023, the agricultural, agro-processing, and related sectors should create approximately 1 million new jobs and generate a positive trade surplus. The NDP further envisages that smallholders and emerging farmers should produce one-third of the food trade surplus.

Concerning land reform, the NDP sets a target to redistribute 16.5 million hectares or 20 per cent of commercial agricultural land by 2030. By March 2025, the Government had redistributed approximately 11 per cent of commercial farmland. It implies that the State would need to redistribute a further 9 per cent of commercial agricultural land over the next five years. It thus underscores the urgency of accelerating the pace of land redistribution.

2.2. Medium Term Strategic Framework (MTSF) 2019-2024

The Medium-Term Strategic Framework (MSTF) serves as the Government's five-year outcome-based implementation phase of the NDP. The 2019-2024 MTSF represents the second phase of NDP implementation, following the initial period from 2014 to 2019. It is a strategic framework to ensure policy coherence, alignment, and coordination across government

departments, while aligning planning processes with budgeting and resource allocation. The MTSF 2019-2024 targets, in a broad sense, addressing the challenges of poverty, inequality and unemployment through the following pillars: achieving a more capable state; driving a strong and inclusive economy; and building and strengthening the capabilities of South Africans.

These pillars underpin the government's seven key priorities adopted during the current MTSF. It is expected that the priorities will be achieved through the joint efforts of the government, the private sector, and civil society, with specific outcomes and interventions articulated in an Implementation Plan and a Monitoring Framework.

The Department contributes directly to four of the seven key priorities, namely:

- Priority 1: A capable, ethical, and developmental state;
- Priority 2: Economic transformation and job creation;
- Priority 5: Spatial integration, human settlements, and local government; and
- Priority 7: A better Africa and world.

2.3 Progress on the implementation of the relevant MTSF targets

Table 2 below shows mixed performance in achieving planned outcomes directly linked to the MTSF.

- *Improved Governance and Service Excellence*: The Department did not achieve the set target, attaining 93% compliance with the payment of valid invoices within 30 days and achieving only 83% of its key performance indicators. It suggests continued persistence of weaknesses in administrative efficiency, internal controls, and overall governance.

- *Coordinated, Integrated and Cohesive National Spatial Development*: The National Spatial Development Framework (NSDF), adopted by Cabinet in 2022, has been under implementation, and the Department exceeded the target by finalising four Regional Spatial Development Frameworks (RSDFs) instead of the planned two.
- *Sustainable Land Reform*: It saw the redistribution of 1.58 million ha of strategically located land, surpassing its target of 1.5 million hectares. However, the performance in

equitable allocation fell short of the target proportions, with 44.3 per cent of land allocated to women, 30% to youth, and less than 1 per cent to people with disabilities, against targets of 50 per cent, 40 per cent, and 10 per cent, respectively. Whilst the quantitative land targets were achieved, the qualitative dimensions of transformation and inclusivity do not meet public expectations.

- *Post-Settlement Support and Producer Development*: The approval of the National Policy on Comprehensive Producer Development Support (NPCPDS) and the assistance provided to 377 farms under the Land Development Support Programme (LDSP) were the major highlights. However, not all approved land reform projects received post-settlement support. On a positive note, the Department exceeded its targets for supporting producers, reaching 137,544 smallholder producers (against 118,485 planned) and 294,430 subsistence producers (against 260,460 planned).

- *Agrarian Transformation and Environmental Sustainability*: The target for rehabilitating degraded land, restoring 295,687 hectares against a target of 150,000 hectares through the Landcare Programme, was achieved. However, progress in operationalising Farmer Production Support Units (FPSUs) remained below expectations, with only 40 out of 71 FPSUs fully functional and 53 partially functional.

3. OVERVIEW OF THE STRATEGIC FOCUS OF THE DEPARTMENT OF LAND REFORM AND RURAL DEVELOPMENT

3.1 The core functions of the Department

The Department of Land Reform and Rural Development (formerly, a part of the Department of Agriculture, Land Reform and Rural Development) derives its mandate from the Constitution of the Republic of South Africa, particularly Sections 24, 25, and 27 which collectively affirm the right to sustainable development and responsible natural resource management (s.24), the imperative to redress racially skewed patterns of land ownership and promote equitable access to land (s.25), and the right to access sufficient food and water (s.27).

The 2025/26 – 2028/29 Strategic Plan of the Department of Land Reform and Rural Development articulates its vision and mission as follows:

- *Vision*: To ensure equitable access to land, security of tenure, and sustainable rural development, thereby contributing to economic growth and the flourishing of rural communities.
- *Mission:* To facilitate inclusive economic development through integrated land administration, land reform, and rural development."

The core functions of the Department are implemented through four main programmes, namely:

- Programme 1: Administration; it provides strategic leadership, management, and support services to enhance governance, modernise service delivery, and ensure that the Department operates efficiently, effectively, and transparently.

- Programme 2: Land Administration; it is responsible for providing and maintaining an inclusive and comprehensive land administration system that encompasses spatial planning, geospatial and cadastral services, and legally secure tenure.

- Programme 3: Land Reform, Tenure Reform and Restitution; it focuses on acceleration of land redistribution and acquisition initiatives to redress historical land ownership inequities arising from colonialism and apartheid (redistribution, restitution, and tenure reform), thereby promoting equitable access to land, reducing poverty, and improving rural livelihoods.

- Programme 4: Rural Development; it focuses on facilitating and coordinating the implementation of the Integrated Rural Development Sector Strategy (IRDSS) and the Comprehensive Rural Development Programme (CRDP) to build integrated, inclusive, and vibrant rural economies.

These programmes collectively form a cohesive framework through which the Department drives transformation, equity, and sustainable rural development.

3.2 Strategic Focus of the Department

For the Medium-Term Period (2024–2029), the Department has identified four strategic outcome areas that guide the implementation of its programmes and the achievement of its mandate. These outcomes are closely aligned with the priorities of the Medium-Term Development Plan (MTDP), which operationalises the NDP. The four outcome areas are presented in Table 3 below.

Table 3: Alignment of Department Outcomes and the 2024-2029 MTDP Priorities

MTDP Priority	DLRRD Outcome	Indicators
Priority 1: Drive Inclusive Growth and Job Creation	Outcome 2: Inclusive, modernised, and integrated land administration	Implementation of national and regional spatial development frameworks.
		% of the National Spatial Data Observatory was developed.
		Improved efficiency in the processing of cadastral documents and provision of access to credible cadastral and geospatial information services, in support of an equitable and sustainable land administration
Priority 2: Reduce Poverty and tackle the high cost of living	Outcome 3: Redress and equitable access to land	Equitable access to land
	Outcome 4: Integrated and inclusive rural economy	- Socio-economic opportunities and sustainable development facilitated. - No. of rural infrastructure projects completed. - No. of young people trained through the NARYSEC. - Reports on the implementation of the IRDS.
Priority 3: Building a capable, ethical, and developmental state	Outcome 1: Improved governance & modernised service delivery.	- % of compliance with legislative frameworks - % of achievement of key performance indicators. - % of core departmental business processes digitalised

3.3 The Department's Key Policy Developments

3.3.1 Over-arching policy

(a) Beneficiary Selection and Land Allocation Policy

The Beneficiary Selection and Land Allocation Policy (BSLAP) establishes a transparent, fair, and accountable framework for identifying and selecting individuals and groups to benefit from land reform programmes. It addresses past weaknesses in beneficiary targeting, where inconsistent and ad hoc selection processes often resulted in inequitable access to land and inadequate post-settlement support. It prioritises vulnerable and marginalised groups, including women, youth, and persons with disabilities, in line with the constitutional imperative for equitable land redistribution. BSLAP introduces clear eligibility criteria, standardised selection procedures, and mechanisms for public participation and verification to ensure accountability and reduce manipulation or elite capture. Furthermore, it distinguishes between different categories of land use, such as subsistence, smallholder, and commercial farming, to align beneficiary support packages with development potential. Overall, BSLAP aims to strengthen governance in land allocation, promote inclusivity, and ensure that land reform effectively contributes to rural livelihoods, agrarian transformation, and sustainable land use.

(b) Integrated Rural Development Sector Strategy

The Integrated Rural Development Sector Strategy (IRDSS) offers a coordinated framework for promoting inclusive and sustainable development in South Africa's rural areas. It aims to align the efforts of government departments, public entities, and other stakeholders to enhance the quality of life and economic well-being of rural communities. The strategy highlights a multisectoral, spatially targeted approach that combines interventions across land reform, agricultural production, infrastructure development, social services, and local economic development. At its core, the IRDSS is based on the principles of rural integration and territorial development, ensuring investments are planned holistically within functional rural spaces rather than through fragmented projects. By fostering partnerships between government, the private sector, and rural communities, the strategy seeks to create sustainable livelihoods, reduce rural poverty, and bridge the socio-economic gap between urban and rural areas.

