

# INTEGRATED ANNUAL REPORT 2016-2017



**MAKING ACCESS TO JUSTICE A REALITY**

## VISION

A South Africa in which the rights and responsibilities enshrined in the Constitution are realised to ensure equality, justice and a better life for all.

## MISSION

To be the leader in the provision of accessible, sustainable, ethical, quality and independent legal services to the poor and vulnerable.


## VALUES

- Passion for Justice and Protection of Human Rights
- Ubuntu
- Integrity
- Accountability
- Service Excellence
- People Centred



## **SUSTAINABLE DEVELOPMENT GOAL 16 TARGET 16.3**

Promote the rule of law at the national and international levels, and ensure equal access to justice for all







NATIONAL FOOTPRINT

LEGAL AID SA INFRASTRUCTURE

Justice Centres	64
Satellite Offices	64
Regional Offices	6
National Office	1

RECRUITED STAFF: 2,751

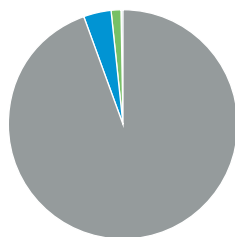
 Criminal Legal	1,768
 Support	563
 Civil Legal	239
 Paralegals	181

LEGAL AID SA NATIONAL FOOTPRINT



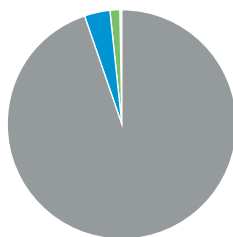
LEGAL SERVICES DELIVERY

NEW LEGAL AID MATTERS  
444,962



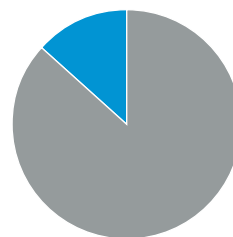
Justice Centres	421,431
Judicare	16,786
Co-operation	5,534
Agency Agreement	1,198
Impact Litigation	13

FINALISED LEGAL AID MATTERS  
445,625



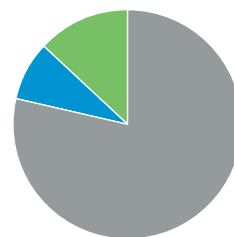
Justice Centres	422,412
Judicare	16,528
Co-operation	5,530
Agency Agreement	1,140
Impact Litigation	15

CRIMINAL/CIVIL NEW MATTERS  
444,962



Criminal	385,972
Civil	58,990

LEGAL ADVICE MATTERS  
322,694



Justice Centres and Satellite Offices	253,681
Awaiting Trial Prisoners	27,236
Legal Aid Advice Line	41,777

PEOPLE DEVELOPMENT AND FINANCE

Total Staff (Budgeted)	2,863
Total Staff (Recruited)	2,751
Turnover Rate (excluding Contract Staff)	5.54%
Top Employer Accreditation	8 <sup>th</sup> Year

Total Budget	R1,830,537,692
Expenditure	99%
Auditor-General Report	Unqualified and Clean
Number of years of Unqualified Audits	16 <sup>th</sup> Year

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# PART A:

## GENERAL INFORMATION

Legal Aid SA meets a fundamental need in society by providing vulnerable and marginalised people with criminal and civil legal aid services as well as legal advice

# GENERAL INFORMATION

## 1. LEGAL AID SA GENERAL INFORMATION

REGISTERED NAME:	Legal Aid South Africa
PHYSICAL ADDRESS:	Legal Aid House 29 De Beer Street Braamfontein Johannesburg 2017 South Africa
POSTAL ADDRESS:	Private Bag X76 Braamfontein 2017
TELEPHONE NUMBER:	+27 11 877 2000
FAX NUMBER:	+27 11 877 2222
ETHICS HOTLINE:	0800 153 728
LEGAL AID ADVICE LINE:	0800 110 110
PLEASE CALL ME:	079 835 7179
EMAIL ADDRESS:	communications2@legal-aid.co.za
WEBSITE ADDRESS:	www.legal-aid.co.za
EXTERNAL AUDITORS:	Auditor-General South Africa 300 Middel Street Nieuw Muckleneuk Pretoria 0011
BANKERS:	First National Bank 92-94 Jorissen Street Braamfontein 2017
BOARD SECRETARY:	Mr Langa Lethiba

# GENERAL INFORMATION

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**Table 1: List of Abbreviations/acronyms**

This is an alphabetical list of abbreviations and acronyms used. Whilst many are generic in nature, some are specifically used at Legal Aid South Africa.

<b>AI</b>	Ad Infinitum
<b>AFS</b>	Annual Financial Statements
<b>AG</b>	Auditor-General
<b>ATD</b>	Awaiting Trial Detainee
<b>BCP</b>	Business Continuity Plan
<b>BP</b>	Business Plan
<b>CA</b>	Candidate Attorney
<b>CAB</b>	Change Authority Board
<b>CARP</b>	Capital Asset Replacement Programme
<b>CBO</b>	Community Based Organisation
<b>CCMC</b>	Constitutional Case Management Committee
<b>CJS</b>	Criminal Justice System
<b>CJSR</b>	Criminal Justice System Review
<b>CSD</b>	Central Supplier Database
<b>DC</b>	District Court
<b>DoJ</b>	Department of Justice
<b>DoJ&amp;CD</b>	Department of Justice and Constitutional Development
<b>eLAA</b>	Electronic Legal Aid Administration System
<b>EVP</b>	Employee Value Proposition
<b>FBO</b>	Faith Based Organisation
<b>HCU</b>	High Court Unit
<b>HR</b>	Human Resources
<b>ICT</b>	Information and Communication Technology
<b>IDLO</b>	International Development Law Organization
<b>ILAG</b>	International Legal Aid Group
<b>IIA</b>	Institute of Internal Auditors
<b>IJS</b>	Integrated Justice System
<b>IS</b>	Information Systems
<b>IT</b>	Information Technology
<b>JC</b>	Justice Centre
<b>JCE</b>	Justice Centre Executive
<b>JICC</b>	Judicial Inspectorate of Correctional Centres

<b>KPI</b>	Key Performance Indicator
<b>LAG</b>	Legal Aid Guide
<b>Legal Aid SA Act</b>	Legal Aid SA Act (Act No. 39 of 2014)
<b>LQAU</b>	Legal Quality Assurance Unit
<b>LSM</b>	Living Standards Measures
<b>MTEF</b>	Medium Term Expenditure Framework
<b>NADCAO</b>	National Alliance for the Development of Community Advice Offices
<b>NEEC</b>	National Efficiency Enhancement Committee
<b>NGO</b>	Non-Governmental Organisation
<b>NT</b>	National Treasury
<b>OCP</b>	Organisational Culture Programme
<b>PA</b>	Professional Assistant (legal)
<b>PEEC</b>	Provincial Efficiency Enhancement Committee
<b>PFMA</b>	Public Finance Management Act (Act No. 1 of 1999)
<b>PPPFA</b>	Preferential Procurement Policy Framework Act (Act No. 5 of 2000)
<b>RC</b>	Regional Court
<b>ROE</b>	Regional Operations Executive
<b>SASSETA</b>	Safety and Security Sector Education and Training Authority
<b>SCM</b>	Supply Chain Management
<b>SDG</b>	Sustainable Development Goal
<b>SO</b>	Satellite Office
<b>SOP</b>	Standard Operating Procedure
<b>UNDP</b>	United Nations Development Programme
<b>UNODC</b>	United Nations Office on Drugs and Crime
<b>UPS</b>	Uninterrupted Power Supply
<b>VOIP</b>	Voice Over Internet Protocol
<b>VPN</b>	Virtual Private Network
<b>WAN</b>	Wide Area Network
<b>WSP</b>	Workplace Skills Plan

# GENERAL INFORMATION

## 2. SCOPE AND BOUNDARY OF THE INTEGRATED ANNUAL REPORT

The Integrated Annual Report covers the activities and results of Legal Aid South Africa for the period 1 April 2016 to 31 March 2017. The Integrated Annual Report has been prepared according to Generally Recognised Accounting Practice, the requirements of the Public Finance Management Act (No. 1 of 1999), the recommendations of the King III Report on Corporate Governance for South Africa and the National Treasury Guide on the preparation of Annual Reports for Public Entities.

### STATEMENT FROM GOVERNING BOARD ACKNOWLEDGING ITS RESPONSIBILITY FOR ENSURING THE INTEGRITY OF THE REPORT

The Board of Directors (Board) acknowledges its responsibility to ensure the integrity of the Integrated Annual Report. The Board has accordingly applied its mind to the Integrated Annual Report and in the opinion of the Board, the Integrated Annual Report addresses all material issues and fairly presents the integrated performance and impacts of the organisation. The Integrated Annual Report has been prepared in line with best practice pursuant to the recommendations of the King III Code (Principle 9.1).

The Integrated Annual Report was approved by the Board of Directors on 29 July 2017 and signed on their behalf by:



**Ms Vidhu Vedalankar**

Chief Executive Officer: Legal Aid SA



**Judge President Dunstan Mlambo**

Chairperson: Board of Legal Aid SA

# GENERAL INFORMATION

## 3. STRATEGIC OVERVIEW

The 2016-2017 financial year was the second year of implementation of the Legal Aid SA Strategic Plan 2015-2020.

The Legal Aid South Africa **vision** is “A South Africa in which the rights and responsibilities enshrined in the Constitution are realised to ensure equality, justice and a better life for all.”

The **mission** is “To be the leader in the provision of accessible, sustainable, ethical, quality and independent legal services to the poor and vulnerable.”

The **values** that the organisation subscribes to are:

- i. Passion for Justice and Protection of Human Rights
- ii. Ubuntu
- iii. Integrity
- iv. Accountability
- v. Service Excellence
- vi. People Centred

### 3.1 STRATEGIC OUTCOME ORIENTATED GOALS

The outcomes and objectives for 2015-2020 are:

**Outcome 1:** Quality justice for all, focusing on the poor and vulnerable, thus CONTRIBUTING TO BUILDING SAFER COMMUNITIES.

(As per the National Development Plan).

#### Objectives:

- O1: Empowered clients and communities making informed choices about their legal rights and responsibilities.
- O2: All poor and vulnerable persons able to access quality legal services to protect and defend their rights.
- O3: An accessible, fair, efficient, independent and effective justice system serving all in South Africa, contributing to building safer communities.
- O4: Delivering on our constitutional and statutory mandate in an independent, accountable and sustainable manner.

**Outcome 2:** Respected, accessible, high-performing and sustainable public entity impacting positively on society, the economy and the environment.

#### Objectives:

- O5: An organisation embedding sustainable practice in every segment of the organisation, to positively impact on society, the economy and the environment.

- O6: Embedding good governance, high ethical standards and integrity, high performance and accountability.
- O7: Revised Legal Aid Act and its subsidiary legislation enacted and implemented.
- O8: An effective, efficient, economic and environmentally responsive supply chain management system supporting client services delivery and internal business processes.
- O9: An appropriately resourced national footprint reaching the poor and vulnerable persons requiring legal assistance.
- O10: Competent, dedicated, motivated and empowered employees capacitated to deliver the constitutional mandate and organisational strategies.
- O11: A modern and appropriate, integrated, secure and cost-effective IT platform supporting the provision of client services and linkages and enabling internal business needs.

The **Strategies** which were implemented to achieve the outcomes and objectives are as follows:

- S1: Delivering quality client-focused legal aid in criminal matters, particularly for the poor and vulnerable groups.
- S2: Delivering quality client-focused legal aid, including to poor and vulnerable groups, in civil matters with a priority focus on constitutional rights.
- S3: Delivering quality client-focused legal advice services.
- S4: Delivering client-focused impact legal aid services, delivering access to justice for poor and vulnerable groups particularly in social justice matters.
- S5: Contributing to the effective functioning of the justice and legal sector to assist in building safer communities.
- S6: Accounting to the Department of Justice and Constitutional Development (DoJ&CD) and Parliament on delivery of mandate, governance and sustainability.
- S7: Increasing financial sustainability.
- S8: Maintaining and enhancing good governance.
- S9: Maintaining a regulatory framework incorporating best practices aligned to constitutional values.
- S10: Sustaining strong financial management, supply chain and asset management practices.
- S11: Expanding and capacitating the national footprint (including through the use of technology as well as other low-cost service alternatives) to increase points of access to legal aid services, especially in rural and remote areas.
- S12: Developing and expanding the legal quality and expertise for each segment of the national footprint.
- S13: Building and maintaining an integrated and service-oriented, cutting-edge information technology system.

# GENERAL INFORMATION

Progress made towards the achievement of the Objectives, Strategies and Programmes is reported on in Part B of this Integrated Annual Report.

During the 2015-2020 strategic planning period, Legal Aid SA will focus on making a strategic shift to realise the following: *Increasing organisational MATURITY and SUSTAINABLE HIGH PERFORMANCE and EXCELLENCE in all segments of the organisation over the next decade, positively touching the lives of many more South Africans thus ensuring the OUTCOME of QUALITY JUSTICE FOR ALL.*

## 4. LEGISLATIVE AND OTHER MANDATES

Legal Aid South Africa obtains its mandate from the Constitution of the Republic of South Africa (Act No. 108 of 1996), the Legal Aid SA Act (Act No. 39 of 2014) as read with the current Legal Aid Guide, which will be replaced by the Legal Aid Regulations (Policy Provisions) and Legal Aid Manual (Procedural Provisions), as well as other national legislation which gives content to the rights and obligations enshrined in the Constitution.

### 4.1 CONSTITUTIONAL MANDATE

Our constitutional mandate – to provide legal representation in criminal trials and appeals, civil children's matters and civil matters – arises mainly from the specific constitutional sections that are enunciated below. These rights are furthermore given particularity in our enabling legislation as well as in other national legislation that is described in the paragraphs that follow.

