



home affairs

Department:
Home Affairs
REPUBLIC OF SOUTH AFRICA

SECURITY CLASSIFICATION		PRIORITY	
None	X	Standard	
Confidential		High	X
Secret		Very High	
Top Secret			

SUBMISSION

ENQUIRIES:

Name:	G. O. Hollamby
Designation:	DDG: Finance & SCM
Unit:	Finance & SCM
Contact Details:	
Tel:	(012) 406 4377
Email:	

File Number: 3/1/1/2/1/2025/2026

SUBJECT: APPOINTMENT OF RESOURCES TO DRIVE THE 2025/26 AUDIT ACTION PLAN AND TO ASSIST WITH THE PREPARATION OF THE 2025/26 ANNUAL FINANCIAL STATEMENTS

RECIPIENT: DIRECTOR-GENERAL

PURPOSE/AIM

1. To request the Director-General to approve (a) the appointment of Mr. Theoghan Nainaar to drive the implementation of the 2025/26 audit action plan with a specific focus on repeat findings in the Information Systems branch; (b) to formally delegate the functions attached to the post of the Chief-Director: SCM & Asset Management to Ms. Yolande van Biljon; and (c) to extend the engagement of Ms. Van Biljon with another 600 (six hundred) hours.

BACKGROUND AND DISCUSSION

2. The Department received a qualified audit opinion in 2024/25. The main qualification areas are:
 - a. Immovable tangible capital assets; and
 - b. Contingent liabilities.

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3. From a departmental perspective, the regression in the audit outcome is as a result of the lack of capacity / loss of some key resources (the Director: Financial Accounting and the Chief-Director: SCM & Asset Management), the transfer of functions to the Border Management Authority (BMA), changes to the Modified Cash Standard (MCS), and the late start of the regularity audit.
4. The Department is committed to improving the audit outcome. This commitment was made to the Minister, the Portfolio Committee on Home Affairs, the Audit Committee and the AGSA. To this end, a draft audit action was prepared following the release of the 2024/25 AGSA management report.
5. In order to assist the Department with the development of an audit action plan focussed on addressing the root causes, Mr. Theoghan Nainaar was requested to assist the Information Services branch in the 2024/25 financial year with preparing adequate responses to the audit findings and the implementation of the IS audit action plan.
6. Mr. Nainaar has considerable experience in auditing, both from an auditor and auditee perspective. His new rate per hour is R1 500.00 (VAT inclusive). Mr. Nainaar previously assisted the Department with the DG's response to the material irregularity on the inability of the Department to collect all fines and penalties issued in terms of the Immigration Act, Act No. 13 of 2002. A draft letter appointing Mr. Nainaar as a consultant for a twelve month period is in the folder for your signature should you approve.
7. Ms. Yolande van Biljon was appointed in October 2025 as a consultant to assist with the void left by the resignation of the Chief-Director: SCM & Asset Management in July 2024. Ms. Van Biljon is a Chartered Accountant with considerable experience inter alia as CFO at the SABC and the Road Accident Fund (RAF). Her rate per hour is R1 250 (VAT inclusive). To formalise the appointment of Ms. Van Biljon as acting Chief-Director: SCM & Asset Management, a delegation of authority and directive to perform the functions attached to the post of Chief-Director: SCM & Asset Management was prepared. This delegation / directive is in the folder for your signature should you agree.
8. The original appointment of Ms. Van Biljon provided for 780 hours. Some of these hours were used in executing functions assigned to her by the Audit Oversight Committee and the Ministry. To cover the period of the eminent financial year-end and the preparation of the 2025/26 annual financial statements, 600 additional hours are proposed. You are requested to also approve these additional hours.

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9. Mr. Nainaar and Ms. Van Biljon were appointed as consultants in accordance with National Treasury Instruction No. 1 of 2024/25. Consultants must be appointed in accordance with the prescribed procurement processes, subject to negotiations. The hourly rate of Mr. Nainaar was revised following negotiations; the hourly rate of Ms. Van Biljon remains the same. It is submitted that it is not practical in the present circumstances to embark on a competitive bidding process to appoint these two resources, given their in-depth knowledge of the Home Affairs environment and the genesis of the audit findings.

GENDER IMPLICATIONS

10. Not applicable.

RISKS AND MITIGATING STRATEGIES

11. The lack of capacity in Finance & SCM will be addressed to some extent with the filling of the Chief-Director: SCM and Asset Management's post. Pending such appointment, and given that recruitment does take time, the insourcing of additional capacity with audit expertise will assist the Department in developing a credible audit action plan and with the preparation of a set of accurate and complete Annual Financial Statements for 2025/26.

LEGISLATIVE/REGULATORY FRAMEWORK AND IMPLICATIONS

12. Public Finance Management Act, Act No 1 of 1999, and its Regulations. In this regard, Chapter 16A of the Treasury Regulations prescribes the SCM requirements.

POLICY FRAMEWORK AND IMPLICATIONS

13. The SCM Policy applies.

FINANCIAL FRAMEWORK AND IMPLICATIONS

14. The financial implications of appointing Mr. Nainaar, trading as DNR Consulting, for a maximum of 160 hours per month, at a fully inclusive rate of R1 500 per hour, is R240 000.00.
15. The financial implications of extending the appointing Ms. Van Biljon with another 600 hours, at a fully inclusive rate of R1 250 per hour, is R750 000.00.
16. Funds were reprioritised in the budget of the branch Finance & SCM for this expenditure.

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SUPPLY CHAIN MANAGEMENT FRAMEWORK AND IMPLICATIONS

17. In terms of the National Treasury Instruction No. 1 of 2024/25 (Revised cost containment measures) the Accounting Officer, when appointing and managing consultants and consultancy projects, must ensure that consultants are only used if the required capacity, skills, or expertise is not available and value for money is achieved when making use of consultants. Such consultants must be appointed in accordance with the procurement processes, subject to negotiations.
18. It is impractical in the present case to invite competitive bids for the following reasons:
 - a. The resources have proven track records and bring exceptional skills and experience;
 - b. The engagement is a natural continuation of previous engagements; and
 - c. Time pressures do not allow for a competitive bidding process (urgency).

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RECOMMENDATIONS

19. It is recommended that the Director-General approves

- a. The appointment of Mr Nainaar, trading as DNR Consulting, for 160 hours per month at R1 500.00 per hour (fully inclusive), with effect from 16 March 2026, to drive the implementation of the 2025/26 audit action plan with a specific focus on repeat findings in the Information Systems branch;
- b. The formal delegation of functions and responsibilities attached to the post of Chief-Director: SCM & Asset Management to Ms. Yolande van Biljon; and
- c. The extension of the engagement of Ms. Van Biljon with another 600 (six hundred) hours, at R1 250.00 per hour (fully inclusive).



SIGNATURE:

NAME: G.O. HOLLAMBY

DESIGNATION: CHIEF FINANCIAL OFFICER

DATE: 14/3/2026

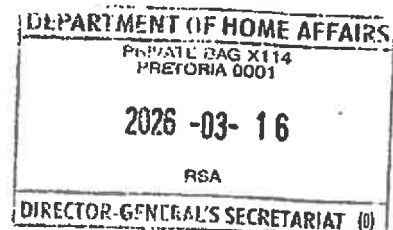
Recommendations in par 19 [✓]*supra* approved / ~~not approved~~

SIGNATURE:

NAME: L.T. MAKHODE

DESIGNATION: DIRECTOR GENERAL

DATE: 16 March 2026 .



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