3.3.2 Priority policy and legislation for 24/25

In line with the government's overarching priorities for inclusive growth, food security, and rural transformation, the Department of Agriculture, Land Reform and Rural Development (DALRRD) identified three strategic priority areas for the 2024/25 Medium-Term Expenditure Framework (MTEF) period as stated above. To give effect to these priorities, the former DALRRD planned to finalise and submit for approval six key pieces of legislation (four for land reform) and five policy instruments (three for land reform) during the 2024/25 financial year. Collectively, these instruments aim to modernise the legislative framework governing land administration and to promote more equitable access to land and resources.

Table 4: Legislative Programme for 2024/25

Legislative Programme (2024/25)	**Policy Programme (2024/25)**
• Land Acquisition and Redistribution Bill, 2024 – to provide a legislative basis for land acquisition and redistribution mechanisms that advance equitable access to land. • Land Survey Amendment Bill, 2024 – to modernise land survey practices and align them with technological innovations and spatial data requirements. • Deeds Registries Amendment Bill, 2024 – to streamline registration processes and improve efficiency in the deeds registration system. • Electronic Deeds Registration Systems Amendment Bill, 2024 – to enhance the functionality and accessibility of the electronic deeds registration system (e-DRS).	• Communal Land Tenure Policy – to provide a framework for securing tenure rights in communal areas and improving governance of communal land. • Communal Property Associations (CPA) Policy (Review) – to update and strengthen the management, accountability, and sustainability of CPAs as landholding entities. • Land Redistribution Policy Framework – to clarify policy parameters for land redistribution, including criteria for beneficiary selection and post-transfer support.

Overall, these policies and legislative developments reflect a commitment to building a more inclusive, sustainable, and competitive agricultural sector, while advancing the objectives of land reform and rural development within the broader National Development Plan (NDP) 2030 and the Medium-Term Development Plan (MTDP) 2024–2029

3.3.3 Accelerating land redistribution through the Expropriation Act (Act No.13 of 2024)

The Expropriation Act (2024) came into force on 20 December 2024, but its practical application for just and equitable compensation in public-interest land acquisitions remains pending. The Committee observed that the necessary regulations and guidelines detailing procedures for valuation, compensation, and appeals have not yet been finalised. Additionally, the State lacks trained personnel and operational systems to manage expropriation processes effectively. The Department, as the primary user of expropriation powers in the public interest, does not have a mandate to develop or finalise these regulations, which fall under the Department of Public Works. Consequently, while legally in force, the Act's implementation is delayed pending operational readiness and regulatory finalisation.

3.3.4 Legislative developments emanating from Court judgements

(a) New order land claims (the 2014 Amendments to the Restitution of Land Rights Act)

In 2016, the Constitutional Court declared the Restitution of Land Rights Amendment Act (2014) invalid for Parliament's failure to conduct adequate public participation before passing the Bill. Consequently, the Court interdicted the CRLR from processing new land claims lodged after 1 July 2014, pending new legislation, until it has finalised all old order land claims (lodged before 31 December 1998). This interdict remains in force until Parliament enacts a valid amendment to guide the Commission on processing new order land claims. The impact of this interdict is that about 140,000 new order land claims are in abeyance, with significant implications for the state's resources to settle them. The Commission reports to the court quarterly on the settlement of all outstanding old order claims.

(b) Judicial oversight of the Department through the Special Master of Labour Tenants at the Land Claims Court.

The Land Court exercises judicial oversight over the Department of Land Reform and Rural Development through the Special Master of Labour Tenants, appointed in 2019. In the *Mwelase v Director-General for the Department of Rural Development and Land Reform case, the* Constitutional Court found that the Department had failed to process labour tenant claims efficiently and directed judicial supervision to ensure compliance. The Court endorsed the Land Claims Court order on the appointment of the Special Master, whose role is to monitor, guide, and report on the Department's progress in resolving outstanding labour tenants' claims. This

mechanism aims to enhance accountability and expedite land transfers to qualifying labour tenants. The Department submits quarterly reports to the court as part of this oversight process to hold the Department accountable for settling all labour tenants' claims.

(c) Interim measure to protect informal land rights

In the *CASAC v Minister of Rural Development and Land Reform* matter, the Pietermaritzburg High Court found that the Minister breached her constitutional duty to respect, protect, promote, and fulfil the property rights of holders of IPILRA rights on Trust-held land. The Court held that until an alternative system for recording customary and informal land rights is implemented, the Minister must reinstate the administrative capacity to implement Chapter XI of the KwaZulu Land Affairs Act 11 of 1992 and the KwaZulu Land Affairs (Permission to Occupy) Regulations. The Minister is further required to submit quarterly reports to the Court detailing the steps taken to comply with these directives. The order underscores the Minister’s obligation to safeguard the land tenure rights of communities on Ingonyama Trust land.

These rulings compel the State to accelerate policy and legislative reforms that ensure equitable access to land while safeguarding the rights of vulnerable rural communities.

4 OVERVIEW AND ASSESSMENT OF EXPENDITURE AND SERVICE DELIVERY PERFORMANCE

4.1 Overview of Budget Vote Allocation and Departmental Expenditure

In 2024/25, the former DALRRD spent 94.4 per cent of its budget allocation but achieved only 83 per cent of the planned targets. Rural Development programme recorded the lowest expenditure of 81.6 per cent of its allocation, followed by Economic Development, Trade and Marketing at 91.6 per cent, and Food Security, Land Reform and Restitution at 92.8 per cent. Underperformance in outcomes and expenditure for rural and economic development, as well as Food Security, raises concerns about equitable land access and rural development goals.

Table 5: 2024 Budget Allocation for the former DALRRD

Programme R ’000	**Final Budget**	**Actual Expend**	**Variance (R ’000)**	**Spending Rate**
Administration	3 048,9	2 995,2	53,7	98,2%
Agricultural Prod., Health, Food, Safety, NRM	2 569,5	2 542,6	26,9	99,0%
Food Security, Land Reform & Restitution	9 184,8	8 521,1	663,7	92,8%
Rural Development	722,8	590,1	132,7	81,6%
Economic Development, Trade & Marketing	744,9	682,0	62,9	91,6%
Land Administration	726,9	714,1	12,8	98,2%
Total	**16 997,8**	**16 045**	**952,7**	**94,4%**

The DALRRD spent R16.04 billion or 94.4 per cent of the final budget of R16.99 billion. A total of R952.7 million remained unspent by 31 March 2025, the end of the financial year. The spending rate for 2024/25 was 97.6 per cent, a slight regression from 99,7 per cent during the previous year (2023/24). The unspent funds were mainly the result of failure of the DALRRD to fill vacancies because of a moratorium that had been imposed on filling vacancies, delays in receiving invoices and delivery of ICT services and equipment owing to SITA's long turnaround times, delays in supporting subsistence farmers through the Presidential Employment Stimulus (PES) initiative due to a change in the programme’s delivery model from Vodacom to provincial departments of Agriculture (PDAs); delays in finalising land claims settlements because of the slow payment process; delays in the implementation of rural infrastructure projects because of challenges such as community disputes with contractors and rainy weather; and delays in transferring of AgriBEE funds to the Land Bank owing to outstanding progress reports. Additionally, a significant cause of underspending was a moratorium on the filling of vacant positions, put in place to allow for the proper design of organograms for the two new departments.

The following key points arise from the DALRRD’s financial performance for the 2024/25 financial year:

- The DALRRD requested approval from the National Treasury to roll over R720.1 million in unspent funds from 2024/25 to the 2025/26 financial year.
- Fruitless and wasteful expenditure amounted to R137 million during the period under review, of which R5.9 million was incurred in 2024/25. This represents a significant increase from R131 million in 2023/24, where only R29 000 was incurred in that year.

- Irregular expenditure decreased slightly to R187.4 million in 2024/25, compared to R193.4 million in 2023/24. Of the 2024/25 total, R844 000 was incurred in the current financial year, compared to R1.3 million in 2023/24. The Department further reported that R299 938 in irregular expenditure remained under assessment, pending outcomes of forensic investigations.
- Unspent funds were shifted from several programmes:
    - Programme 3: Food Security, Land Reform and Restitution – R461.3 million
    - Programme 4: Rural Development – R62.9 million
    - Programme 5: Economic Development, Trade and Marketing – R47.6 million
    - Programme 6: Land Administration – R11.7 million

The reallocated funds were directed to Administration to address shortfalls in office accommodation and legal services, and to Agricultural Production, Biosecurity, and Natural Resources Management to cover shortfalls in consultant services through the ARC related to animal production, health, crop improvement, and natural resources management.