#### *The Constitution of RSA (Act No. 108 of 1996)*

Section 35(2) *"Everyone who is detained, including every sentenced prisoner, has the right –*

- (a) ...
- (c) *to have a legal practitioner assigned to the detained person by the state and at state expense, if substantial injustice would otherwise result, and to be informed of this right promptly; ..."*

Section 35(3) *"Every accused person has a right to a fair trial, which includes the right –*

- (a) ...
- (g) *to have a legal practitioner assigned to the accused person by the state and at state expense, if substantial injustice would otherwise result, and to be informed of this right promptly; ...*
- (o) *of appeal to, or review by, a higher court."*

Section 28(1) *"Every child has the right –*

- (a) ...
- (h) *to have a legal practitioner assigned to the child by the state, and at state expense, in civil proceedings affecting the child, if substantial injustice would otherwise result; ..."*

Section 34 *"Everyone has the right to have any dispute that can be resolved by the application of law decided in a fair public hearing before a court or, where appropriate, another independent and impartial tribunal or forum."*

### 4.2 LEGISLATIVE MANDATE

#### *4.2.1 Legal Aid SA Act (Act No. 39 of 2014)*

(Assented on 9 December 2014; Date of Commencement 1 March 2015).

The Legal Aid SA Act came into operation on 1 March 2015.

The transition from the interim Board, appointed in terms of section 26 of the Legal Aid SA Act, to the permanent Board, appointed in terms of section 6 of the Legal Aid SA Act, was successfully completed on 1 March 2016 when the current Board members were appointed together with the members of all the Board Committees (who were appointed in terms of section 13 of the Legal Aid SA Act). The current Board members have, therefore, held their positions for 13 months as at the end of the current financial year.

The final aspect of the transition is the replacement of the 2014 Legal Aid Guide, which remains in operation, in terms of section 26(6) of the Legal Aid SA Act, until replaced by both the Legal Aid Regulations as per section 23(1) and the Legal Aid Manual as per section 24(1).

The Legal Aid Guide remains in operation as at the end of the financial year while the Regulations await approval from Parliament before they can be brought into operation through gazetting along with the Legal Aid Manual. It is envisaged that this final aspect of the transition will be completed by the end of Quarter 3 of 2017.

The mandate and objects of Legal Aid SA are succinctly described and detailed in the preamble to the Legal Aid SA Act, in the following terms:

*"To ensure access to justice and the realisation of the right of a person to have legal representation as envisaged in the Constitution and to render or make legal aid and legal advice available; for that purpose to establish an entity called Legal Aid SA with a Board of Directors and to define its objects,*

# GENERAL INFORMATION

*powers, functions, duties and composition; to provide for the independence and impartiality of Legal Aid SA; ...”*

The objects are outlined as follows in the Legal Aid SA Act:

3. *The objects of Legal Aid SA are to –*
  - (a) *render or make available legal aid and legal advice;*
  - (b) *provide legal representation to persons at state expense; and*
  - (c) *provide education and information concerning legal rights and obligations, as envisaged in the Constitution and this Act.*

## 4.2.2 Other legislation impacting on delivery of legal aid

The following laws also require the state to provide legal assistance to indigent persons – in most instances, Legal Aid South Africa is funded to provide such representation, with notable exceptions where the state has not provided the necessary funding to Legal Aid SA to render such services:

- (I) Criminal Procedure Act (sections 73, 309, 309B, 309C, 309D & 316) – Legal Representation in Trials and Appeals
- (II) Child Justice Act (sections 82(1) & 83(2)) – Legal Representation for Children in Child Justice Court (no child may refused legal representation)
- (III) Children’s Act 38 of 2005 (section 55(1)) – Legal Representation of Children in matters dealt with in the Act
- (IV) Refugees Act 140 of 1998 (section 27(b))
- (V) Labour Relations Act 66 of 1995 (section 149) – currently unfunded
- (VI) Mental Healthcare Act 17 of 2000 (section 15)
- (VII) Restitution of Land Rights Act 22 of 1994 (section 22) – currently unfunded
- (VIII) Prevention of Illegal Eviction from and Unlawful Occupation of Land Act 19 of 1998 (section 4(5)) – currently unfunded
- (IX) Promotion of Equality and Prevention of Unfair Discrimination Act 4 of 2000 (section 10(5))
- (X) Protection of Personal Information Act 4 of 2013

Legal Aid South Africa currently provides legal representation relating to the above legislation, within its available budget/ funding and resources, in accordance with the policy provisions of the 2014 Legal Aid Guide, which is currently in the process of being replaced by the Regulations as per section 23 of the Legal Aid SA Act.

Due to these budget/funding and resource constraints, there are criteria that determine qualification for, and limitation or exclusion of, assistance. It is not envisaged that the Regulations will in any way change these criteria or the limitations of assistance that are made available.

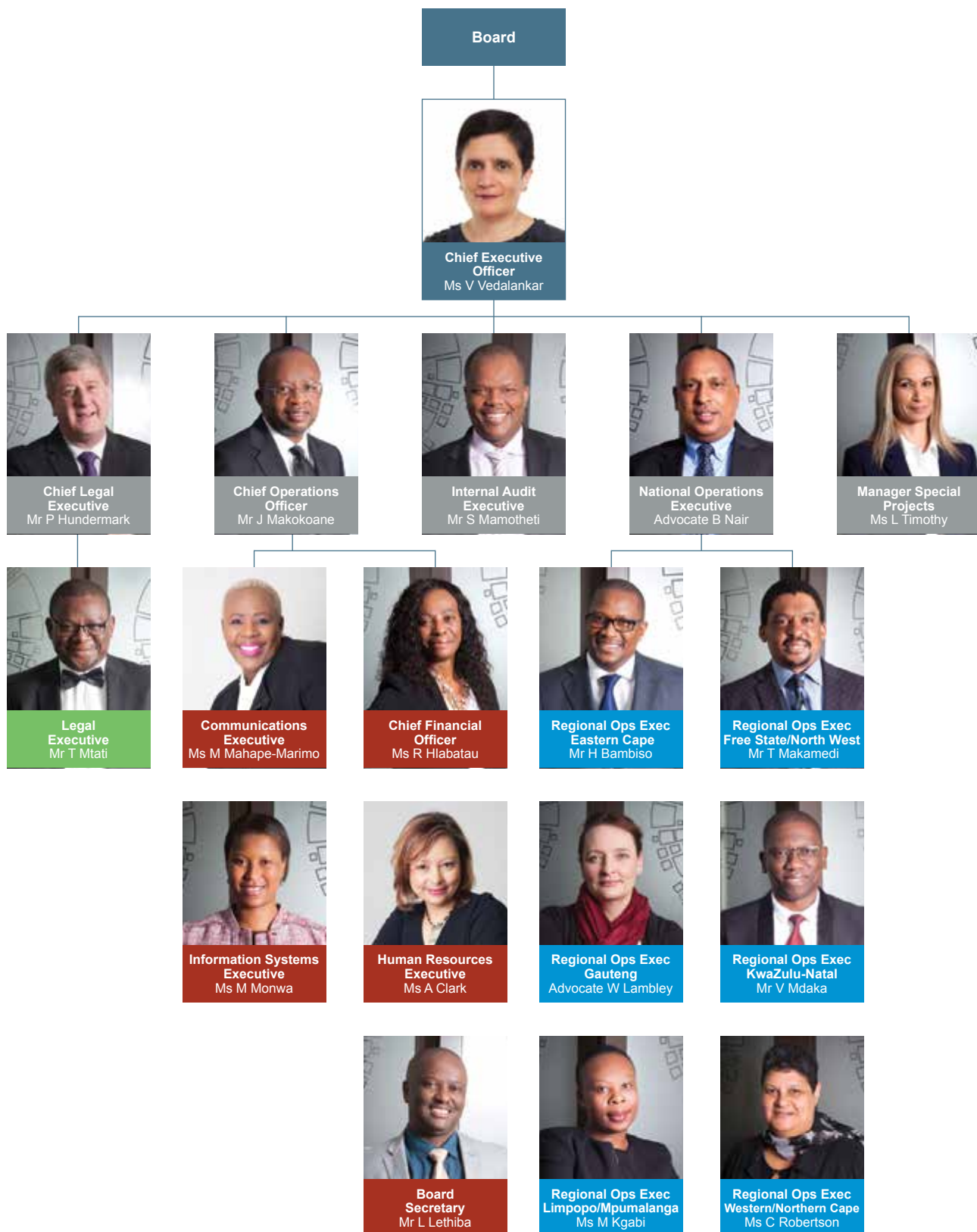
Newly proposed draft legislation or envisaged amendments to current legislation, in so far as they impact on Legal Aid SA’s mandate and/or clients’ rights, are monitored and responded to as part of the legal research agenda. This is to ensure that clients’ rights are protected and the mandate of Legal Aid South Africa is not extended without concurrent funding aligned to proper costing of the required resources to implement any such extension of our mandate.

## 4.3 PUBLIC FINANCE MANAGEMENT ACT

The Public Finance Management Act (No. 1 of 1999) (PFMA) promotes sound financial governance in all spheres and levels of government to ensure a strategic approach to budgeting and financial management. It provides guidelines that must be upheld and implemented for the realisation of good governance. Legal Aid SA is a Schedule 3A Public Entity and is required to uphold the requirements of the PFMA. In the year under review, Legal Aid South Africa actively tracked compliance with the PFMA quarterly, and confirms partial compliance with both the PFMA and the National Treasury Regulations, due to fruitless, wasteful and irregular expenditure incurred during the financial year under review. The amounts are recorded later in this Integrated Annual Report and are immaterial.

# GENERAL INFORMATION

## 5. ORGANISATIONAL STRUCTURE





# GENERAL INFORMATION



*Back row, from left: Ms Malebogo Mahape-Marimo, Mr Patrick Hundermark, Advocate Brian Nair, Mr Thembile Mtati, Ms Cordelia Robertson, Ms Mmantsha Monwa, Mr Tshotlego Makamedi, Mr Sethopo Mamotheti, Mr Vela Mdaka. Front row, from left: Mr Jerry Makokoane, Advocate Wilna Lambley, Mr Hope Bambiso, Mr Langa Lethiba, Ms Amanda Clark, Ms Mpho Kgabi, Ms Rebecca Hlabatau, Ms Lesleigh Timothy, Ms Vidhu Vedalankar.*

## 5.1 COMPOSITION OF THE EXECUTIVE MANAGEMENT

### *Ms Vidhu Vedalankar*

#### **Chief Executive Officer (CEO)**

BSc (University of Durban-Westville), Masters in Town and Regional Planning (University of Natal), Executive Development Programme (GIBS, University of Pretoria)

Chief Executive Officer responsible for overall strategic direction of Legal Aid SA so as to realise the vision and fulfil the mission.

### *Mr Jerry Makokoane*

#### **Chief Operations Officer (COO)**

BCom Economics (University of South Africa), Diploma Data Processing and Systems Analysis (University of Zululand), MBA (Mancosa)

Chief Operations Officer responsible for support operations within Legal Aid SA.

### *Advocate Brian Nair*

#### **National Operations Executive (NOE)**

BPaed (University of Durban-Westville), BEd (University of South Africa), FDE Computer Studies (University of Natal), MBL, LLB (University of South Africa)

National Operations Executive responsible for ensuring the delivery of cost-effective, high-quality legal services.

### *Ms Rebecca Hlabatau*

#### **Chief Financial Officer (CFO)**

BCompt, BCompt Honours, Advanced Diploma in Accounting Science, CTA (University of South Africa) Management Advancement Programme, Certificate Programme in Leadership Development (WBS, University of the Witwatersrand), AGA(SA) (SAICA)

Chief Financial Officer responsible for strategically guiding financial matters of Legal Aid SA in a manner that will ensure its long-term viability as an upholder of the rights of the people of South Africa to effective, high-quality legal services.

### *Mr Patrick Hundermark*

#### **Chief Legal Executive (CLE)**

BCom, LLB (Nelson Mandela Metropolitan University – formerly University of Port Elizabeth), Certificate Programme in Leadership Development (WBS, University of the Witwatersrand), Practising Attorney, North Gauteng High Court

Chief Legal Executive responsible for civil legal services delivery, the improvement of quality and range of legal services offered to Legal Aid SA's legal aid applicants, impact services, legal training and pilot projects.

Corporate legal matters also formed part of the CLE's area of responsibility from 1 June 2016.

# GENERAL INFORMATION

## *Mr Sethopo Mamotheti*

### **Internal Audit Executive (IAE)**

BCompt, Postgraduate Diploma in Accounting Science (University of South Africa), HDipTax (University of North West-Potchefstroom), MBA (GIBS, University of Pretoria), CIA, CCSA (IIA) Institute of Internal Auditors, AGA(SA) (SAICA)

Internal Audit Executive responsible for the assessment of controls and risk management within Legal Aid SA, including compliance with the Legal Aid SA Act, PFMA and Treasury Regulations, and the applicable governance and common law stipulations.

## *Ms Amanda Clark*

### **Human Resources Executive (HRE)**

National Diploma: Housing and Development Management (Technikon SA), BTech: Business Management (Technikon Natal), MBA (University of Wales), Certificate: Advanced Diploma in Labour Law (University of South Africa)

Human Resources Executive responsible for the Human Resources Department and ensuring that the human resources processes and systems support the delivery of the Legal Aid SA strategy.

## *Ms Lesleigh Timothy*

### **Manager Special Projects (MSP) and Acting Communications Executive (A/CE)**

BSocSci, PGDip Social Work (University of Natal), Certificate Programme in Leadership Development (WBS, University of the Witwatersrand)

Acting Communications Executive from 1 April 2016 to 19 June 2016.

## *Ms Malebogo Hope Mahape-Marimo*

### **Communications Executive (CE)**

BA Communication (University of Fort Hare), BA Honours (University of Johannesburg – formerly Rand Afrikaans University), Certificate in Sustainable Development (University of Cambridge)

Communications Executive (appointed 20 June 2016) responsible for creating awareness about Legal Aid SA's services and educating the public regarding accessing such services, as well as building strategic relations with relevant stakeholders.

## *Mr Thembile Mtati*

### **Legal Executive (LE)**

BProc (University of Fort Hare), Certificate Programme in Leadership Development (WBS, University of the Witwatersrand), Practising Attorney, North Gauteng High Court

Legal Executive responsible for legal research support and corporate legal services.

## *Ms Mmantsha Monwa*

### **Information Systems Executive (ISE)**

BSc (University of Limpopo), BSc Honours: Information Systems (University of South Africa), MBL (University of South Africa)

Information Systems Executive responsible for the Information Technology infrastructure and the provision of support to all users within Legal Aid SA.

*The following Regional Operations Executives are responsible for ensuring the efficient, effective and economic delivery of legal services as contemplated by the Constitution within their area of jurisdiction:*

## *Mr Hope Bambiso*

### **Regional Operations Executive – Eastern Cape Region**

BProc, LLB (University of Fort Hare), LLM (University of South Africa), Practising Attorney

## *Ms Mpho Kgabi*

### **Regional Operations Executive – Limpopo/Mpumalanga Region**

BProc (University of the North West), Higher Diploma in Drafting and Interpretation of Contracts (University of Johannesburg), Practising Attorney

## *Advocate Wilna Lambley*

### **Regional Operations Executive – Gauteng Region**

B.Iuris LLB (University of South Africa), Practising Advocate

## *Mr Vela Mdaka*

### **Regional Operations Executive – KwaZulu-Natal Region**

BProc, LLB (University of Zululand), Practising Attorney

## *Mr Tshotlego Makamedi*

### **Regional Operations Executive – Free State/North West Region**

BProc (University of Limpopo), CPLD (University of the Witwatersrand), Practising Attorney

## *Ms Cordelia Robertson*

### **Regional Operations Executive – Western Cape/Northern Cape Region**

BCom, BProc (University of South Africa), LLM (University of the Western Cape), Practising Attorney





## 6. FOREWORD BY THE CHAIRPERSON

I am, as always, pleased to report on Legal Aid South Africa's performance for the past financial year. Our continued high performance is a result of keeping the core work of the organisation – to ensure access to justice for all – central to our everyday activities.

We continued to implement our latest Strategic Plan 2015-2020, focusing on serving the indigent and being a respected, accessible, high performing and sustainable public entity impacting positively on society, the economy and the environment. In the 2016-2017 financial year, Legal Aid SA did just that.

We remained a beacon of hope for many South Africans, ensuring that we kept their needs at the forefront of our mission. It is fitting that Legal Aid South Africa is often recognised as one of the best models of legal aid provision in the world – we do not take such an accolade for granted, and will continue to guarantee that those who require access to legal advice and representation will be assisted, regardless of the economic challenges we face.

Our sustained track record of high performance was once again praised at the organisation's briefing to the Portfolio Committee on Justice and Correctional Services. Legal Aid SA is cognisant of the crucial role we play in our democracy, and appreciates the recognition of laudable service delivery and prudent financial management by the Committee. We assure the public that we are keenly focused on innovation, in order to better our performance and service delivery going forward.

We have continued our involvement in the National and Provincial Efficiency Enhancement Committees set up by the Chief Justice. These Committees focus on tracking matters relating to access to justice and improving the justice service offering that is available to those who most need it.

Legal Aid South Africa has also continued to discuss provision of justice services globally, through our sustained collaboration with international role players such as United Nations agencies, especially the United Nations Office on Drugs and Crime (UNODC) and the United Nations Development Programme (UNDP), in making Sustainable Development Goal 16.3 a global reality by 2030. Goal 16.3 reads: "Promote the rule of law at the national and international levels, and ensure equal access to justice for all". I have attended a number of discussions this past year, representing Legal Aid SA and working to achieve the objectives of this goal.

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One of these discussions took place at the Second International Conference on Legal Aid, which was held in Buenos Aires, Argentina, where I presented a progress report on the implementation of the UN Principles and Guidelines on Access to Legal Aid in Criminal Justice Systems. I also attended the 2016 session of the Commission on Crime Prevention and Justice in Vienna. The purpose of my participation was to support the resolution on the establishment of the International Legal Aid Network. I attended a workshop on Access to Justice convened by the International Development Law Organization (IDLO) in Dar es Salaam. Finally, I gave an address at the IDLO's strategic session in Rome, Italy. I remain immensely proud to represent our organisation at these fora, ensuring that we build a future where access to legal aid is the norm domestically, continentally and globally. These discussions have also occurred here at home, through the Open Government Partnership meeting held in Cape Town. Legal Aid South Africa also hosted a number of delegations from various countries in the 2016-2017 financial year, showcasing our service delivery and governance models so that they can be emulated globally.

We continue to be appreciative of the ongoing support and guidance we receive from the Minister of Justice and Correctional Services, Advocate Michael Tshililo Masutha, and the Deputy Minister Mr John Jeffery.

I am also immensely grateful to Legal Aid SA's Chief Executive Officer, Ms Vidhu Vedalankar, and the committed Executive Management team that supports her in order to achieve our vision for the organisation. The staff at the National Office, Regional Offices and all 128 service points nationwide also deserve applause; without their dedication and hard work, we certainly would not be the high-performing organisation we are today. Our legal practitioners continue to fly the flag wherever they are required and I say to all of them, keep up the good work!

Finally, I would like to thank the Board of Legal Aid South Africa for their continued support and commitment to the essential work of the organisation. I know the Board joins me in remaining proud Legal Aid SA ambassadors. I look forward to our continued growth and maturity as we expand the quality and quantity of our services to all people who require legal assistance.



**Judge President Dunstan Mlambo**

Chairperson: Board of Legal Aid SA



## 7. CHIEF EXECUTIVE OFFICER'S OVERVIEW

In reflecting on another year of the work done by Legal Aid South Africa in fulfilment of our constitutional and legislative mandate, I am proud of the consistent performance and significant achievements of the organisation as we make a difference in the lives of vulnerable people by ensuring that they are able to access justice and that the legal aid services they receive are of good quality. Legal Aid SA meets a fundamental need in society by providing vulnerable and marginalised people with criminal and civil legal aid services as well as legal advice. We have achieved success through proper planning, which begins with our Strategic Plan and Business Plan followed by diligent execution in the various areas of our work by a dedicated team who subscribe to the vision, mission and values of our organisation. Thus we have unfailingly implemented our programmes and strategies so as to meet our objectives and outcomes.

Legal Aid South Africa increased access to justice in 2016-2017 by making legal aid and legal advice available, providing legal representation at state expense and providing education and information concerning legal rights. In the financial year under review, we have served a total of 767,656 people through legal services provided in new criminal and civil matters and legal advice services. This represents 444,962 new legal matters and 322,694 clients provided with general legal advice. The number of people served when compared to the last financial year increased by 1% for new criminal and civil legal matters and 4.6% for general advice. This was achieved through our mixed model of delivery, which sees our legal aid services delivered by our Justice Centres, Judicare practitioners, Co-operation and Agency Agreement partners.

As a result of the emphasis placed on good governance practices, our Annual Financial Statements are compliant with relevant standards and regulations. During the 2016-2017 financial year we spent 99% (R1,809,439,652) of our budget to achieve our Business Plan objectives. For the financial year under review, we have received a clean audit opinion, which continues a record of unqualified audit opinions from the Auditor-General for 16 consecutive years. The detailed Report of the Auditor-General can be found in Part F of this Integrated Annual Report.

We are nearing finalisation of eLAA 2016, our electronic Legal Aid Administration system, and have made noteworthy progress working together with an external service provider to develop and install this new administrative solution that integrates and streamlines legal administration systems and processes on an updated IT platform.

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Our consistent efforts to implement best practice in the area of people management were rewarded with accreditation as a Top Employer for the 8th consecutive year in 2016-2017 and being named an industry winner for the public sector segment for the second year. We are very pleased to remain a Top Employer.

Through our various delivery models, Legal Aid SA took on 444,962 new matters for the financial year. Of these, 385,972 (87%) were criminal matters and 58,990 (13%) were civil matters. This is 0.7% less criminal matters and 12.7% more civil matters when compared with the previous financial year. We finalised 445,625 matters in this financial year, 3.1% more than was finalised in 2015-2016. Of these, 55,140 (12%) were civil matters and 390,485 (88%) criminal matters. We covered all Criminal Courts as well as all specialised Criminal Courts including specialised Child Justice Courts, Sexual Offences Courts and Commercial Crimes Courts. Our legal services were provided by 2,186 legal staff including Paralegals. Legal staff made up 79.5% of staff recruited.

During the past financial year, Legal Aid South Africa also represented the majority of appellants in criminal cases that appeared before the Supreme Court of Appeal. We were successful in 9 out of 18 appeals. For Constitutional Court matters, five impact matters supported by Legal Aid SA were argued at the Constitutional Court. Judgments were delivered in three matters, with positive outcomes and two matters had judgments reserved. Two of the five matters were argued by our internal practitioners.

Our impact litigation matters make constitutional rights a reality as the types of cases litigated impact on the rights of marginalised members of our country who often do not have a voice to defend themselves. These matters, with far-reaching impact, set legal precedents as they focus on human rights and access to justice. We assessed 41 impact matters and 13 new matters were approved by the Constitutional Case Management Committee for litigation/funding. During the 2016-2017 financial year 15 matters (7.1% more than 2015-2016) were finalised, with a 93% success rate in impact matter outcomes. This is pleasing, as there is a specific focus on the rights of vulnerable groups and issues such as the right to housing and the rights of refugees or foreign nationals.

We consider the rights of children to be of paramount importance and legislation ensures that no child goes through the criminal justice system unrepresented. The number of children awaiting trial in custody continued to receive focused attention and as at the end of the financial year there were 78 children in custody for periods greater than 1 month who we continue to track. Legal Aid South Africa provided

representation to 18,025 children; 11,378 in new criminal matters, and we assisted 6,647 children in new civil matters, which is an increase of 1.8% in terms of services to children. Throughout this Integrated Annual Report, we have highlighted some of the criminal, civil and impact litigation matters which illustrate our quest to advance access to justice and champion human rights. These provide insight into the dedication of our legal practitioners who make sure that the justice system responds to the needs of people who would otherwise be disadvantaged as a result of not being able to afford their own legal representation.

One of the objects of Legal Aid SA is to make legal advice available. General advice consultations in this financial year totalled 322,694, an increase of 4.6% when compared to the previous financial year. Advice Line calls made up 41,777 of the overall advice numbers, which is a 16.2% increase from the previous financial year. Justice Centres and Satellite Offices had a total of 253,681 general advice consultations; an increase of 4.8% from the previous financial year. General advice was provided by Paralegals to 27,236 awaiting trial detainees and sentenced inmates, which is a 10.9% decrease. Our toll-free Legal Aid Advice Line makes accessing services convenient and cost effective. To further expand access to justice we recently launched a 'Please Call Me' service to assist people who cannot call our Advice Line but are in need of legal advice.

The quality of legal services provided to our clients is imperative and we have a comprehensive quality monitoring and management system in place to provide the best legal representation. A multi-pronged approach is used to manage and monitor quality, including training programmes, legal research and support programmes and reviews done by our Legal Quality Assurance Unit. Practitioners in need of additional support are provided with such.

The reviews done by the Legal Quality Assurance Unit confirmed that over 98% of our internal practitioners are rendering services in compliance with our quality requirements. All practitioner categories exceeded the targets in their file audit and court observation scores. Judicare quality was also assessed and practitioners exceeded the targets in the court observation scores. Specific details pertaining to the Service Delivery Environment can be found in the Overview of Legal Aid South Africa's Performance; Part B of this Integrated Annual Report.

An external national omnibus survey of the public, aimed at gauging the level of awareness and knowledge of the organisation in various communities, indicated a 7% increase in awareness of the Legal Aid SA brand, when compared with the previous survey undertaken. This is evidence that our



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ongoing marketing activities, using a variety of platforms at local, provincial and national levels, succeeded in increasing the number of people who are aware of their rights to access justice. We exceeded the targets set for our community outreach programmes, which involved community events in collaboration with other stakeholders working in the justice and human rights arena and branding of key service delivery points such as courts and police stations. Advertising campaigns on television, radio, matchboxes, billboards, social media and in print media increased awareness of both Legal Aid South Africa and the Legal Aid Advice Line, which resulted in an increased number of clients calling the Advice Line and seeking legal advice at our Justice Centres and Satellite Offices.

There is a range of stakeholders with whom we work and various reasons why we collaborate with different stakeholder groups (for detailed information, refer to the report on Stakeholder Engagement in Part D). Ultimately, we all work towards the same objectives, to make access to justice a reality, to promote and defend human rights and to educate communities about their rights and responsibilities.

We recognise that we have a joint responsibility together with other justice cluster stakeholders to improve the functioning of the justice system to the benefit of our clients. This means also playing our role in ensuring the justice system functions optimally and addressing any issues that we may need to work on. We have therefore collaborated through the various structures set up at local, provincial and national level, all working to build a more efficient system. We participated in the working committee of the National Efficiency Enhancement Committee (NEEC), which examines system-wide challenges that contribute to inefficiencies and ensures that recommendations are made to the NEEC to address this. A number of Legal Aid SA research reports have been tabled at this forum to facilitate discussion of solutions to address problematic issues that contribute to delays.

We visited key court stakeholders to improve awareness of the services offered by Legal Aid South Africa, discuss and address challenges and monitor quality. A recent survey confirmed that presiding officers view our practitioners and the organisation in a positive light and recognise the vital role that we play in the justice system.

In 2016-2017, Legal Aid SA partnered with a range of stakeholders; government as well as NGO and CBO partners on community outreach programmes. These programmes at grassroots level provided community members with the opportunity to obtain information on their rights and responsibilities and the services offered by our organisation and other stakeholders.

All our stakeholder interactions are aimed at improving the outcomes of clients' engagements with the justice system, enhancing efficiencies so that clients have as positive an experience as possible and educating clients about their rights and corresponding responsibilities.

We have a high level of financial maturity and continued implementing cost-efficiency measures. Our reduced grant allocation was funded from cash reserves so as not to impact on service delivery. Payments made within 30 days to creditors met the target, however payments to Judicare practitioners were affected by system enhancements and were therefore below the required target. Supply chain and asset management practices were effectively managed during the year under review. We also spent time consulting on financial sustainability measures with the Board, management and staff and this inclusive process facilitated buy-in from all with regard to managing the financial constraints. Detailed financial information is reported in Part F of this Integrated Annual Report.