4.2 Overview of Performance in terms of Service Delivery Targets

The DALRRD reported achieving 25 of 30 annual targets (83 per cent). This performance rating is a slight improvement compared to its performance rating of 81 per cent and 82 per cent in 2023/24 and 2022/23, respectively. Whilst the Department's expenditure is 94,4 per cent, its service delivery performance rating is 83 per cent.

Table 6: Performance against predetermined objectives and annual targets (2024/25)

Programme	Target	Achieved	%Achievement
Administration	2	1	50%
Agricultural Prod., Health, Food, Safety, and NRM	5	5	100%
Food Security, Land Reform and Restitution	7	6	86%
Rural Development	3	2	66%
Economic Dev, Trade & Marketing	5	3	60%
Land Administration	8	8	100%
Total	30	25	83%

4.3 Programme Expenditure and Performance during the 2023/24 Financial Year

This section focuses on those programme areas that are part of the new Vote 42: Land Reform and Rural Development, i.e. the Department of Land Reform and Rural Development.

4.3.1 Programme 1: Administration

The Administration Programme received an allocation of R2.96 billion in 2024/25 from the total departmental budget of R16.9 billion. The programme spent R2,995 billion, representing 98,2 per cent of its allocated funds, a slight decline compared to 99,7 per cent in 2023/24. The programme's expenditure was broadly aligned with performance outcomes. Of the total spending, R1,169 billion was used for compensation of employees, R1,737 billion for goods and services, R74 million for capital assets, and R8,1 million for transfers and subsidies.

The programme had two performance targets: namely, to obtain an unqualified audit opinion, and to ensure that all valid invoices are paid within 30 days of receipt. The Department achieved an unqualified audit opinion on its 2024/25 financial statements, thereby meeting the first target; it did not fully meet the second target. Only 95 per cent of valid invoices were paid within 30 days, a slight improvement from the 94 per cent achieved in 2023/24. The main causes of delayed payments included late submission and approval of invoices by business units, budget realignment processes, unresolved queries, incomplete documentation, system and network challenges, and rejected or reissued payments. The Committee noted these recurring issues, but it welcomed the interventions proposed. The Department reported that it had planned to conduct workshops with service providers and staff at district and provincial Shared Service Centres to strengthen compliance with documentation and verification requirements. Additionally, regular programme meetings have been institutionalised to promote prudent financial management.

4.3.2 Programme 3: Food Security, Land Reform and Restitution

Programme 3 received the largest allocation of R9.1 billion from the 204/25 budget. The programme spent R8.521 billion, which is 92.8 per cent of the allocated funds, reflecting a decline from the 100 per cent spent in 2023/24. The Restitution sub-programme performed

particularly poorly in 2024/25, spending only 83.2 per cent of its budget, compared to full expenditure (100 per cent) the previous year. This under-spending directly contributed to the under-performance in settling land claims. The Department stated that the underspending in Programme 3 was due to delays in finalising land claim settlements, resulting from slow restitution payment processes. Additionally, land reform spending was impacted by the implementation of risk-mitigation measures to prevent corruption. These measures, while necessary, caused payment delays and necessitated a comprehensive overhaul of financial systems and processes. Of the total expenditure, R1.116 billion was spent on employee compensation, R987.2 million on goods and services, R5.639 billion on transfers and subsidies, and R773.7 million on capital asset payments.

Table 7: Programme 3 allocation by sub-programme

Sub-programme	**Budget** R'000	**Expenditure** R'000	**Variance** R'000	**Spending %**
Food Security & Agrarian Reform	2 897,6	2 817,7	79,9	97,2%
Land Redistribution & Tenure Reform	845,2	835,7	9,5	98,9%
National Extension Services & Sector Capacity	584,2	574,7	9,5	98,4%
Land Development & Post-settlement Support	455,3	454,9	0,4	99,9%
Commission on Restitution of Land Rights	24,8	24,7	0,1	99,6%
Restitution	3 357,4	2 793,1	564,3	83,2%
Agricultural Land Holding Accounts	855,7	855,7	0,0	100,0%
Ingonyama Trust Board	21,9	21,9	0,0	100,0%
Office of the Valuer General	142,8	142,8	0,0	100,0%
Total	**9 184,9**	**8 521,2**	**663,7**	**92,8%**

It is important to note that following the realignment of functions following the split of the former DALLRD, the components of Programme 3 relating to food security, agrarian reform, national extension services, and sector capacity development now fall under the Department of Agriculture. Consequently, this section does not provide a detailed account of their performance, as it focuses primarily on the land reform and restitution components of the Department's mandate. As illustrated in Table 6, the Department achieved six of the seven planned targets under this Programme, translating to a performance rate of 85.7 per cent. The only unmet target concerns the number of land claims settled. Details of the restitution programme are discussed in the section on the Commission on Restitution of Land Rights,

which addresses restitution, save to state that it ranges from delays in paying financial compensation to difficulties in conducting valuations for land held under informal land rights.

Land redistribution through the Proactive Land Acquisition Strategy (PLAS)

The Committee noted that the target for the number of hectares acquired through PLAS has been exceeded. With a target of 46,767 ha, the Department allocated 65,141 ha, exceeding the target by 18,394 ha. It is often reported that the ha includes the targets. What remained a concern was the disconnect between achieving targets and the reality of landless farm dwellers and labour tenants on the ground. Further, the livelihood impacts on the beneficiaries remain a concern. Whilst the overall target has been met, the question that remained was the implementation of the beneficiary selection policy, particularly regarding targeting. The Committee noted that there is no consistency in reporting on the allocation of land to women, youth, and people living with disabilities, as well as on the hectares directly transferred to farm dwellers and labour tenants.

The policy pronouncements on establishing the Land Reform and Rural Development Agency (LARA), which were meant to be finalised by the end of 2022/23, have yet to be realised. The agency could play an important coordinating role for the two departments, including planning, land identification, land acquisition, investment plans, beneficiary selection, financing, and managing a Land Reform Fund in partnership with the Land Bank to fast-track land reform.

Communal Property Association

The Department planned to train 755 Executive Committee Members of CPAs in governance. By the end of the 2024/25 fiscal year, a total of 986 members had been trained. The target was exceeded, in part, due to the inclusion of non-compliant CPAs. The Committee welcomed an increase in the number of CPA Executive Committees to be trained. However, the Committee again expressed concern about the mechanism used to set targets, as there is a misalignment between the target and the number of CPAs that are non-compliant with the Act. Insights from oversight visits in KwaZulu-Natal indicate that a comprehensive support programme for CPAs is needed. Many Executive Committees being trained are already embroiled in disputes; therefore, this training does not help resolve the conflicts. Governance training should just be one of the many support mechanisms available to CPAs.

By the end of March 2024, a total of 1,742 Communal Property Associations (CPAs) were registered, reflecting a marginal increase of eight from the previous year. However, the majority remain non-compliant with legislative requirements, with only 11 per cent compliant and 7 per cent partially compliant, showing a deterioration from the previous year's compliance levels. A total of 63 CPAs were reported to be managing land in contravention of their constitutions.

The Committee observed that the notion of exempting CPAs from compliance is not provided for in the CPA Act. Where CPAs do not own land, they should be deregistered in line with the Act. The Committee further noted gaps in oversight and reporting on CPAs placed under judicial administration since 2012, as well as those referred to the Land Rights Management Facility for support since 2011. Both interventions lack evidence of impact, budget transparency, and progress updates. The Committee found that institutional capacity constraints within the Department continue to hinder the practical support and monitoring of CPAs. There is limited information on staffing, resource allocation, and the nature of assistance provided beyond training executive committees, despite the Department exceeding its training targets. Persistent challenges include provisional CPAs, a lack of title deed transfers, and illegal land transactions without member consent. Moreover, the long-delayed review of the CPA model remains incomplete or unreported. With the CPA Amendment Act of 2018 recently signed into law, the Department's readiness to implement it, particularly through the establishment of the Office of the Registrar and Deputy Registrars, will be critical to addressing the widespread dysfunction and governance failures that characterise many CPAs in South Africa.