Our Human Resources function continued to excel, ensuring we reached higher levels of maturity in this aspect of our work. We are assured that our human resources practices, including talent management, culture and development and leadership measure up to leading best practice in this field. We maintained high recruitment levels at 96.1% and low turnover at 5.5%. A comprehensive report on our human resources management is presented in Part E of this Integrated Annual Report.

A Communications Sector Strategy 2016-2020 was developed, linking to the organisational strategy and approved by the Board. This strategic framework looks at how to build the department's core function as the brand custodian of Legal Aid South Africa. The Communications Department played a key role externally in providing legal information and raising awareness through their marketing activities. Internally, employees were kept engaged and informed, assisting them to fulfil their role as Brand Ambassadors.

An assessment of the Information Technology (IT) and IT systems performed by an independent evaluator confirmed that our IT maturity has improved. The availability and accessibility of our systems improved, with system availability at 99.5% and a 100% result yielded by the disaster recovery exercise.

The Organisational Environment information can be found in Part B: Performance Information.

# GENERAL INFORMATION

Our internal control system is effective and the Internal Audit Department conformed to Institute of Internal Auditors standards. The department provided assurance to the Board and management on the effectiveness of our controls and were able to complete 188 audit projects; 21 more than what was planned, and an 11.3% improvement in comparison to the previous financial year. The achievements of the Internal Audit function can be found in Part C: Governance.

We have a Risk Management Strategy and Plan in place which has been implemented to effectively manage and mitigate risks. Work was done on risk opportunities and emerging risks which indicated that we can further improve our risk intelligence. Information on Risk Management in Legal Aid SA is expounded on in Part C: Governance.

We assessed our governance practices, which are in alignment with the King III Code of Governance, and began the transition to King IV. We were in compliance with the 944 legislative provisions which make up our legislative universe.

The new Board, properly constituted in terms of the Legal Aid SA Act 2014 was in operation for the 2016-2017 financial year, after having a Transitional Board for the previous year. The Board fulfilled its obligations and provided strategic leadership.

We presented to the Portfolio Committee on Justice and Constitutional Development on three occasions during this past financial year – on our Annual Performance Plan, Annual Budget, Annual Performance Reports as well as the Legal Aid Regulations. All appearances before the Portfolio Committee were well received.

An extensive report on Governance is contained in Part C of this Integrated Annual Report.

The 2016-2017 financial year was the second year of implementation of the Legal Aid South Africa Strategic Plan 2015-2020 and the main challenge related to limited financial resources as we had a reduced grant allocation.

The review of our Strategic Plan 2015-2020 for 2017-2018 was approved by the Board this past financial year. In preparing this review we had to factor in the budget shortfall of R45 million and overall R202 million over the 2017-2020 MTEF period.

Our Strategic Plan was implemented through our Business Plan. Details of the implementation of our strategies and programmes to achieve our outcomes and objectives can be found in Part B, Section 4 of this Integrated Annual Report. We remain committed to our vision and mission.

We continue to actively work towards achieving our strategic shift to ultimately accomplish the following: *Increasing organisational MATURITY and SUSTAINABLE HIGH PERFORMANCE and EXCELLENCE in all segments of the organisation over the next decade, positively touching the lives of many more South Africans thus ensuring the OUTCOME of QUALITY JUSTICE FOR ALL.*

Target 16.3 of Sustainable Development Goal (SDG) 16 reads: "Promote the rule of law at the national and international levels, and ensure equal access to justice for all". This goal aligns precisely with the work of Legal Aid SA. We therefore participated in processes linked to the SDGs and to raise awareness of SDG 16, as well as co-ordinating a working group linked to this goal focusing on the development of national indicators aligned to other national and continental access to justice goals. In addition, we were involved in contributing to a national questionnaire on Governance, Justice and Public Safety and made contributions that address SDG 16 Target 16.3.

We report on our performance against our sustainability strategy in Part D.

Legal Aid South Africa remains committed to working towards improving access to legal services on a global scale. This was done through our work on the United Nations Principles and Guidelines on Access to Legal Aid in Criminal Justice Systems. We continued to work with the UNODC and UNDP and assisted with the 2nd International Conference on Access to Legal Aid in Criminal Justice Systems in Argentina. This followed up on the successful inaugural conference that was held in Johannesburg in June 2014. We also hosted delegations from other member states studying legal aid systems.

The Legal Aid SA Strategic Plan 2015-2020, the Sustainability Strategy and SDGs were topics discussed in our Leadership Business Priorities Conversations Programme, which is aimed at developing knowledge of the business and key priority programmes to enable leaders to successfully deliver programmes so that we ultimately achieve our sustainability outcomes, vision and mission.

Operational challenges during the year include the number of pending matters exceeding the target turnaround times in the Regional Courts, which exceeded the targets set. Systems are in place to track these matters so as to finalise them as promptly as possible. The processing of appeal matters is delayed in some instances owing to the process of obtaining transcripts.

# GENERAL INFORMATION

The Legal Aid Regulations were required to be operational on or before 1 March 2017, but the addition of new requirements in the legislative process resulted in this statutory deadline not being met. The related Legal Aid Manual could therefore not be gazetted as it has to come into operation simultaneously with the Regulations. We expect this approval to be finalised by June and the Regulations and Manual to be gazetted and come into effect by September 2017.

Going forward, the biggest organisational challenge relates to fiscal constraints. The budget shortfall, which is as a result of the cost of living increases that are higher than the macro increase allocated by the National Treasury, will be managed by implementing cost-cutting efficiency measures and a cap on the compensation of employees. The impact on staffing and recruitment levels will be managed in line with budget constraints. Consequently, service delivery levels will be reduced and will be monitored so as to further improve alignment between the supply of and demand for legal services. The reduction in services will be tracked and reported on.

In this climate of fiscal constraints, all programmes in the Strategic Plan 2015-2020 will be maintained at levels possible and the targets in the Annual Performance Plan 2017-2018 have been revised accordingly.

Our electronic Legal Aid Administration system (eLAA 2016) will be fully operational during the new financial year and we look forward to the enhancements this system will bring.

Managing an organisation such as Legal Aid South Africa takes concerted effort and dedication by numerous role players in order to run the organisation professionally and prudently. Preventing complacency from setting in, constantly looking at new challenges, filling the gaps and finding new efficiencies that do not have any budgetary impacts is challenging. The various functions pull together to ensure that ultimately we achieve our constitutional and legislative mandate, which means we impact the lives of people who need the doors to access to justice to be opened.

I am most appreciative to the Legal Aid SA family, the inspiring and ethical leadership of our unwavering management teams and all our employees, who are committed to promoting and defending the rights enshrined in our Constitution. Your commitment to MAKING ACCESS TO JUSTICE A REALITY for those without the means to do so is admirable and evident in the many positive achievements of Legal Aid South Africa. This success is made possible by our shared vision. Thank you to the Chairperson of the Board, Judge President Dunstan Mlambo; the Board of Directors; the Minister of Justice and Correctional Services; the Deputy Minister of Justice and Constitutional Development and our stakeholders. It is through our collective efforts in pursuit of the ideal of access to justice that we make a difference so that marginalised people and communities can enforce their rights.

On behalf of Legal Aid SA, I pay tribute to Ms Nomboniso Nangu, who was the Director of the National Alliance for the Development of Community Advice Offices (NADCAO). Nomboniso was a powerful advocate for social justice and human rights who worked tirelessly on the African continent and globally to ensure that poor and marginalised persons were legally empowered. Her untimely passing leaves a void in the access to justice community. May her legacy continue!

Let us continue to jointly work towards our outcomes of quality justice, focusing on the poor and vulnerable and further building our organisation into a high performing and sustainable public entity, which has a positive impact on our society, the economy and the environment.



**Vidhu Vedalankar**

Chief Executive Officer: Legal Aid SA

# **PART B:**

## **PERFORMANCE INFORMATION**

The 2016-2017 financial year again saw Legal Aid SA make concerted efforts to realise the constitutional rights of all South Africans through providing access to legal services, as well as through the delivery of legal aid services of the highest quality



# PERFORMANCE INFORMATION

## 1. STATEMENT OF RESPONSIBILITY FOR PERFORMANCE INFORMATION FOR THE YEAR ENDED 31 MARCH 2017

The Chief Executive Officer is responsible for the preparation of Legal Aid South Africa's performance information and for the judgement made in this information.

Furthermore, the Chief Executive Officer is responsible for establishing and implementing a system of internal control designed to provide reasonable assurance as to the integrity and reliability of performance information.

In my opinion, the performance information fairly reflects the actual achievements against planned objectives, indicators and targets as per the Strategic and Annual Performance Plan of the public entity for the financial year ended 31 March 2017.

Legal Aid SA's performance information for the year ended 31 March 2017 has been examined by the external auditors and their report is presented on page 107.

The performance information of Legal Aid South Africa set out on pages 42 to 49 was approved by the Board.



**Vidhu Vedalankar**

Chief Executive Officer: Legal Aid SA

Date: 29 July 2017

## 2. AUDITOR'S REPORT: PREDETERMINED OBJECTIVES

The role of the Auditor-General South Africa/Auditor is acknowledged as critical to the sustainability of Legal Aid SA, as it provides independent assurance that the activities being carried out within the organisation are in accordance with the approved predetermined objectives and mandate.

The audit conclusion on the performance against predetermined objectives is included in the report to management, with material findings being reported under *Predetermined Objectives* in the *Report on other legal and regulatory requirements*.

Please refer to page 106 of the Report of the External Auditor, published in Part F, Financial Information.

## 3. OVERVIEW OF LEGAL AID SA'S PERFORMANCE

### 3.1 SERVICE DELIVERY ENVIRONMENT

The 2016-2017 financial year again saw Legal Aid South Africa make concerted efforts to realise the constitutional rights of all South Africans through providing access to legal services, as well as through the delivery of legal aid services of the highest quality. Legal Aid SA continued its consistently high record of service delivery by making legal aid services easily accessible to clients in both urban and rural areas throughout the country, while maintaining our national footprint of 64 Justice Centres (JCs) and 64 Satellite Offices (SOs), supported by six Regional Offices, as well as our National Office. We continued to optimise the location of our JCs and SOs to ensure that they are conveniently located close to the main courts and close to public transport facilities for easy access by members of the public. We also continued to make use of our mixed model delivery system in order to extend the range of our services as well as to take advantage of the wealth of expertise existing within the legal fraternity. Our mixed model of delivery entails entering into strategic partnerships with practitioners in private practice through our Judicare and Agency Agreement Model, as well as with legal sector NGOs and University Law Clinics through Co-operation Agreements.

Legal Aid South Africa continued to use the data gathered in an extensive research study we conducted of all criminal court rolls in order to better understand the demand for criminal legal aid services in every criminal court. This understanding has greatly assisted the organisation in the efficient provisioning of staff capacity at all courts. Our practitioner per court model of staff provisioning for the courts remains the cornerstone of our internal legal aid delivery system. The practitioner per court model has made it possible for us to extend the delivery of criminal legal aid services to all courts throughout the country, while minimising court downtime due to the unavailability of practitioners. This has contributed to a better flow of cases through the courts and facilitates the speedy finalisation of a higher number of cases, thereby restoring the public's faith in the justice system. We have made capacity available to cover all specialised criminal courts such as Commercial Crimes Courts and Sexual Offences Courts.

Having implemented a Limited Relief Programme at identified JCs in the previous financial year, Legal Aid SA continued to use the model with great success in the current financial year. Through the Relief Programme,

we were able to ensure that we are able to guarantee continuity in the courts, even if our regular practitioner became unavailable for any reason.

During the 2016-2017 financial year, Legal Aid South Africa achieved its targets in respect of new and finalised matters for both criminal and civil legal services delivery. We have also met our targets in terms of our mixed model ratio for the distribution of our work between our JCs, Judicare practitioners and Co-operation/Agency partners.

An increase in the delivery of civil legal aid services has been identified as a key focus area. In order to support this, we have increased both the number of administrative support staff and practitioners appointed as civil supervisors. To further increase our civil capacity in a cost-effective manner, a number of junior civil practitioner posts have been created, which also serves to widen the career path for our legal practitioners. Legal Aid SA's civil unit operations are guided by a set of Standard Operating Procedures (SOPs).

The increased demand for civil legal services poses the challenge of rendering client-focused services, while at the same time meeting the exacting time demands of a civil practice. We have adopted a technology-driven approach to assist our civil practitioners in meeting these challenges. Advanced document generation software has been procured and rolled out to all our JCs to lessen the load of generating the multiple documents that a civil practitioner produces on any given day. We have also introduced web-based systems to assist civil practitioners to monitor compliance with prescribed time periods, as well as monitoring all cases which have defined prescription periods.

Legal Aid South Africa has continued to ensure that the Constitution becomes a living document for the poor and vulnerable through the litigation of cases of high constitutional importance. Our Impact Litigation Unit dealt with a number of matters that had a positive impact on the rights of the landless; of children – especially children in conflict with the law; the right to housing and a number of other issues that impact daily on the lives of ordinary South Africans. These matters set legal precedent, ensuring that many others will benefit in the years to come.

Our dedicated High Court Units (HCUs) continue to ensure our presence at the highest courts in the land. These units are staffed by highly experienced practitioners who are dedicated to servicing the High Courts only. We continue to consult habitually with stakeholders, seeking ways to improve how High Court rolls are compiled, so that clients can be allocated

# PERFORMANCE INFORMATION

a legal representative timeously. This greatly assists legal practitioners, whether internal or Judicare, allowing them sufficient time to prepare for their cases. This process has also entailed improving our systems to give early notification to HCUs of all trial cases that have been transferred from the lower courts for trial in the High Court. Furthermore, an automated web-based system has been developed to notify our HCUs of all matters in which we have successfully applied for leave to appeal in the lower courts, guaranteeing that the Units are aware and ready for the ensuing appeal. The management of appeal matters has also been improved with the introduction of web-based systems to monitor the various stages of each appeal matter and to identify causes of delays. We continuously engage with court stakeholders to fast track the preparation of case records to be used in appeals.

In the previous financial year, we reported on our participation in the Case Backlog Project, a project of the DoJ&CD, as well as other justice cluster stakeholders. Legal Aid SA remains committed to improving the efficient finalisation of cases and we have decided to move away from dealing with case backlogs on an ad hoc basis.

All funding that was previously provided for the Case Backlog Project was allocated for the creation of permanent practitioner posts. This has enabled us to increase our capacity and to include backlog courts as part of our normal Court Coverage Programme.

General legal advice is a vital part of the organisation's service delivery offering. We have dedicated paralegals placed at all of our offices nationwide and also at our toll-free Call Centre – the Legal Aid Advice Line. This telephonic service makes it possible for clients, especially those situated in remote areas, to access instant, quality legal advice.

The representation of children as a special vulnerable group has always been a matter of priority for Legal Aid South Africa. We have capacitated all our practitioners by offering them training in dealing with matters involving children in conflict with the law, and we have practitioners available to help with the representation of children in all Child Justice Courts as well as in all Preliminary Inquiry Courts, whenever our assistance is required. Our organisation also guarantees legal representation to all children in civil matters. Through our partnership with the Master's Offices, we continue to help in the administration of estates in which children are beneficiaries and have in the year under review distributed millions of Rands to these children.

This financial year also saw us continue with our programme to monitor Remand Detainees (RDs) and Children Awaiting Trial in custody. Monitoring RDs in custody for periods of over two years remains a pertinent issue in the Criminal Justice System (CJS) cluster. Legal Aid SA continues to play the lead role within the CJS cluster in the monitoring of RDs so as to establish the reasons for delays in finalising their matters, and developing means to finalise the cases. The RDs are tracked individually by our JCs, with reports then submitted by our organisation at all National and Provincial Efficiency Enhancement Meetings for discussion and action by stakeholders.

The organisational Quality Management Programme continues to drive the highest standards of service to our clients, nationwide. Our LQAU, based within the Internal Audit Department, conducts independent quality audits of our practitioners. The reports confirm that Legal Aid South Africa's internal practitioners continue to meet their quality targets. The Quality Management Programme also reviews the work of external practitioners handling cases on behalf of our clients – Judicare practitioners, Co-operation Agreements and fixed-fee Agency Agreements.

The economic downturn that we are experiencing in South Africa, and elsewhere, continues to pose a major challenge to the provision of legal services by Legal Aid SA, as it impacts negatively on our funding. This results in a challenge to provide the required level of practitioner capacity at many of our criminal courts, so much so that our ability to expand our Court Relief Programme has come under threat. The absence of a relief component is the one factor that stakeholders, particularly in the CJS, have expressed concern about. We are hopeful that resources will become available in the future to enable us to extend our coverage of courts to desired levels.

Finally, we continue to both contribute to and implement the recommendations of the Criminal Justice System Review (CJSR). Our organisation is represented at all meetings of the CJSR Committee, as well as the Development Committee of the DoJ&CD; the Intersectoral Committee on Child Justice and a number of other ad hoc committees. We have implemented all recommendations and protocols that affect our operations and have also monitored and provided input to proposed legislative changes and other relevant proposals.

Our organisation remains committed to making our vision and mission a reality and championing justice for all.

# PERFORMANCE INFORMATION

## 3.2 ORGANISATIONAL ENVIRONMENT

Legal Aid SA maintained a strong performance to execute its mandate of rendering legal services to the indigent people of South Africa amid the challenges it faced during 2016-2017. Key to the challenges the organisation faced were those posed by the poor economic climate, which imposed budgetary constraints and led to the inability for the organisation to meet all the expectations of the society from a service delivery point of view. The success of the organisation would not have been possible if it were not for the commitment, passion and understanding of all involved, at Board, management and staff level.

The IT platform, including the software, hardware and network, was stable and showed improved maturity from the previous financial year. An annual review of the IT Strategic Plan 2015-2020 was approved by the Board in July 2016.

The Board approved the Virtual Private Network (VPN) and Disaster Recovery Tender at its meeting held in May 2016, providing Wide Area Network (WAN) connectivity to 135 sites of Legal Aid SA, covering all Regional Offices, JCs, SOs and the National Office. The fundamental difference in the report presented to the Board compared to the previous tenders related to the fact that the period of the VPN tender was extended to five years to enable the changeover of the installation of systems period to be embedded into the contract so that the performance of the new system could be reviewed over a longer period of time. This was significant to ensure that Legal Aid SA maintained an effective, successful and optimised disaster recovery platform.

Amidst budget constraints which continued to impact on Legal Aid South Africa in the year under review, the organisation persisted with the implementation of cost-cutting measures and embraced the PFMA requirements of utilising its resources effectively, efficiently and economically.

There was an improved level of risk maturity in the organisation, with risk management now firmly integrated in the organisation's strategic planning process and business planning and implementation. Risk terminology is now well understood throughout the organisation as per feedback received from business units on our Risk Organisational Culture Programme.

Fruitless, wasteful and irregular expenditure, although immaterial in quantity, is receiving the attention of management. The number of incidents of financial misconduct related to fruitless, wasteful and irregular expenditure have increased when compared to the previous financial year. This increase can also be attributed

to strengthened financial controls and internal audit reviews that are able to identify even trivial non-compliance with financial policies and procedures. Legal Aid SA received assurance on the effectiveness of internal controls and recommendations from internal and external auditors.

The Communications Strategy was approved by the Board in the year under review. Aligned to this, the organisation reviewed its key messages to ensure that a process was in place to share the success stories of the organisation more effectively. Furthermore, the Board approved the Legal Aid South Africa Language Policy at its meeting in November 2016.

This was a significant milestone in acknowledgement of the fact that South Africa is a multilingual country. The key elements of the policy are to

- i. provide a policy framework to promote linguistic diversity and redress for those languages that were previously marginalised so that equitable access to services and information is now ensured, and to determine the official languages that will be used by Legal Aid SA in its offices and where it provides its services.
- ii. standardise and monitor the use of official languages in the course of conducting Legal Aid South Africa business.
- iii. endeavour to provide services in a requested language as far as is reasonably possible and within its resources.

Legal Aid SA has adopted the use of the English language throughout its offices. Additionally, different official languages of the country have been adopted at local level (JC level) in response to the language/s used by our local clients. As a result all official languages are variably used with isiXhosa, isiZulu, Afrikaans and Sesotho mostly used in our different regions and isiNdebele, siSwati, Setswana, Northern Sotho and Tshivenda limited to some regions.

Another key achievement in the organisation was the approval by the Board of the Client Relationship Management Strategy. The objective of this strategy is to positively impact clients' lives (quality of outcomes; quality of life; rights (access and language); respect and dignity) through increasing access to justice, the delivery of quality legal services outcomes and being treated with dignity and respect. The strategy manages the interactions and engagement between Legal Aid South Africa employees (front office staff, paralegals, legal practitioners and legal managers). Management envisages the objectives of the Client Relationship Management Strategy and Plan being achieved through the following interventions:

# PERFORMANCE INFORMATION

- (a) Access to a range of legal aid services (criminal, civil, advice, impact, legal education/information);
- (b) Access to expanded legal aid services, e.g. web-based services and pro bono services;
- (c) Access to legal aid services at locations that are within reasonable access to clients;
- (d) Access to legal aid services in the language of choice of clients;
- (e) Legal aid services that are of a high quality delivering quality outcomes which impact positively on the lives of clients;
- (f) Treatment of clients with respect and dignity;
- (g) Feedback to clients on their legal matters so that they are informed of process and progress; and
- (h) The development and communication of a revised Client Services Charter.

In the human resources environment, meeting some of the employment equity targets continued to prove a challenge, particularly with the appointment of black African females in executive positions, although the disability and middle management statistics improved.

Other noteworthy achievements from a human resources perspective included Legal Aid SA's ranking as the Top SA Company in Innocentrix's 2016 SA Innovation League Awards. This confirmed Legal Aid South Africa as a leader in innovation in South Africa and as playing a part in creating a future contribution towards national prosperity. The organisation was also named a Top Employer for the 8th consecutive year, and an Industry Leader in the Public Sector for the 2nd consecutive year by the Top Employers Institute.

We continued to enact a zero-tolerance-of-fraud attitude, with all fraud matters investigated fully. The Internal Audit Department conducted random lifestyle audits and forensic investigations on all matters reported on the Fraud and Ethics Hotline or via other means (email, telephonically). Fraud awareness campaigns were rolled out and an internal audit on ethics was undertaken, with any exceptions raised reported in the quarterly report to the Audit Committee, the Remuneration Social and Ethics Committee and the Board.

It is clear that the organisational environment of Legal Aid SA continued to mature, offering solid support for the core business of the organisation – ensuring access to justice for all.

## 3.3 KEY POLICY DEVELOPMENTS AND LEGISLATIVE CHANGES

The Legal Aid SA Act has been in operation for just over two years now and the new Board has been constituted and operational for 13 months after their appointment in accordance with the requirements of the Legal Aid SA Act. During the first full 12-month period of operations the relevant governance requirements were operationalised and all governance structures functioned efficiently, effectively and were fully reviewed and further refined by the Board.

The 2014 Legal Aid Guide remained in effect during the financial year and will remain in effect until replaced by the Legal Aid Regulations (Policy) and Legal Aid Manual (Procedures), as stipulated in sections 23 and 24 of the Legal Aid SA Act.

The Board has approved both the Legal Aid Regulations and the Legal Aid Manual which were submitted to the Executive Authority (EA) for actioning in terms of the Act. There were unexpected delays in bringing both the Regulations and Manual into operation by the legislated deadline of 1 March 2017, but it is envisaged that both will be operational by the end of the third quarter of 2017. In the interim, the 2014 Legal Aid Guide remains in effect.

With Part 1 and 2 of Chapter 10 of the Legal Practice Act and the constitution of the Interim Legal Practice Council having been brought into operation on 1 February 2014 and in February 2015 respectively, the Council has continued with the development of the relevant substantive recommendations to the Minister, but it is apparent that an extension of the Council time periods are inevitable. The Council has also made recommendations for amendments to the Legal Practice Act which are currently serving before Parliament for approval. Legal Aid South Africa is represented on the Interim Legal Practice Council and is actively contributing to the development of an independent and unified legal profession that is conscious of the need for indigent persons to be able to access justice as contemplated in our Constitution.

# PERFORMANCE INFORMATION

As previously mentioned, the Legal Practice Act did not include the provisions that were contemplated for the regulation of community based paralegals. This sector, which plays an important role in ensuring access to justice and legal empowerment for poor and vulnerable communities, has prepared and submitted proposed draft legislation to regulate the sector to the Minister of Justice and Correctional Services. It is, however, envisaged that this process will only be completed in the 2019-2020 financial year, which will continue to impact on the sustainability of this sector.

The adoption of the United Nations Principles and Guidelines on Access to Legal Aid in Criminal Justice Systems continues to play a critical role internationally to guide sustainable development. This is paving the way for the development of legal aid systems and increased access to justice by indigent persons in all member countries. The inclusion of access to justice in the UN SDGs, which includes a set of 17 SDGs (or Global Goals) to end extreme poverty and fight injustice and inequality for the next 15 years, will focus efforts both nationally and internationally on measuring the achievement of these goals.

SDG16.3 calls upon countries to: *Promote the rule of law at the national and international levels and ensure equal access to justice for all.* The common set of measures that have been agreed upon to track progress towards the goals and monitor the actions taken to achieve the SDGs are narrow and focus only on criminal justice to the exclusion of civil justice. These measures need to be enhanced, especially at national level. Some progress has been made in conjunction with our partners in delineating broader goals to achieve the goal of ending extreme poverty and to fight the injustice and inequality that pervades South Africa and the rest of the world.

Specifically, Statistics South Africa is in the process of glass box testing a survey to enhance the Victims of Crime Survey to obtain baseline information on the legal needs of South Africans and to whom they turn for assistance when they encounter a legal problem.

Legal Aid SA is optimistic that this revised survey will be conducted in 2018 and we will give further attention to this during the coming year, including the setting of national measures for South Africa to determine our progress in achieving SDG16.3.

## 3.4 STRATEGIC OUTCOME ORIENTATED GOALS

The strategic outcome orientated goals of Legal Aid South Africa are detailed in Part A, Section 3.1 of this Integrated Annual Report (page 9). Progress made towards the achievement of the objectives, strategies and programmes as set out in the Legal Aid SA Strategic Plan 2015-2020 and Annual Performance Plan 2016-2017 is reported in Section 4, Performance Information by Programme.

## 4. PERFORMANCE INFORMATION BY PROGRAMME

The 2016-2017 Annual Performance Plan of Legal Aid SA was approved by the EA, the Minister of Justice and Correctional Services, Adv. M Masutha, MP, on 26 February 2016.

The following are the delivery statistics for the organisation nationally and per province for the 2016-2017 financial year and the detailed performance information against the approved 2016-2017 Annual Performance Plan.