Tenure Security on Farms as envisaged in Section 24(6) of the Constitution

As in the 2023/24 financial year, there were no performance targets for land tenure reform in 2024/25. The Committee expressed a concern that a constitutional imperative, as provided for in Section 25(6) of the Constitution, is not receiving adequate priority. Of particular concern is the Court order directing the Department to finalise all labour tenant applications without delay under the supervision of the Special Master of Labour Tenants for Labour Tenants at the Land Court. While these targets may exist in the Department's Operational Plan, the Committee was concerned that they are not publicly reflected in the APP. The same concern applies to programmes relating to the Extension of Security of Tenure Act (ESTA) and the Transformation of Certain Rural Areas Act (TRANCRAA). These programmes lack visible and measurable

performance indicators despite their crucial role in promoting land tenure security to some of the most vulnerable members of society.

4.3.3 Programme 4: Rural Development

This Programme is responsible for facilitating rural development that promotes socio-economic growth and inclusive development. It comprises three sub-programmes: the National Rural Youth Service Corps (NARYSEC), which focuses on social organisation, youth development and economic empowerment; Rural Infrastructure Development (RID), which facilitates infrastructure development in rural areas; and Technology Research and Development (TRD), which develops and adapts innovative and appropriate technologies to enhance rural livelihoods.

For the 2024/25 financial year, the programme spent R590.1 million, representing 81.7 per cent of its allocated budget, a significant decline from the 100 per cent spending rate achieved in 2023/24. The RID sub-programme recorded the lowest spending rate at 71.2 per cent, despite exceeding the target for the number of rural infrastructure projects completed. The Department attributed this to the rollover of 27 multi-year projects from previous years, which inflated the number of completed projects in the reporting year. Of the total expenditure of R590.1 million, R146.7 million was spent on compensation of employees, R146.5 million on goods and services, R253.8 million on capital assets, and R42.7 million on transfers and subsidies. THE Committee noted that the expenditure patterns are not fully aligned with reported performance outcomes, particularly in the RID sub-programme, indicating potential inefficiencies in budget execution, project planning, and monitoring.

Table 8: Budget allocation and Expenditure under the rural development programme

Sub-Programme **R'000**	**Final Budget**	**Actual Expenditure**	**Variance**	**Spending Rate**
National Rural Youth Service Corps	243 129	242 182	947	99,6%
Rural Infrastructure Development	457 287	325 714	131 573	71,2%
Technology Research & Development	22 365	22 258	107	99,5%
Total	722 781	590 154	132 627	81,7%

The key targets not achieved related to the number of young people trained through the NARYSEC Programme. The Department trained 1,740 youth, falling short of the target of 1,751. An underachievement of 11 participants was due to learners' dropout, which accounts for a 0.62 per cent dropout rate against the annual target of 1,751.

4.3.4 Programme 6: Land Administration

This programme is responsible for the provision and maintenance of an inclusive, effective, and comprehensive system of planning, geospatial information, cadastral surveys, legally secure tenure, and land administration that promotes social, economic, and environmental sustainability. With a 98.2 per cent spending rate, the programme achieved all eight annual targets. It is an improvement compared to the performance rate of 75 per cent achieved in 2023/24.

Table 9: Land Administration Programme Budget Expenditure 2024/**25**

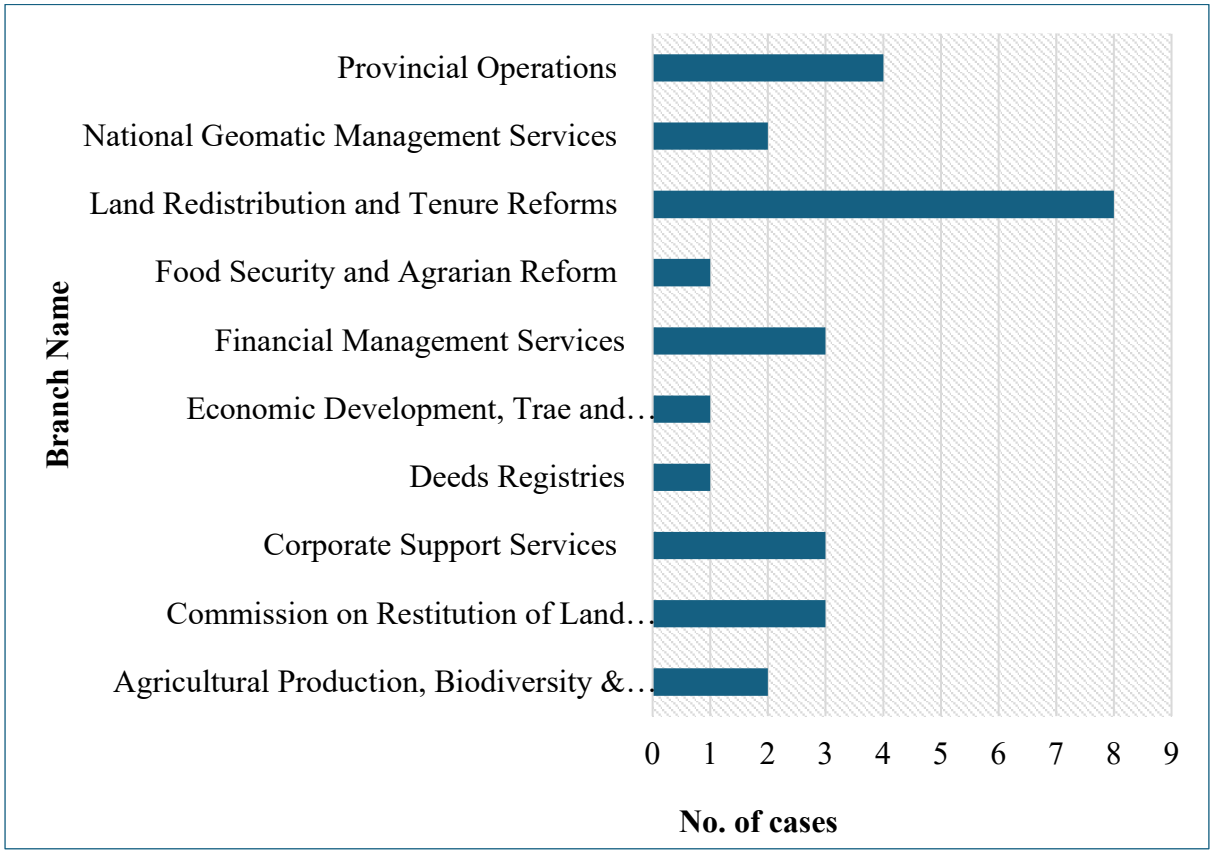
Sub-Programme R '000	**Final Budget**	**Actual Expenditure**	**Variance**	**Spending Rate**
National Geomatics Management Services	549 748	545 598	4 150	99,2%
Spatial Planning & Land Use	165 340	158 328	7 012	95,8%
Registration of Deeds Trade Account	1		1	
SA Council of Planners	8 036	6 397	1 639	79,6%
SA Geomatics Council	3 752	3 752	0	100,0%
Integrated Land Administration				
Total	**726 877**	**714 075**	**12 802**	**98,2%**

Table 9 above shows that R714.1 million, or 98,2 per cent of the total allocation of R714 million, has been spent under the programme. It is a slight regression compared to the spending rate of 99,2 per cent in 2023/24. Underspending can be attributed to the failure to fill vacancies. The South African Council of Planners sub-programme accounts for most of the underspending, which is 79,6 per cent of the allocated R6.3 million. Of the total expenditure, R531.7 million was spent on the compensation of employees, R120.0 million on goods and services, R48.7 million on transfers and subsidies, and R13.6 million on the payment of capital assets.

4.4 Report of the Audit Committee

This section accounts for the input by the independent Audit Committee based on its assessment of the annual internal audit, as well as the forensic investigations case management. Figure 1 shows that 28 forensic investigations were completed during the financial year under review. It is worth noting that the majority of cases were in the Land Redistribution and Tenure Reform Branch (8), followed by Provincial Operations (4), Financial Management Services, Corporate Support Services, and the Commission on Restitution of Land Rights, each with 3 cases.

Figure 1: Forensic Investigations concluded in 2024/25



Assessment of the implementation of Management Action Plans for internal audit findings shows that out of a total of 792 Management Action Plans, 610 (77 per cent) were implemented, 96 (12 per cent) were not due for implementation, and 86 (11 per cent) were not implemented at all. The majority of unimplemented action plans were in Financial Management Services and Corporate Support Services, accounting for 31 and 38 per cent, respectively.