# PERFORMANCE INFORMATION

**Table 2: Corporate Dashboard**

NO.	INDICATOR	PERFORMANCE – 2016-2017					PERFORMANCE PRIOR YEARS		VARIANCE
		ANNUAL TARGET		ACTUAL PERFORMANCE			2015-2016	2014-2015	
		NUMBER	%	NUMBER	%	VARIANCE AGAINST TARGET	NO. / %	NO. / %	FY 2016-2017 COMPARED TO FY 2015-2016
OVERALL PERFORMANCE									
	Delivery of Business Plan								
1	Client Community					Achieved	Achieved	Achieved	
2	Financial Sustainability					Achieved	Achieved	Achieved	
3	Business Processes					Achieved	Achieved	Achieved	
4	Employee and Organisational Capacity					Achieved	Achieved	Achieved	
EXECUTIVE AUTHORITY ACCOUNTABILITY									
5	Quarterly/Annual Report/s	5		5			5	5	–
6	Parliamentary Briefings	2		3			2	2	1
CLIENT COMMUNITY									
7	New Legal Delivery Matters/Instructions (i.e. number of instructions to legal practitioners) (excl. pro bono)			444,962			441,056	448,195	0.9%
				% in Actual Performance column represents split across delivery systems					
7.1	Justice Centres – New Matters	388,289		421,431	94.7%	8.5% positive variance to target	413,790	421,527	1.8%
7.1.1	District Court			315,318			315,749	319,330	-0.1%
7.1.2	Regional Court			50,438			48,740	50,918	3.5%
7.1.3	High Court (incl. SCA and CC)			3,596			3,583	3,731	0.4%
7.1.4	Civil	47,428		52,079		9.8% positive variance to target	45,718	47,548	13.9%
7.2	Judicare – New Matters			16,786	3.8%		21,301	20,674	-21.2%
7.3	Co-operation Partners – New Matters			5,534	1.2%		4,647	4,777	19.1%
7.4	Agency Agreements			1,198	0.3%		1,303	1,199	-8.1%
7.5	Impact Litigation			13	0.0%		15	18	-13.3%
7.6	Pro Bono			473			247	156	91.5%

# PERFORMANCE INFORMATION

**Table 2: Corporate Dashboard (continued)**

NO.	INDICATOR	PERFORMANCE – 2016-2017					PERFORMANCE PRIOR YEARS		VARIANCE  FY 2016-2017 COMPARED TO FY 2015-2016
		ANNUAL TARGET		ACTUAL PERFORMANCE			2015-2016	2014-2015	
		NUMBER	%	NUMBER	%	VARIANCE AGAINST TARGET	NO. / %	NO. / %	
8	<b>Finalised Delivery Matters/Instructions (excl. pro bono)</b>			445,625			432,210	444,630	3.1%
				% in Actual Performance column represents split across delivery systems					
8.1	Justice Centres – Finalised Matters	388,289		422,412	94.8%	8.8% positive variance to target	411,057	425,199	2.8%
8.1.1	District Court			322,791			308,958	320,728	4.5%
8.1.2	Regional Court			47,701			47,808	50,618	-0.2%
8.1.3	High Court (incl. SCA and CC)			3,296			3,044	2,949	8.3%
8.1.4	Civil	47,428		48,624		2.5% positive variance to target	51,247	50,904	-5.1%
8.2	Judicare – Finalised Matters			16,528	3.7%		15,468	13,300	6.9%
8.3	Co-operation Partners – Finalised Matters			5,530	1.2%		4,501	5,065	22.9%
8.4	Agency Agreements			1,140	0.3%		1,170	1,057	-2.6%
8.5	Impact Litigation			15	0.0%		14	9	7.1%
8.6	Pro Bono			47			62	7	-24.2%
				% in Actual Performance column represents split between criminal/civil					
9.1	<b>Criminal Total New Matters</b>			385,972	87%		388,692	394,172	-0.7%
9.2	<b>Civil Total New Matters</b>			58,990	13%		52,364	54,023	12.7%
9.3	<b>New Matter Differentiation (JC)</b>			421,431			413,790	421,527	1.8%
9.3.1	Criminal JC New Matters			369,352	88%		368,072	373,979	0.3%
9.3.2	Civil JC new matters	47,428		52,079	12%	9.8% positive variance to target	45,718	47,548	13.9%
				% in Actual Performance column represents split between criminal/civil					
9.4	<b>New Matter Differentiation (Judicare)</b>			16,786			21,301	20,674	-21.2%
9.4.1	Criminal Judicare New Matters			14,530	87%		18,600	18,075	-21.9%
9.4.2	Civil Judicare New Matters			2,256	13%		2,701	2,599	-16.5%



# PERFORMANCE INFORMATION

**Table 2: Corporate Dashboard (continued)**

NO.	INDICATOR	PERFORMANCE – 2016-2017					PERFORMANCE PRIOR YEARS		VARIANCE  FY 2016-2017 COMPARED TO FY 2015-2016
		ANNUAL TARGET		ACTUAL PERFORMANCE			2015-2016	2014-2015	
		NUMBER	%	NUMBER	%	VARIANCE AGAINST TARGET	NO. / %	NO. / %	
				% in Actual Performance column represents split between criminal/civil					
9.5	<b>New Matter Differentiation (Co-operation Agreements)</b>			5,534			4,647	4,777	19.1%
9.5.1	Criminal Co-operation Agreements New Matters			891	16%		719	913	23.9%
9.5.2	Civil Co-operation Agreements New Matters			4,643	84%		3,928	3,864	18.2%
				% in Actual Performance column represents split between criminal/civil					
9.6	<b>New Matter Differentiation (Agency Agreements)</b>			1,198			1,303	1,199	-8.1%
9.6.1	Criminal Agency Agreements New Matters			1,198	100%		1,299	1,199	-7.8%
9.6.2	Civil Agency Agreements New Matters			-	0%		4	-	-100.0%
				% in Actual Performance column represents split between criminal/civil					
9.7	<b>New Matter Differentiation (Impact Litigation)</b>			13			15	18	-13.3%
9.7.1	Criminal Impact Litigation New Matters			1	8%		2	6	-50.0%
9.7.2	Civil Impact Litigation New Matters			12	92%		13	12	-7.7%
				% in Actual Performance column represents split between criminal/civil					
9.8	<b>New Matter Differentiation (Pro Bono)</b>			473			247	156	91.5%
9.8.1	Criminal Pro Bono New Matters			265	56%		115	78	130.4%
9.8.2	Civil Pro Bono New Matters			208	44%		132	78	57.6%
10	<b>General Advice</b>	337,303		322,694		4.3% negative variance to target	308,563	321,241	4.6%
10.1	Justice Centres & Satellite Offices	259,247		253,681		2.1% negative variance to target	242,045	246,902	4.8%
10.2	Call Centre	45,030		41,777	13%	7.2% negative variance to target	35,944	42,886	16.2%
10.3	ATP – Paralegals	28,600		27,236	4.8%	4.8% negative variance to target	30,574	31,453	-10.9%

# PERFORMANCE INFORMATION

**Table 2: Corporate Dashboard (continued)**

NO.	INDICATOR	PERFORMANCE – 2016-2017					PERFORMANCE PRIOR YEARS		VARIANCE  FY 2016-2017 COMPARED TO FY 2015-2016
		ANNUAL TARGET		ACTUAL PERFORMANCE			2015-2016	2014-2015	
		NUMBER	%	NUMBER	%	VARIANCE AGAINST TARGET	NO. / %	NO. / %	
11	<b>Children Awaiting Trial (as per Department of Correctional Services monthly reports)</b>								
11.1	Pending (> 1 month in custody)			78			64	103	21.9%
				% in Actual Performance column represents split between criminal/civil					
12	<b>Children – Total Matters</b>			18,025			17,701	16,483	1.8%
12.1	Children – New Criminal Matters			11,378	63%		11,978	11,651	-5.0%
12.2	Children – New Civil Matters			6,647	37%		5,723	4,831	16.1%
13	<b>Pending Matters</b>								
13.1.1	Pending Matters – (JC)			164,813			171,165	174,725	-3.7%
13.1.2	Total Backlog Matters (JC)			25,367	15%		29,875	31,144	-15.1%
13.2.1	Pending DC – Total (JC)			83,656			92,729	87,760	-9.8%
13.2.2	DC Matters > 6 months		20%	6,605	8%	12% positive variance to target	9,155	7,262	-27.9%
13.3.1	Pending RC – Total (JC)			27,392			27,050	28,901	1.3%
13.3.2	RC Matters > 9 months		25%	7,664	28%	3% negative variance to target	8,326	8,081	-8.0%
13.4.1	Pending HC – Total (JC)			3,953			3,968	3,820	-0.4%
13.4.2	Pending HC (excl. appeal matters)			510			573	687	-11.0%
13.4.3	HC Matters >12 months (excl. appeal matters)		30%	112	22%	8% positive variance to target	192	241	-41.7%
13.5.1	Pending Civil – Total (JC)	47,428		49,812		11% negative variance to target	47,418	54,244	5.0%
13.5.2	Civil Matters >18 months		30%	10,986	22%	8% positive variance to target	12,202	15,560	-10.0%

# PERFORMANCE INFORMATION

**Table 2: Corporate Dashboard (continued)**

NO.	INDICATOR	PERFORMANCE – 2016-2017					PERFORMANCE PRIOR YEARS		VARIANCE  FY 2016-2017 COMPARED TO FY 2015-2016
		ANNUAL TARGET		ACTUAL PERFORMANCE			2015-2016	2014-2015	
		NUMBER	%	NUMBER	%	VARIANCE AGAINST TARGET	NO. / %	NO. / %	
14	<b>Legal Services Delivery – Quality Monitoring</b>								
14.1.1	CAs – IA (LQAU) File Audit Score		80%		86%	6% positive variance to target	86%	87%	0.0%
14.1.2	CAs – IA (LQAU) Court Observation Score		80%		89%	9% positive variance to target	90%	90%	-1.1%
14.2.1	LPs – IA (LQAU) File Audit Score		85%		90%	5% positive variance to target	90%	90%	0.3%
14.2.2	LPs – IA (LQAU) Court Observation Score		85%		93%	8% positive variance to target	93%	93%	0.0%
14.3.1	HCU LPs – IA (LQAU) File Audit Score		90%		93%	3% positive variance to target	93%	94%	-0.4%
14.3.2	HCU LPs – IA (LQAU) Court Observation Score		90%		96%	6% positive variance to target	95%	97%	1.1%
14.4.1	PA – Civil – IA (LQAU) File Audit Score		85%		92%	7% positive variance to target	91%	90%	1.1%
14.4.2	PA – Civil – IA (LQAU) Court Observation Score		85%		-	-	95%	-	
15	<b>Community Outreach Programmes</b>								
15.1	Prison Cells (total 245) Branding	245	100%	512	209%	Positive variance to target	395	382	29.6%
15.2	Police Cells (total 911) Branding	546	60%	1,300	238%	Positive variance to target	1,118	869	16.3%
15.3	Court (total 671) Branding	671	100%	1,067	159%	Positive variance to target	964	826	10.7%
15.4	Community Events at Government Key Points	260	100%	824	317%	Positive variance to target	802	594	2.7%

# PERFORMANCE INFORMATION

Table 2: Corporate Dashboard (continued)

NO.	INDICATOR	PERFORMANCE – 2016-2017					PERFORMANCE PRIOR YEARS		VARIANCE  FY 2016-2017 COMPARED TO FY 2015-2016	
		ANNUAL TARGET		ACTUAL PERFORMANCE			2015-2016	2014-2015		
		NUMBER	%	NUMBER	%	VARIANCE AGAINST TARGET	NO. / %	NO. / %		
FINANCIAL SUSTAINABILITY										6
16	Budget			1,830,537,692			1,751,687,424	1,638,622,972	4.5%	
16.1	MTEF Allocation			1,577,171,000			1,522,986,000	1,504,708,000	3.6%	
16.2	Expenditure (% of budget)		98%	1,809,439,652	99%	1% positive variance to target	1,728,523,001	1,596,124,628	4.7%	
16.3	Payments (%) Within 30 Days									
16.3.1	Judicare				91.8%	Below target	99.99%	99.9%	-8.2%	
16.3.2	Creditors				99.5%	On target	99.4%	99.1%	0.1%	
17	AFS Reporting Issues									
17.1	Fraud Detected/Reported			2			1	6	100.0%	
17.2	Unauthorised, Irregular, Fruitless, Wasteful Expenditure			62			61	39	1.6%	
17.3	Financial Misconduct			68			41	41	65.9%	
18	Supply Chain Management									
18.1	BAC Meetings	12 or as required		16		On track	13	10	23.1%	
18.2	Business Continuity/ Crisis Contingency Plan – Meetings	2		1			3	4	-66.7%	
19	Board									
19.1	Meetings	4		4		On track	4	4	0.0%	
19.2	Training	2		2		On track	1	2	100.0%	
19.3	Board Positions Filled	14		14		On target	20	16	-30.0%	
20	Auditor-General Report									
20.1	A-G Overall Report (2015-2016)	Unqualified		Unqualified		On target	Unqualified	Unqualified		
20.2	A-G Matters of Emphasis/ Mention (2015-2016)	0		-		On target	0			
21	Internal Audit Reports									
21.1	IA Coverage – Completed Reports	167	95%	167	100%	On target	150	164	11.3%	

# PERFORMANCE INFORMATION

Table 2: Corporate Dashboard (continued)

NO.	INDICATOR	PERFORMANCE – 2016-2017					PERFORMANCE PRIOR YEARS		VARIANCE  FY 2016-2017 COMPARED TO FY 2015-2016
		ANNUAL TARGET		ACTUAL PERFORMANCE			2015-2016	2014-2015	
		NUMBER	%	NUMBER	%	VARIANCE AGAINST TARGET	NO. / %	NO. / %	
BUSINESS PROCESSES2,210									
22	System Availability (%)		99%		99.6%	0.6% positive variance to target	99.3%	99.7%	0.2%
23	User Support (% calls within agreed time)		90%		91.4%	1.4% positive variance to target	92.5%	96.5%	-1.2%
23.1	IT Security – Viruses Blocked at Firewall		95%	1,981	100%	On target	100%	99%	0.0%
23.2	Business Intelligence – Available				100%	On target	100%	100%	0.0%
23.3	Disaster Recovery – Tested Successfully			Tested successfully			Completed	100%	
EMPLOYEE & ORGANISATIONAL CAPACITY									
24	Infrastructure								
24.1	Justice Centres	64		64		Maintained	64	64	0.0%
24.2	Satellite Offices	64		64		Maintained	64	64	0.0%
25	Legal Staffing (Only JCs)								
25.1	PAs (100% = 1112 PAs)		96%	1,057	95.1%	0.9% negative variance to target	1,042	957	1.4%
25.2	CAs (100% = 585 CAs)		96%	578	98.8%	2.8% positive variance to target	580	581	-0.3%
25.3	Legal Managers (100% = 344 posts)		96%	333	96.8%	0.8% positive variance to target	320	324	4.1%
25.4	Paralegals (100% = 173 posts)		96%	168	97.1%	1.1% positive variance to target	168	164	0.0%

# PERFORMANCE INFORMATION

**Table 2: Corporate Dashboard (continued)**

NO.	INDICATOR	PERFORMANCE – 2016-2017					PERFORMANCE PRIOR YEARS		VARIANCE  FY 2016-2017 COMPARED TO FY 2015-2016
		ANNUAL TARGET		ACTUAL PERFORMANCE			2015-2016	2014-2015	
		NUMBER	%	NUMBER	%	VARIANCE AGAINST TARGET	NO. / %	NO. / %	
26	<b>Staffing</b>								
26.1	Establishment (budgeted posts)			2,863			2,853	2,797	0.4%
26.2	Number of Staff (recruited)		96%	2,751	96.1%	0.1% negative variance to target	2,722	2,619	1.1%
26.3	Number of Legal Staff (incl. paralegals) (budgeted)			2,275			2,265	2,210	0.4%
26.4	Number of Legal Staff (incl. paralegals) as % of Total Staff (recruited)			2,186	79.5%		2,160	2,071	1.2%
26.5	Turnover (excl. CAs & temporary/contract staff)				5.54%				
27	<b>Employee Relations</b>								
27.1	Grievances	51	2% of total staff	22	0.80%	Fewer grievances than target	22	20	0.0%
27.2	Disciplinary Hearings	64	2.5% of total staff	33	1.20%	Fewer disciplinary hearings than target	16	25	106.3%
27.3	Disciplinary Matters	64	2.5% of total staff	41	1.49%	Fewer disciplinary matters than target	42	35	-2.4%
27.4	New Labour Disputes	26	1% of total staff	12	0.44%	On track	8	21	50.0%
28	<b>Staff Training</b>								
28.1	Legal Development (training hours)	hours							
28.1.1	Legal Staff (15 hours per legal staff – excl. CAs)	20,924		13,200	63%	Lower than target	20,923	11,308	-36.9%
28.1.2	Paralegals (10 hours per paralegal)	1,661		2,330		Higher than target	7,066		-67.0%
29	<b>Legal Staff (JC training hours)</b>								
29.1	CA (36 hours per CA)	19,920		26,263	132%	Higher than target	26,475	41,619	-0.8%
29.2	PA (subject to needs profile)	16,556		28,917	175%	Higher than target	24,584	20,694	17.6%

# PERFORMANCE INFORMATION

**Table 2: Corporate Dashboard (continued)**

NO.	INDICATOR	PERFORMANCE – 2016-2017					PERFORMANCE PRIOR YEARS		VARIANCE  FY 2016-2017 COMPARED TO FY 2015-2016
		ANNUAL TARGET		ACTUAL PERFORMANCE			2015-2016	2014-2015	
		NUMBER	%	NUMBER	%	VARIANCE AGAINST TARGET	NO. / %	NO. / %	
30	<b>Health &amp; Safety</b>								
30.1	Injury on Duty	26	1% of total staff	16	0.6%	Better than target	17	19	-5.9%
30.2	HIV/AIDS – Voluntary Counselling and Testing (% staff tested)		30%	40%			36%	37%	
31	<b>Employment Equity</b>								
31.1	Overall Total Staff (includes contract and temporary staff)			2,827					
31.1.1	Blacks		91%	2,518	89.1%	1.9% negative variance to target	88.4%	87.7%	0.8%
31.1.2	Africans		77%	2,047	72.4%	4.6% negative variance to target	71.4%	69.6%	1.4%
31.1.3	Women		45%	1,497	53.0%	8.5% positive variance to target	52.1%	51.2%	1.6%
31.1.4	People with Disabilities		2%	48	1.7%	0.3% negative variance to target	1.7%	1.7%	0.6%
31.2	Senior Management								
31.2.1	Blacks		91%	93	80.9%	10.1% negative variance to target	81.3%	80.0%	-0.5%
31.2.2	Africans		77%	71	61.7%	15.3% negative variance to target	61.6%	58.2%	0.2%
31.2.3	Women		45%	46	40.0%	5% negative variance to target	37.5%	36.4%	6.7%

# PERFORMANCE INFORMATION

Table 3: Corporate Dashboard Provincial Split

NO.	INDICATOR	PERFORMANCE – 2016-2017											
		ANNUAL TARGET	EASTERN CAPE	FREE STATE	GAUTENG	KWAZULU -NATAL	LIMPOPO	MPUMA-LANGA	NORTH WEST	NORTH-ERN CAPE	WESTERN CAPE	FULL YEAR	
			NUMBER	NUMBER	NUMBER	NUMBER	NUMBER	NUMBER	NUMBER	NUMBER	NUMBER	NUMBER	
JC PERFORMANCE MONITOR													
1	JCPM National Average		90%	98%	99%	97%	96%	97%	96%	97%	98%		
CLIENT COMMUNITY													
2	New Legal Delivery Matters/ Instructions (i.e. number of instructions to legal practitioners)			62,582	33,105	79,759	75,419	20,358	28,761	28,512	20,197	96,269	444,962
2.1.1	Justice Centres – Total New Matters	382,726		59,765	30,702	74,952	71,759	19,856	28,072	26,979	18,909	90,437	421,431
2.1.2	District Court			43,801	21,826	51,251	54,572	14,754	20,941	18,614	15,350	74,209	315,318
2.1.3	Regional Court			6,686	3,486	12,660	7,785	1,720	3,308	4,457	1,766	8,570	50,438
2.1.4	High Court (incl. SCA and CC)			582	238	1,046	702	266	237	151	81	293	3,596
2.1.5	Civil			8,696	5,152	9,995	8,700	3,116	3,586	3,757	1,712	7,365	52,079
2.2	Judicare – Total New Matters			2,034	1,907	3,266	3,433	385	465	1,429	980	2,887	16,786
2.3	Co-operation Partners – Total New Matters			777	-	1,538	225	-	223	104	-	2,667	5,534
2.4	Agency Agreements – Total New Matters			-	496	-	-	116	-	-	308	278	1,198
2.5	Impact Litigation			6	-	3	2	1	1	-	-	-	13
2.6	Pro Bono			83	80	120	61	37	22	24	8	38	473
2.7	Justice Centres – New Criminal Matters			51,069	25,550	64,957	63,059	16,740	24,486	23,222	17,197	83,072	369,352
2.8	Judicare – New Criminal Matters			1,725	1,210	2,654	3,165	297	412	1,230	980	2,857	14,530



**Table 3: Corporate Dashboard Provincial Split (continued)**

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# PERFORMANCE INFORMATION

Table 3: Corporate Dashboard Provincial Split (continued)

NO.	INDICATOR	PERFORMANCE – 2016-2017											
		ANNUAL TARGET		EASTERN CAPE		FREE STATE		GAUTENG		KWAZULU -NATAL		LIMPOPO	
		NUMBER	%	NUMBER	NUMBER	NUMBER	NUMBER	NUMBER	NUMBER	NUMBER	NUMBER	NUMBER	NUMBER
3.2	Judicare – Finalised Matters			1,989		1,659		3,107		3,610		423	
3.3	Co-operation Partners – Finalised Matters			896				1,357		189			
3.4	Agency Agreements					450						60	
3.5	Impact Litigation			4		-		2		1		1	
3.6	Pro Bono			14		8		3		4		6	
4.1	Criminal New Matters			52,801		27,256		67,612		66,225		17,153	
4.2	Civil New Matters			9,781		5,849		12,147		9,194		3,205	
5	Children – Total Matters			2,537		1,714		3,116		2,618		382	
5.1	Children – New Criminal Matters			1,370		848		1,363		1,533		291	
5.2	Children – New Civil Matters			1,167		866		1,753		1,085		91	
6	Pending Matters												
6.1	Pending Matters – JC			24,895		12,830		27,240		25,862		8,357	
EMPLOYEE & ORGANISATIONAL CAPACITY													
7	Infrastructure												
7.1	Justice Centres	64		10		6		10		10		5	
7.2	Satellite Offices	64		11		3		4		11		7	
7.3	National Footprint Expansion – New JCs			-		-		-		-		-	

# PERFORMANCE INFORMATION

Table 3: Corporate Dashboard Provincial Split (continued)

NO.	INDICATOR	PERFORMANCE – 2016-2017													
		ANNUAL TARGET		EASTERN CAPE	FREE STATE	GAUTENG	KWAZULU -NATAL	LIMPOPO	MPUMA-LANGA	NORTH WEST	NORTH-ERN CAPE	WESTERN CAPE	FULL YEAR		
		NUMBER	%	NUMBER	NUMBER	NUMBER	NUMBER	NUMBER	NUMBER	NUMBER	NUMBER	NUMBER	NUMBER		
7.4	National Footprint Expansion – New SOs			-	-	-	-	-	-	-	-	-	-		
8	Legal Staffing (only JCs, excl. National Office)														
8.1	PAs (100% = 1,108 PAs)		96%	189	80	185	181	70	79	70	40	163	1,057		
8.2	CAs (100% = 584 CAs)		96%	81	42	121	109	36	35	49	18	87	578		
8.3	Legal Managers (100% = 340 posts)		96%	55	29	58	49	24	23	27	18	50	333		
9	Staffing (only JCs, excl. National Office)														
9.1	Establishment (budgeted posts)	2,655		428	214	495	447	175	189	197	111	399	2,655		
9.2	Number of Staff (recruited)	2,560	96%	425	207	468	429	178	175	190	103	385	2,560		
10	Budget per Province (total excl. the National Office)			240,589,302	122,203,695	290,415,114	245,495,487	104,026,414	85,474,009	101,474,549	77,825,608	209,722,469	1,477,226,647		

# PERFORMANCE INFORMATION

**Table 4: Annual Performance Report**

CLIENT, COMMUNITY, STAKEHOLDER AND SHAREHOLDER PROGRAMMES PER STRATEGY						
	PROJECTS		KPI/ MEASURES	OUTPUTS	DELIVERY	REASON FOR VARIANCE
	PROJECT	PROJECT DESCRIPTION				
O1	Empowered clients and communities making informed choices about their legal rights and responsibilities					
S1	Delivering quality client-focused legal aid in criminal matters, particularly for the poor and vulnerable groups					
	P1	To deliver quality criminal legal aid services that are client-focused				
	P1-1	Access to criminal legal aid services	Coverage targets: average DC coverage: ≥83% average RC coverage: ≥93% HC coverage: all legal aid matters covered	Legal aid provided to qualifying accused persons	JC court coverage plans are reviewed biannually to ensure coverage of all criminal courts.  We had 87% coverage of DCs as at the end of the FY. A practitioner per court model was used at DCs.	
					A practitioner per court model was used at RCs. Our RC coverage at the end of FY 2016-2017 was 97%.	
					A central court roll model was in place for HC coverage and representation was provided in all matters that required legal aid.  The percentage of HC court days covered by HC practitioners was planned at 74% for the FY.	
					Legal Aid SA, through our various delivery models, took on 444,962 new matters for the financial year. Of these, 58,990 (13%) were civil matters and 385,972 (87%) were criminal matters. Of the 385,972 new criminal matters, 322,859 (84%) were DC matters, 58,456 (15%) were RC matters and 4,657 (1%) were HC matters.	
					445,625 matters were finalised in this financial year. Of these, 55,140 (12%) were civil matters and 390,485 (88%) were criminal matters.  Of the 390,485 finalised criminal matters, 330,767 (85%) were DC matters; 54,835 (14%) were RC matters and 4,883 (1%) were HC matters.	

# PERFORMANCE INFORMATION

**Table 4: Annual Performance Report (continued)**

CLIENT, COMMUNITY, STAKEHOLDER AND SHAREHOLDER PROGRAMMES PER STRATEGY						
	PROJECTS		KPI/ MEASURES	OUTPUTS	DELIVERY	REASON FOR VARIANCE
	PROJECT	PROJECT DESCRIPTION				
O2	All poor and vulnerable persons able to access quality legal services to protect and defend their rights					
S2	Delivering quality client-focused legal aid, including to poor and vulnerable groups, in civil matters with a priority focus on constitutional rights					
	P2	Deliver quality civil legal aid services that are client-focused, with a priority focus on constitutional rights				
	P2-1	Access to civil legal aid litigation services	Civil legal aid delivery: I. JC: ≥90% of civil practitioner target calculated at 95% recruitment II. Judicare: ≥4% of JC civil matters III. Co-op: Based on budget allocation (based on cost/ case being lower than Judicare cost/ case for civil matters – unless otherwise agreed)	Civil clients assisted within available capacity	A total of 58,990 new civil matters were taken on from a total of 444,962 new matters for the financial year. This is a 12.7% increase in new matters from the previous financial year.  The number of new civil matters allocated to Judicare was 2,256 (4.3%) which meets the target (4%) of total JC civil matters.  Co-operation partners took on 4,643 civil matters in the 2016-2017 FY which is an 18.2% increase from the previous financial year. This aligns to the budget allocated to co-operation partners for the financial year.	Increased funding was allocated to co-operation partners in order to ensure greater access to justice which aligns with the increase in new matters intake.  Increased recruitment levels resulted in an increase in the new matters intake internally.
					A total of 55,140 civil matters were finalised during the 2016-2017 FY which is 12% of the total of 445,625 finalised matters for the financial year.  The new intake exceeded the finalisation rate and we took on 3,850 more new matters than what we finalised. The 2016-2017 FY finalised matters are 2.7% (1,542) lower than the previous financial year.	In the 2016-2017 FY civil litigation was affected by the implementation of the National Treasury Centralised Supplier Database (NT CSD) in that challenges were experienced with sheriffs that were not registered on the NT CSD. The impact was that civil litigation matters were delayed as process and court documents could not be served. Legal Aid SA has implemented contingency procedures to ensure that service to clients is not affected unreasonably.
S3	Delivering quality client-focused legal advice services					
	P3	To deliver (increase access to) quality legal advice services that are client-focused				
	P3-1	Legal advice services	General advice service available at all Legal Aid SA offices  Growth in legal advice matters: 0% (target set at 0% because of no increase in capacity) (subject to demand and available capacity)	General advice service provided at all offices	The total number of consultations for general advice in the 2016-2017 FY was 322,694. This is an increase of 4.5% (14,028) from the previous financial year.  JCs and SOs had a total of 253,681 general advice consultations; an increase of 4.8% (11,636) from the previous financial year.  The Legal Aid Advice Line attended to 41,777 new advice calls which is an increase of 16.2% (5,833) from the previous financial year.	General advice services are demand-based and no clients are turned away.  Advertising campaigns on television, radio, matchboxes and social media increased awareness of both Legal Aid SA and the Legal Aid Advice Line which resulted in an increased number of clients calling the Legal Aid Advice Line and seeking legal advice at our JCs and SOs.