Table 10: Status of Internal Audit Finding Per Branch – As of 15 February 2025

Branch	Implemented Action Plans		Action Plans not due		Action Plans not Implement.		Total No of Action Plans	
Office of the DG	33	5%	7	7%	6	7%	46	6%
Financial Management Services	55	9%	43	45%	27	31%	125	16%
Corporate Support Services	111	18%	3	3%	33	38%	147	19%
Provincial Operations	93	15%	14	15%	1	1%	108	14%
Agricultural Production, Biosecurity, NRM	29	5%	0	0%	2	2%	31	4%
Food Security and Agrarian Reform	28	5%	18	19%	0	0%	46	6%
Land Redistribution & Tenure Reform	130	21%	0	0%	6	7%	136	17%
Restitution	20	3%	0	0%	0	0%	20	3%
Rural Development	32	5%	0	0%	0	0%	32	4%
Economic Dev., Trade and Marketing	24	4%	7	7%	2	2%	33	4%
Deeds Registries	33	5%	3	3%	2	2%	38	5%
National Geomatics Management Service	17	3%	1	1%	7	8%	25	3%
Spatial Planning & Land Use Management	5	1%	0	0%	0	0%	5	1%
TOTAL	**610**		**96**		**86**		**792**	
	77%		**12%**		**11%**		**100%**	

Table 11: Status of disciplinary action on Forensic Investigations' Recommendations

Matters	Matters Finalised		Pending Matters		Total	
Finalized	78				78	37%
On hearing of the delay			18		18	9%
On hearing for merits			27		27	13%
Matters on hearing for legal representation			12		12	5%
Matters at the dispute stage			28		28	13%
Matters pending legal opinions			27		27	13%
Matters awaiting approval of charges			21		21	10%
TOTAL	**78**	**37%**	**133**	**63%**	**211**	**100%**

With regard to the 211 disciplinary action on forensic investigations recommendations, 78 matters have been finalised and 133 are pending. As of January 2025, there were 12 active legal actions on forensic investigations' recommendations. Summonses were issued for 10 of those cases, and two letters of demand were issued.

4.5 Report of the Auditor-General of South Africa (AGSA)

The audit outcomes of the Department of Agriculture, Land Reform and Rural Development for the 2024/25 financial year show a regression from an unqualified audit opinion in 2022 and 2023 to a qualified audit opinion in 2024/25. The ALHA has maintained its previous unqualified opinion since 2023/24. The Deeds Registration Trading Account (DRTRA), which performed well over the past four years, also regressed to a qualified audit opinion in 2024. Overall, the AGSA report highlights systemic governance, compliance, and financial management weaknesses within DALRRD, resulting in recurring deficiencies and qualified audit outcomes.

The findings that informed the audit opinion can be summarised as follows:

- *Prepayments and Advances:* The AGSA found that the DALRRD failed to properly recognise prepayments and advances of immovable capital assets, disclosing them as capital work-in-progress before ownership and control of the assets had been transferred.
- *Advances Paid:* The AGSA was unable to obtain sufficient audit evidence to verify the accuracy of advances paid, preventing the determination of any misstatement.
- *Departmental revenue:* The AGSA could not obtain adequate supporting documentation to confirm the validity and completeness of departmental revenue disclosed, resulting in uncertainty regarding the completeness of the reported figures.
- *Capital Commitments:* The Department did not account for capital commitments in line with Chapter 14 of the Modified Cash Standard on Provisions and Contingencies. It included amounts from expired contracts in the disclosure note, leading to an overstatement of commitments by R102 million.
- *Contingent Liabilities:* The DALRRD failed to account for contingent liabilities for both the current and prior financial years in accordance with MCS Chapter 14. Consequently, the AGSA could not determine the extent of the overstatement or understatement.
- *Irregular, Fruitless and Wasteful Expenditure:* The AGSA could not determine the total amount of irregular expenditure incurred during the financial year due to incomplete disclosure. Further, the DALRRD did not fully record all instances of fruitless and wasteful expenditure in the financial statements, as required by section 40(3)(i) of the PFMA. As a result, the AGSA could not establish the full extent of such expenditure.

- *Immovable Tangible Capital Assets - Capital Work in Progress:* The DALLRD did not reassess the value of work-in-progress on infrastructure projects when activities resumed, as required by MCS Chapter 11. This omission made it impossible for the AGSA to determine the extent of any overstatement of CWIP or understatement of written-off capital assets.

The Auditor-General highlighted the following matters requiring special attention:

- *Restatement of prior year figures:* The DALRRD restated comparative figures from the previous financial year due to errors identified in the earlier financial statements.
- *Impairments:* Provisions were made for impairments amounting to R120.07 million in accrued departmental revenue and R16.95 million in receivables.
- *Material underspending:* The DALRRD significantly underspent its allocated budget by R952.6 million, primarily under Programme 3 (Land Reform) and Programme 4 (Rural Development), as reflected in the appropriation statement.

The AGSA further noted several recurring weaknesses in governance, internal controls, and compliance. Those issues can be summarised as follows:

- The Department lacked adequate controls for the approval and processing of payments, contrary to Treasury Regulation 8.1.1.
- No disciplinary action was taken against officials responsible for incurring or permitting irregular expenditure, as required by Section 38(1)(h)(iii) of the PFMA.
- The Department did not take adequate measures to collect monies owed, in contravention of Section 38(1)(c)(i) of the PFMA.
- Some contracts were extended or amended without approval from duly delegated officials, in violation of PFMA and Treasury prescripts.
- Leadership failed to maintain proper oversight over daily and monthly financial transactions, resulting in instances of payments made without proof of services rendered.
- Management did not effectively monitor compliance with applicable laws and regulations.
- The DALRRD lacked adequate internal control mechanisms to detect or prevent duplicate payments.
- The AGSA identified irregularities in the management of recapitalisation grants. Reconciliations were not performed at the end of the production cycle, and some grant contracts had expired without reconciliation. As a result, the Department could not confirm whether the funds disbursed were used for their intended purposes.

4.5.1 Agricultural Land Holding Account (ALHA)

The ALHA maintained an unqualified audit opinion for the 2024/25 financial year, consistent with its 2023/24 outcome. This marks two consecutive years of unqualified audit results. The Auditor-General raised the following emphasis matters:

- ALHA had receivables from exchange transactions amounting to R759 million, with an impairment provision of R703 million for doubtful debts as of 31 March 2025. These receivables relate to operating leases on state-owned farms leased to beneficiaries.
- Prior-year figures were restated due to material errors identified in the financial statements.

The Auditor-General also identified recurring weaknesses in internal controls and financial management. These were evident in financial statements which were not fully compliant with the PFMA's reporting framework (Section 40(1)(a)), inadequate debt recovery efforts, insufficient supporting documents for receivables and contingent assets, incomplete reconciliations, etc.

4.5.2 Deeds Registration Trading Account (DRTRA)

The Deeds Registration Trading Account received a qualified audit opinion for 2024/25, marking a regression after four consecutive years of unqualified audits — its first qualification in five years. The qualification arose from several deficiencies in accounting records and internal controls, which can be summarised as follows:

- In relation to Property, Plant and Equipment, assets could not be verified physically, and no impairment assessment was done due to poor recordkeeping.
- There was a lack of evidence for valuation and reassessment of useful lives, indicating weak internal control systems.
- Revenue from deeds registration and the sale of information was not properly disclosed, contrary to GRAP 1.
- There was no sufficient evidence to suggest that services in kind were properly accounted for, and this is non-compliant with GRAP 23.
- The Auditor-General also highlighted that trade and other payables were concerning. Auditor-General found improper accounting for accrued leave, bonuses, and other payables, in breach of GRAP 104.
- Contingent liabilities and assets: There were discrepancies between financial statements and underlying records for labour disputes and contingent assets.

The emphasis on matters related to the restatement of prior-year figures due to errors in the financial statements and ongoing litigation amounting to R103.4 million (up from R82.6 million in 2024) remains unresolved. The potential financial impact of remaining cases could not be quantified. Other concerns include the persistence of fruitless and wasteful expenditure, due to interest on late payments; no disciplinary action was taken against officials responsible for irregular, fruitless, or wasteful expenditure, as investigations lacked complete records and the entity failed to ensure that disciplinary measures were appropriate and effectively enforced.

5 AN OVERVIEW OF THE PERFORMANCE OF THE DEPARTMENT'S ENTITIES

5.1 Commission on Restitution of Land Rights

The Commission on Restitution of Land Rights was established in terms of the Restitution of Land Rights Act, 1994 (Act No. 22 of 1994) as an autonomous statutory body whose function is to solicit, investigate, and resolve, through negotiations and mediation, land claims in line with Section25 (7) of the Constitution. Contrary to the provisions of the Restitution of Land Rights Act, the CRLR operated as a branch of the DALRRD. The diminishing autonomy of the CRLR, with operations of the CRLR accounted for under Programme 3 of the DALRRD, resulted in tabling of the report in line with the Public Finance Management Act No. 1 of 1999.

5.1.1 Performance against pre-determined objectives

Performance of the CRLR can be measured in terms of the number of settled land claims and several finalised land claims. As Table 12 below shows, a total of 288 claims were settled against the target of 319 land claims. Compared to the financial year, it is a regression in terms of performance as well as the number of targets set. The Commission reported that the under-achievement was due to outstanding documents such as IDs, affidavits, letters of executorship, and title deeds. As a result, these claims did not meet the established quality assurance standard. In some cases, targets were not met because offers were rejected, and the commission encountered difficulties valuing informal rights. Regarding claims finalisation, the Commission exceeded the target, finalising 378 land claims against a target of 339. This performance was attributed to the approval of the declaration of funds for the Sophiatown

(Martindale) project in Gauteng. The Commission declared claims later found to be non-compliant so that the Commitment Register could be cleared.

Table 12: Performance against revised targets

Strategic Objective	**Performance Indicator**	**2024/25**			**2023/24**	
		Target	**Actual**	**Variance**	**Target**	**Actual**
Facilitate the restoration of land rights or alternative forms of equitable redress by 2024	No. of land claims settled	319	288	-31	349	361
	No. of land claims finalised	339	378	39	406	641

The Committee expressed concerns about the failure to meet the target for settling land claims. The committee's concern arises from the fact that there are many new order land claims yet to be considered. Most worrying was that rural provinces such as the Eastern Cape and Limpopo were the poor performers. Similarly, KwaZulu-Natal failed to meet the target to finalise land claims. As reported previously, at the current rate and budget, it means that it would take close to 20 years to settle all the outstanding claims. For this reason, the Committee wanted the CRLR to re-examine its targeting and funding for restitution.

Table 13: Number of Claims Settled and finalised per Province in 2023/24

Province	**Claims settled**			**Claims finalised**		
	Target	**Actual**	**variance**	**Target**	**Actual**	**Variance**
Eastern Cape	60	26	-34	45	43	-2
Free State	0	4	4	7	7	0
Gauteng	15	26	11	20	89	69
KwaZulu-Natal	79	83	4	85	69	-16
Limpopo	66	49	-17	66	58	-8
Mpumalanga	44	46	2	44	41	-3
North West	1	2	1	13	32	19
Northern Cape	2	0	-2	4	2	-2
Western Cape	52	52	0	55	37	-18
Total	319	288	-31	339	378	39

While the report does not provide a disaggregated breakdown of claims settled through cash compensation versus those settled through land restoration, the table above offers some insight into these dynamics. About 80 per cent of the total awards were for financial compensation.

Table 14: Total award by province

Province	Ha. Awarded	Land Cost	Financial Compensation	Grants/ Development	Total Awards
Eastern Cape	49	14,025,000.00	339,793,052.23	11,073,480.00	364,891,532.23
Free State		-	6,045,842.22	-	6,045,842.22
Gauteng	-	-	32,926,103.74	-	32,926,103.74
KwaZulu-Natal	696	11,230,000.00	292,936,777.47	25,034,550.00	329,201,327.47
Limpopo	465	9,757,000.00	219,528,233.11	-	229,285,233.11
Mpumalanga	2,326	44,639,567.00	185,325,964.82	24,437,705.30	254,403,237.12
Northern Cape		-	79,885,231.69	-	79,885,231.69
North-West	5,761	142,264,625.00	261,364.00	-	142,525,989.00
Western Cape	1	148,000.00	56,359,887.99	-	56,507,887.99
TOTAL	9,298	R222,064,192.00	R1,213,062,457.27	R60,545,735.30	R1,495,672,384.57

During the reporting period, a total of 9,298 hectares were awarded to 18,904 beneficiaries, at a land acquisition cost of R222 million, while financial compensation amounted to R1.2 billion. Previous reports have observed that an increasing number of claimants opt for financial compensation rather than land restoration. This trend remains a matter of concern, as it may reflect how options workshops are facilitated, rather than a genuine lack of interest in land ownership among claimants. The pattern also illustrates the broader challenges in the restitution programme, including the lengthy timeframes for claim settlement, internal conflicts within landholding entities, and institutional weaknesses in the implementation of land restitution. Nonetheless, the Committee acknowledged that the Restitution of Land Rights Act provides for financial compensation as a legitimate option for settling land restitution claims.

5.1.2 Performance on Key Projects

The Committee has continued to monitor **Project Kuyasa.** Below are some of the selected short- and medium-term deliverables for the project and the progress report.

- *Backlog reduction:* The CRLR sought to achieve expeditious reduction of land claims backlog and settle all outstanding pre-1998 claims. In addition, it aims to address matters raised in the Land Access Movement of South Africa, Constitutional Court of 19 March 2019. The Committee noted that the pilots for implementing the strategy were completed, and that a tracking tool was developed from the inputs obtained during the pilots. The plans to produce credible data about outstanding claims were an ongoing project.
- *Organisational form and people management:* The CRLR seeks to identify the optimal operating model to deliver services to clients, including the resource requirements for efficient service delivery. To establish an autonomous commission, it is vitally important that the organisational structure aligns with the appropriate organisational form. The Committee was concerned that the filling of critical SMS-level positions had not yet been finalised, thereby impacting the Commission's service delivery.
- *Autonomy of the CRLR:* Whilst the report shows that a Business Case for an autonomous CRLR is completed and has determined the Commission’s eligibility to be a Schedule 3A entity, the Committee expressed concern that, as it stands, having the CRLR as part of a Branch of the Department (under Programme 3), is in contrast with the founding legislation. It noted that, due to budgetary constraints, no progress had been made on the CRLR's autonomy, and that further engagement with the National Treasury was critical.

5.1.3 Financial Performance

The Committee noted that the Commission received a final budget of R15.18 million and spent R15.16 million, or 99.9% whilst Restitution (branch) received a final budget of R3.56 billion. It further had shifting of funds (R8.5 million) and virements (R173.4 million), leading to a final budget of R3.38 billion and an expenditure of R2.8 billion. It amounts to 83.2 per cent. It is a regression when compared to the expenditure of R3.90 billion or 99.62% of the total budget in 2023/24. As stated above, the under-expenditure is directly linked to the underperformance in settling land claims during the reporting period. It was due to delays in finalising land claim settlements, resulting from slow restitution payment processes.

5.1.4 Human Resources

The approved version 2.9 Departmental structure had a total of 1441 positions. However, on 11 December 2020, a new structure approved by the Minister of Public Service Administration resulted in a reduction of the number of posts. The HR structure of the CRLR has 749 funded posts. A total of 675 were filled and 74 were not, which is a vacancy rate of 9.8 per cent. The Committee expressed its dissatisfaction with the capacity of the Commission to finalise all the old order claims. It stated that, given the original structure, it meant that the CRLR was operating at 50% of its original capacity. The moratorium on filling vacancies and limited budgets has negatively impacted the CRLR's ability to build sufficient capacity. For example, in 2024/25, vacant SMS positions included Chief Director: Land Restitution Support: KwaZulu-Natal; Chief Director: Land Restitution Support: Free State; Director, Quality Assurance: Northern Cape and Eastern Cape; and Chief Director: Restitution Management Support (National Office).

5.2 The Office of the Valuer-General

The Office of the Valuer-General (OVG) was established under the Property Valuation Act, 2014 (Act No. 17 of 2014). It is a Schedule 3A public entity under the Public Finance Management Act, No 1 of 1999. It is responsible for the valuation of properties identified for land reform purposes; the voluntary valuation service to government departments; and the development of criteria and procedures. Above all, it should assist in giving effect to the Constitutional provision for "*a just and equitable compensation"* when land is acquired in the public interest. It aligns with the National Development Plan (NDP) and the 2019-2024 Medium-Term Strategic Framework (MTSF). It plays a critical role in fast-tracking land reform for economic transformation and job creation by providing timely, high-quality valuations.

In 2024/25, the OVG delivered all valuations (100 per cent) and mostly were delivered within the specified average of 50 days, positively impacting land redistribution. A key development in the year-over-year review, which has an impact on the work of the OVG, is the promulgation of the Expropriation Act, 2024 (Act No. 13 of 2024) in December 2024. The Expropriation Act (Act No. 13 of 2024) specifies how and when expropriation of land can take place in line with the Constitution. It should be noted that expropriation for public purpose includes, for example,

expropriating property to build roads, schools, and hospitals, while expropriation for **public interest** is broader and includes the nation's commitment to land reform.

5.2.1 Programme Performance

Table 15 below shows that the OVG achieved six (6) out of nine (9) planned targets for the 2024/25 financial year, representing a performance rate of 66.7%. This is an improvement compared to the performance rate of 50% in 2023/24 and 44% in 2022/23.

Table 15: OVG overall performance in 2024/25

Sub-programmes	**Annual Targets**	**Achieved**	**Variance**	**% of performance**
Administration	1	1	0	100%
Valuations	5	3	2	60%
Operations	3	2	1	66.7%
Total	**9**	**6**	**2**	**66.7%**

(a) **Administration:** The Administration Sub-programme provides governance services for the optimal operational performance of the OVG. As shown in Table 15 above, the one target under this Programme was achieved when the OVG achieved 100 per cent implementation of corruption and fraud prevention mechanisms, which is an improvement from 30% in 2023/24.

(b) **Valuations:** The Valuations Sub-programme's focus is on conducting property valuations. Its purpose is to determine credible values in line with PVA. Programme 2, the OVG achieved three of the five annual targets planned for the year. Notably, it completed all valuation requests (100 per cent) within the specified timelines and delivered them primarily within an average of 50 days, despite an increase in client requests. The targets that were not achieved were:

- 100% completion of valuation requests made by clients outside the specified timelines. The OVG completed 69 per cent of the valuations. The explanation given for not achieving this target is that the OVG had to prioritise two urgent requests

from the client Commission on Restitution of Land Rights just before the end of the financial year.

- An average of 50 working days taken for cumulative valuations: The OVG took an average of 99 days due to the complexity of the valuations of two requests, which needed more time.

(c) **Operations:** This sub-programme ensures the efficient and effective functioning of the OVG. The objective, therefore, is to create a high-performing organisation that promotes high ethical standards to deliver just and equitable valuations. It contributes to priority 6, intending to reach organisational excellence. The OVG achieved two of the three planned targets for the 2024/25 financial year, representing a performance rate of 66.7 per cent. It did not achieve the target of obtaining an unqualified opinion for the 2023/24 financial year. It received an unqualified audit outcome with findings. As an intervention, management has drafted action plans, including a clean audit strategy and follow-ups are currently done monthly.

5.3 Trading Accounts

5.3.1 Agricultural Land Holding Account (ALHA)

The Agricultural Land Holding Account (ALHA) was established in terms of the Provision of Land and Assistance Act, 1993 (Act No. 126 of 1993). It is responsible for the acquisition of strategically located land for agricultural productivity under the Proactive Land Acquisition Strategy (PLAS).

ALHA had total revenue of R1.14 billion in 2024/2025, which included rental income on leases of R92.8 million and grant transfers from the Department of R855.67 million, accounting for 75% of its total revenue. ALHA spent R812.6 million of the total revenue in the year under review, leaving a surplus of R331.1 million.

- *Irregular Expenditure:* In 2024/25, ALHA incurred a total of R481.1 million in irregular expenditure, R398.4 million of which was carried over since 2016/17 and R82.7 million incurred in 2024/25. Irregular expenditure was incurred due to non-compliance with Supply Chain Management (SCM) prescripts. This is an increase compared to irregular

expenditure of R71.7 million incurred in 2023/24. Irregular expenditure incurred in 2024/25 relates to:

- *Fruitless and wasteful Expenditure:* It incurred Fruitless and Wasteful expenditure of R18.18 million compared to R8.95million in 2023/24. This was due to contravention of SCM policy and treasury regulations.

5.3.2 Deeds Registries Trading Account (DRTA)

The Deeds Registration Trading Account (DRTA) was established in terms of the PFMA. It is responsible for the registration of deeds and the maintenance of public registers of land. Its primary source of funding is fees charged on the registration of deeds and the sale of deed information. In the 2024/25 financial year, the DRTA generated a total revenue of R942.1 million, which includes R7.8 million received through government grants and subsidies. The total expenditure amounted to R909.1 million, resulting in a surplus of R41 million for the period under review.

- *Irregular Expenditure:* At the end of the 2024/25 financial year, the DRTA reported a closing balance of R227.6 million in irregular expenditure, of which R401 000 was incurred during the year. This reflects an improvement compared to R1.18 million incurred in 2023/24. However, the Committee expressed concern that the irregular expenditure resulted from contraventions of Supply Chain Management (SCM) policies and Treasury Regulations. Notably, no disciplinary action was taken against the responsible officials, except for the issuance of transgression letters.
- *Fruitless and Wasteful Expenditure:* The DRTA recorded R9 million in fruitless and wasteful expenditure, of which R8.5 million was carried over from the previous year and R522 000 was incurred in 2024/25. This marks a substantial increase compared to R3 000 recorded in 2023/24. The Committee expressed concern that such expenditure arose from unlawful transfers of State properties, late or missed flight cancellations, and the use of shuttle services without proper authorisation, indicating weaknesses in internal controls and compliance.

While the DRTA reported a positive financial outcome with a surplus of R41 million, the Committee remains concerned about persistent weaknesses in governance and compliance. The

recurrence of irregular, fruitless, and wasteful expenditure, particularly those arising from non-compliance with SCM policies and Treasury Regulations, suggests systemic deficiencies in internal controls and consequence management. The absence of disciplinary action undermines accountability and risks normalising financial misconduct. The Committee emphasised the need for stronger oversight, stricter enforcement of financial regulations, and improved ethical conduct within the DRTA's operations.

6. COMMITTEE OBSERVATIONS

6.1 Department of Land Reform and Rural Development

6.1.1 The reconfiguration of the Department of Agriculture, Land Reform and Rural Development, and the transfer of functions such as food security, agrarian reform, and sector capacity development, necessitate stronger policy and functional alignment between the Department of Agriculture and the Department of Land Reform and Rural Development. Such alignment is essential to ensure coherent, sustainable support for land reform beneficiaries and smallholders in rural areas.

6.1.2 The separation of functions following the split of the former DALRRD, where food security, agrarian reform, and sector capacity development were transferred to the agricultural component, while land redistribution and restitution remained under land reform, could result in programme fragmentation. Further, the Rural Development Programme is not clearly linked to land and agrarian reform. Therefore, the lack of clear indicators for food security in rural areas makes it difficult to assess its contribution to improving socio-economic conditions and reducing poverty. Stronger coordination between the agriculture, land reform and rural development functions is therefore required to ensure coherent and sustainable support to rural livelihoods.

6.1.3 While the Department has demonstrated some degree of sound financial management and maintained a high expenditure rate, this indicates improved fiscal discipline. However, the Committee remains concerned that the recurring inefficiencies in invoice processing, weak internal coordination, and inadequate consequence management continue to undermine operational effectiveness and service delivery performance.

6.1.4 The Department's inability to address recurring findings of the Auditor-General effectively and adequately, and the lack of consequence management for employee transgressions in both performance and revenue management, remains a costly challenge. The systemic weaknesses identified by the AGSA have contributed to financial losses through irregular, fruitless and wasteful expenditure, thus affecting programme credibility. It underscores a need for stronger financial oversight and accountability mechanisms.

6.1.5 High levels of vacancy rate at senior management service (SMS) level, including critical positions such as the Director-General, Deputy Director-General for Corporate Services, Valuer-General, and Chief Operations Officer in the Office of the Valuer-General, Chief Directors in the Restitution Branch (particularly in the Regional Offices), continue to affect the leadership stability and operational effectiveness negatively. These vacancies and the prolonged absence of permanent leadership in key positions hinder strategic continuity.

6.1.6 The forensic investigations reported by the Audit Committee reflect persistent governance and integrity risks. It underscores the need to enhance anti-corruption capacity, risk management, and ethical leadership within the Department. Based on the types of completed matters, Restitution, Land Development Support, and Infrastructure Development programmes are particularly vulnerable to fraud and corruption due to the high value of funds managed under these programmes.

6.1.7 The Department lacks performance indicators and targets for tenure reform, including communal land tenure, despite clear constitutional obligations under Section 25(6). In this regard, the absence of a comprehensive legislative framework for communal land tenure further limits the Department's ability to fulfil this constitutional mandate and deliver measurable outcomes. Secondly, the lack of such targets limits oversight and accountability regarding the provision of tenure security to farm dwellers and labour tenants. It is even more worrisome because of the Court order in the Mwelase matter that requires judicial supervision of the Department by the Special Master of Labour Tenants at the Land Court.

6.1.8 The Committee observed a trend of a decline in budget allocation for Land Redistribution and Tenure Reform, including the Agricultural Land Holding Account (ALHA). Consequently, the number of hectares acquired under the Proactive Land Acquisition Strategy (PLAS) remains substantially below the National Development Plan (NDP) targets. This trend raises serious concerns about the government's capacity to meet the 2030 target of redistributing 20 per cent of commercial farmland.

6.1.9 The Committee expressed concerns about the dropout rates among NARYSEC participants, which may indicate weak accountability mechanisms and insufficient participant support. If this trend continues unaddressed, it could undermine the programme's objectives of rural youth empowerment and inclusive skills development. Some of the more deserving youth could be excluded by an intake of people who are not ready to complete the course. There is a need for a review of the recruitment, training, and retention mechanisms to improve programme efficiency and ensure that participants are adequately supported, and programme outcomes are achieved.

6.2 Observations on Department Entities

6.2.1 Commission on Restitution of Land Rights (CRLR)

(a) The CRLR was established as an autonomous statutory body in terms of the Restitution of Land Rights Act, 1994. However, in practice, the CRLR operated as a branch of the DALRRD under Programme 3, which is inconsistent with its founding legislation. This arrangement undermines the Commission's institutional autonomy and accountability. While a Business Case for autonomy has been completed, budgetary constraints and lack of progress in the engagements with the National Treasury have delayed implementation.

(b) The Committee noted that the Commission settled 288 land claims against a target of 319, reflecting a regression in performance. At the same time, it exceeded its target for finalising claims (378 finalised against a target of 339). Under-achievement in settlements was due to outstanding documentation, offer rejections, and difficulties in valuing informal rights. The Committee observed that poor performance was particularly evident in rural provinces, such as the Eastern Cape and Limpopo, raising concerns about equitable service delivery across regions.

(c) The Committee observed that with 9,298 hectares awarded to 18,904 beneficiaries at a land acquisition cost of R222 million, whereas financial compensation amounting to R1.2 billion was awarded. The trend toward cash compensation over land restoration remains a concern, potentially reflecting how options workshops are facilitated or institutional challenges in land delivery, rather than claimant preference alone.

(d) The 99.9 per cent spending on the budget of the Commission was welcome. However, the broader Restitution Branch spent R2.8 billion out of a final budget of R3.38 billion (83.2%), representing a decline from 99.6% in 2023/24. Under-expenditure is linked to delays in finalising claim settlements, slow payment processes, and budgetary and capacity constraints. It is unacceptable for the Restitution not to spend its entire budget, especially given the number of outstanding claims.

6.2.2 Office of the Valuer-General (OVG)

(a) The OVG plays a critical role in land reform, ensuring just and equitable compensation in line with the Constitution and the Property Valuation Act. Timely and credible valuations by the OVG are essential for accelerating land redistribution, economic transformation, and job creation. The promulgation of the Expropriation Act, 2024, further underscores the strategic importance of the OVG in guiding lawful and equitable expropriations in the public interest and for public purposes.

(b) The OVG achieved 6 of 9 planned targets (66.7%), showing improvement from previous years (50% in 2023/24 and 44% in 2022/23). All valuation requests were completed, with most delivered within the average 50-day timeframe, positively impacting land redistribution. However, some targets were not met due to prioritisation of urgent requests and complexity of certain valuations, which delayed overall timelines.

(c) While operational efficiency has improved, the OVG did not achieve an unqualified audit opinion for the 2023/24 financial year, receiving findings that require continuous follow-up. The Committee notes that management has developed a clean audit strategy with monthly follow-ups, which is a positive step toward organisational excellence.

(d) The Committee observed that the OVG managed its valuation workload effectively, despite an increase in requests from clients such as the CRLR. However, complex and urgent

valuations impacted target completion times, highlighting the need for adequate staffing, prioritisation mechanisms, and resource allocation to maintain service quality under pressure.

7. COMMITTEE RECOMMENDATIONS

The Committee makes the following recommendations to the National Assembly (NA) for the attention of the responsible Executive Authorities, as indicated below:

The Minister of Finance should –

7.1 In collaboration with the Minister of Land Reform and Rural Development, prioritise and protect funding for key programmes, including land redistribution (ALHA), tenure reform, and restitution. Additional funding for these programmes will enable the Department and associated public entities to fulfil the constitutional obligations outlined in Section 25 of the Constitution, implement the newly enacted CPA Amendment Act, and comply with the court orders in the following matters:

7.1.1 Mwelase v Minister of Rural Development and Land Reform (settlement of labour tenant claims), and

7.1.2 Lamosa judgement (settlement of pre-1998 land claims before processing the new ones lodged in 2024).

7.2 Through the National Treasury, ensure ring-fenced funding for the settlement of all old order land claims to prevent unnecessary budget shifts and virements. This will help avoid delays in payments and the accumulation of outstanding commitments. National Treasury should consider supporting the Commission to achieve institutional autonomy, enhance its financial management and payment systems and streamline budget realignment processes to enable the timely disbursement of funds for restitution settlements.

The **Minister of Land Reform and Rural Development** should –

7.3 Ensure that the Department and the Commission implement robust financial management systems to address recurring weaknesses in invoice processing, internal controls, and consequence management. This should include:

7.3.1 The automation of invoice tracking and approval processes;

7.3.2 Clear accountability measures for officials failing to comply with financial management policies; and

7.3.3 Regular monitoring of mechanisms put in place to reduce irregular, fruitless, and wasteful expenditure.

7.4 Strengthen governance, anti-corruption, and risk management systems across all programmes, particularly in land restitution, land development support, and infrastructure projects. This should include:

7.4.1 Filling critical vacancies at the SMS level to ensure stability, oversight, and accountability.

7.4.2 Strengthening internal audit, forensic, and oversight functions.

7.4.3 Providing targeted training and capacity-building for senior managers and programme officials to ensure compliance with ethical and financial standards.

7.5 Ensure that the Department develop and implements clear performance indicators and measurable targets for tenure reform to fulfil its constitutional obligations under Section 25(6), particularly for labour tenants' claims and farm dwellers' tenure security.

7.6 Expedite the finalisation of legislation on equitable access to land and for communal land tenure; and integrate the process into the Strategic Plan and APP to ensure measurable outcomes and effective oversight.

7.7 Expedite completion of a comprehensive land audit to ascertain who owns how much piece of land according to race and gender, individuals versus companies, and nationality.

Commission on Restitution of Land Rights

7.8 In consultation with the National Treasury, the Minister must expedite the implementation of the CRLR's autonomy as an independent Schedule 3A entity as recommended by both the Auditor-General and the Public Service Commission, to ensure alignment with the intentions of the Restitution of Land Rights Act, 1994. This should include allocation of sufficient financial and human resources to ensure operational independence, accountability, and efficiency in fulfilling its statutory mandate.

7.9 Review the facilitation of options workshops and restitution processes to promote land restoration where feasible, while ensuring that financial compensation remains a legitimate, well-managed option. Also, put in place mechanisms to help claimants understand land ownership and mitigate barriers to accessing restored land.

7.10 Ensure that the Commission on Restitution of Land Rights strengthen financial planning, payment processes, and capacity in the Restitution Branch to ensure complete and timely expenditure of allocated budgets. This includes addressing delays in claim finalisation, streamlining payment approvals, and improving operational efficiency to prevent under-expenditure that undermines the resolution of outstanding land claims.

Office of the Valuer-General

7.11 Ensure that the OVG is provided with adequate staffing, resources, and operational capacity to deliver timely and credible valuations, particularly for land restitution and redistribution. Vitally important is the filling of the vacant position of the Valuer-General and the Chief Operations Officer.

7.12 Ensure that the OVG strengthen governance and internal controls, fully implements the clean audit strategy, and enforces accountability measures. Also, align valuation processes with the Expropriation Act, 2024, and broader land reform objectives to ensure just, equitable, and efficient compensation.

7.13 Engage with the Minister of Public Works in respect of finalising and operationalising the Expropriation Regulations to enable the OVG to implement the Expropriation Act (2024). Further, prioritise the fast-tracking of land redistribution in the public interest, providing clear guidance on roles, timelines, and procedures to support efficient, transparent, and legally compliant expropriations.

Unless otherwise indicated, responses to the above recommendations should be submitted to the National Assembly within two months of the adoption of this report by the National Assembly.

Report to be considered.