# PERFORMANCE INFORMATION

**Table 4: Annual Performance Report (continued)**

CLIENT, COMMUNITY, STAKEHOLDER AND SHAREHOLDER PROGRAMMES PER STRATEGY						
	PROJECTS		KPI/ MEASURES	OUTPUTS	DELIVERY	REASON FOR VARIANCE
	PROJECT	PROJECT DESCRIPTION				
S4	Delivering client-focused impact legal aid services, delivering access to justice for poor and vulnerable groups particularly in social justice matters					
	P4	To give content to the Constitution through impact litigation – which is able to address constitutional rights and socio-economic rights and develop jurisprudence on social justice matters				
	P4-1	Impact litigation addressing social justice	Impact matters as approved by the CCMC within budget  ≥90% success	Legal representation provided in impact matters	In the 2016-2017 FY, a total of 41 impact matters were assessed and 13 new matters were approved by the CCMC, within budget, for litigation/funding.  During the FY, 15 matters were finalised and there was a 93% success rate in the impact matter outcomes (13 of 14 impact matters).	The CCMC assesses the merits of all cases for funding to ensure that a high success rate is maintained although success cannot be guaranteed. For the 2016-2017 FY only one matter was unsuccessful and we had to withdraw from one matter due to lack of instructions from the client.
O3	An accessible, fair, efficient, independent and effective justice system serving all in South Africa, contributing to building safer communities					
S5	Contributing to the effective functioning of the justice and legal sector to assist in building safer communities					
	P5	To participate in, contribute to and influence structures aimed at improving the functioning of courts and justice system				
	P5-1	Participate in national and provincial efficiency enhancement structures	Participation in efficiency enhancement structures, including NEEC, PEEC, Dev Comm and local Case Flow Meetings, as per meeting schedules	Participation in national and provincial efficiency enhancement structures	Legal Aid SA attends all NEEC, PEEC and Dev Comm meetings that are arranged in order to advance the interests of Legal Aid SA, as well as contribute to the efficient operation of the justice system as a whole.  Legal Aid SA attended the following meetings as at the end of the FY: NEEC meetings – 2; PEEC meetings – 30; Dev Comm meetings – 15.	
O4	Delivering on our constitutional and statutory mandate in an independent, accountable and sustainable manner					
S6	Accounting to the DoJ&CD and Parliament on delivery of mandate, governance and sustainability					
	P6	To account and provide assurance to the DoJ&CD and Parliament on performance and governance				
	P6-1	Reporting and accountability to the EA	Accurate reports submitted timeously to the EA  4 quarterly performance reports; 1 annual report	4 quarterly performance reports; 1 annual report	During the FY 2016-2017: I. Four quarterly reports were submitted to the EA. II. The Legal Aid SA Integrated Annual Report 2015-2016 was submitted to Parliament, the EA, NT and A-G by 31 August 2017.	
FINANCE AND SUSTAINABILITY PROGRAMMES PER STRATEGY						
O5	An organisation embedding sustainable practice in every segment of the organisation, to positively impact on society, the economy and the environment					
S7	Increasing financial sustainability					
	P7	To improve financial planning (budgeting)				
	P7-1	Financial planning	Balanced budget (as per government grant allocation)	Approved balanced MTEF and budget	MTEF, which is balanced to the allocation and aligned to the Strategic Plan, was approved by the Board at its July 2016 meeting.  The Budget 2017-2018 was approved by the Board at its November 2016 meeting.	



# PERFORMANCE INFORMATION

**Table 4: Annual Performance Report (continued)**

FINANCE AND SUSTAINABILITY PROGRAMMES PER STRATEGY						
	PROJECTS		KPI/ MEASURES	OUTPUTS	DELIVERY	REASON FOR VARIANCE
	PROJECT	PROJECT DESCRIPTION				
	P8	Ensure strong and best practice financial reporting to ensure unqualified audit and optimum financial maturity				
	P8-1	Financial reporting	Financial reporting within a financial year compliant with relevant standards and regulations resulting in optimum financial maturity	Annual and mid-year financial statements	Prepared Annual Financial Statements for year ended 31 March 2016 which are compliant with relevant standards and regulations and were approved by the Board in May 2016 and July 2016 and submitted to NT and the A-G timeously.  Unqualified Audit Report with no matters of emphasis were expressed by the A-G indicating optimum financial maturity.	
O6	Embedding good governance, high ethical standards and integrity, high performance and accountability					
S8	Maintaining and enhancing good governance					
	P9	To ensure best governance practices (PFMA compliance, King III guidelines and other relevant statutory requirements)				
	P9-1	Compliance with statutory requirements	100% compliance with statutory requirements, including the Legal Aid SA Act and PFMA	Monthly statutory compliance reports	Legal Aid SA was in compliance with the 94 pieces of legislation that comprises the legislative universe and materially compliant, but not fully compliant with the Legal Aid SA Act, Preferential Procurement Policy Framework Act (PPPFA) and the PFMA.  Year-to-date there were 57 incidents of non-compliance with the PFMA and PPPFA of which 49 were classified as financial misconduct.	All incidents of non-compliance with the PPPFA and the PFMA relate to the conduct of individual employees and suppliers of Legal Aid SA.
	P10	Independent monitoring and oversight unit providing combined assurance Audit Coverage Plan informed by Combined Assurance Model, Enterprise Risk Management Plan and Internal Control Framework, developed and implemented by IAD				
	P10-1	Risk-based Audit Coverage Plan	≥95% of Audit Coverage Plan delivered	One annual Audit Coverage Plan; one revised, mid-year Audit Coverage Plan; Audit Reports issued as per the Audit Coverage Plan	167 audit projects were conducted and completed by the end of Q4 2016-2017 out of a revised mid-year annual target of 167 planned audit projects, resulting in 100% completion of the Annual Coverage Plan.  The 167 projects were made up of 116 compliance audits, 32 forensic audits and 19 computer audits.  21 additional projects to the approved plan were completed.  A total of 188 projects with overall coverage of 113% was achieved.	Internal Audit received more requests for tenders and ad hoc reviews from management than anticipated. Management requested 46 tenders and 7 ad hoc reviews during the financial year as opposed to 30 and 3 planned reviews respectively.  Efficiencies realised during the audit process made it possible to meet and exceed the target of 95% by 18%.

# PERFORMANCE INFORMATION

**Table 4: Annual Performance Report (continued)**

FINANCE AND SUSTAINABILITY PROGRAMMES PER STRATEGY						
	PROJECTS		KPI/ MEASURES	OUTPUTS	DELIVERY	REASON FOR VARIANCE
	PROJECT	PROJECT DESCRIPTION				
	P11	An effective and strategic Board providing leadership and oversight of delivery on performance				
	P11-1	An effective, functional Board	Properly constituted transitional Board/new Board (in terms of the Legal Aid SA Act) and Board Committees skilled to function effectively	Board meetings as per schedule; governance instruments approved by the Board	As at the end of the FY 2016-2017, the Board of Legal Aid SA was fully constituted.  Board Committees were in existence and functioned effectively.  An effective and strategic Board provided leadership and oversight of delivery on performance of Legal Aid SA.	
INTERNAL BUSINESS PROCESSES PROGRAMMES PER STRATEGY						
O7	Revised Legal Aid SA Act and its subsidiary legislation enacted and implemented					
S9	Maintaining a regulatory framework incorporating best practices aligned to constitutional values					
	P12	Ensure the promulgation and implementation of the rewritten Legal Aid SA Act and the gazetting/implementation of the policy regulations and procedures handbook				
	P12-1	Legal Aid SA Act	Legal Aid SA Act promulgated and transitional provisions operationalised; amendments to Legal Aid SA Act (2014) drafted, if required, in co-operation with the DoJ for consideration by Parliament	Take necessary steps to ensure that the new Legal Aid SA Act is promulgated and operationalised; also ensure updating of Act where required	The initial amendments have been incorporated into the Judicial Matters Amendment Bill 2016 which has been introduced to Parliament by the Minister.  The additional amendments will be promoted by the DoJ&CD in the second Judicial Matters Amendment Bill in 2017.	
	P12-2	Legal Aid Regulations (Policy)	Draft Legal Aid Regulations containing policy on legal aid, prepared in conjunction with the DoJ for consideration by the Board; Board to submit comments on the first draft Legal Aid Regulations, drafted by the DoJ, by end July 2016; thereafter the Board to recommend amendments to the Regulations as and when required	Take necessary steps to ensure that the new Legal Aid Regulations in terms of the Act are promulgated and operationalised; also ensure updating of Regulations where required	The Regulations were submitted to the Minister in March 2017 for tabling in Parliament.	The Regulations are behind schedule and it is anticipated that the Regulations will not be operational by 1 March 2017. This was due to the initial Socioeconomic Impact Assessment Study that was added as a new requirement to the legislative process.

# PERFORMANCE INFORMATION

**Table 4: Annual Performance Report (continued)**

INTERNAL BUSINESS PROCESSES PROGRAMMES PER STRATEGY						
	PROJECTS		KPI/ MEASURES	OUTPUTS	DELIVERY	REASON FOR VARIANCE
	PROJECT	PROJECT DESCRIPTION				
	P12-3	Legal Aid Manual (Procedures)	Draft Legal Aid Manual setting out legal aid procedures and systems prepared for consideration by the Board; Legal Aid Manual approved by the Board and submitted 18 months after the Act comes into operation (1 September 2016) to the Minister for tabling in Parliament and simultaneous gazetting, as and when amendments are required	Take necessary steps to ensure that the new Legal Aid Manual is promulgated and operationalised; also ensure updating of Manual where required	The draft Manual has been submitted to the Minister for tabling in Parliament.	The Legal Aid Manual can only be implemented simultaneously with the Legal Aid Regulations and will consequently not be brought into operation on 1 March 2017.
<b>O8</b>	An effective, efficient, economic and environmentally responsive supply chain management system supporting client services delivery and internal business processes					
<b>S10</b>	Sustain strong financial management, supply chain and asset management practices					
	<b>P13</b>	To maintain a strong supply chain management framework and practices				
	P13-1	Supply Chain Management	100% compliance with PPPFA, PFMA and relevant NT regulations when acquiring goods and services	Quarterly reports on acquisition of goods/services in excess of R0,5 m indicating compliance with PPPFA, PFMA and relevant NT regulations	There was material compliance with PPPFA, PFMA and relevant NT regulations when acquiring goods and services. Although immaterial amounts of fruitless and wasteful expenditure were incurred, this is still an area of concern.	Irregular expenditure was incurred mainly on office leases where alternative office accommodation could not be sought from Tax Clearance Certificate/Central Supplier Database compliant landlords.  Fruitless and wasteful expenditure was recovered from responsible employees.
EMPLOYEE AND ORGANISATIONAL CAPACITY AND INNOVATION AND LEARNING PROGRAMMES PER STRATEGY						
<b>O9</b>	An appropriately resourced national footprint reaching the poor and vulnerable persons requiring legal assistance					
<b>S11</b>	Expanding and capacitating the national footprint to increase points of access to legal aid services, especially in rural and remote areas (including the use of technology as well as other low-cost service alternatives)					
	<b>P14</b>	Appropriately staff all service delivery points				
	P14-1	Review and develop staffing plans to meet operational requirements for legal and support positions	Recruitment at ≥94% (due to recruitment budgeted at 96% based on available budget)	Recruitment statistics at ≥94%	The recruitment rate for 2016-2017 was recorded at 96.1% with the turnover excluding CAs reported at 5.54%.	A positive variance of 2.1% was achieved over our target of ≥94%. This is attributed to Legal Aid SA's EVP strength in attracting high calibre, talented staff.

# PERFORMANCE INFORMATION

**Table 4: Annual Performance Report (continued)**

EMPLOYEE AND ORGANISATIONAL CAPACITY AND INNOVATION AND LEARNING PROGRAMMES PER STRATEGY						
	PROJECTS		KPI/ MEASURES	OUTPUTS	DELIVERY	REASON FOR VARIANCE
	PROJECT	PROJECT DESCRIPTION				
O10	Competent, dedicated, motivated and empowered employees, capacitated to deliver the organisation's constitutional mandate and organisational strategies					
S12	Developing and expanding the quality and expertise for each segment of the national footprint					
	P15	To strengthen and improve organisational competences and expertise required for delivery of quality outcomes				
	P15-1	Skills development	Submission of the WSP and ATR in compliance with the Skills Development Act	ATP and ATR submitted to SASSETA in compliance with the Skills Development Act	WSP 2016-2017 and ATR 2015-2016 were submitted to SASSETA in compliance with the Skills Development Act on 13 April 2016.	<p>WSP and ATR submitted on time.</p> <p>Staff training:</p> <p>In terms of non-legal support training we have achieved a positive variance of 25.1% over our target of 13,651 hours and a positive variance of 98.5% over target of 1,987 for managers. This is mainly due to our heightened focus on building a leadership pipeline and functional competencies stretching our organisational capabilities.</p> <p>The legal training negative variance of 30% is due to trial advocacy, a core training that could not be rolled out due to the inability to source an expert. Requests for proposals were sent to numerous service providers but a suitable provider could not be found as they were either experts in civil matters or they did not have the required expertise to train on trial advocacy. It was decided that we make use of our internal experts to train from the 2017-2018 FY to address this challenge.</p> <p>We were unable to roll out cybercrime training due to procurement processes and requirements from NT which caused significant delays. Uncertainties in procuring the training added to the delay and the funds for the training have been included in a request for funds to be rolled over to the 2017-2018 financial year.</p>

# PERFORMANCE INFORMATION

**Table 4: Annual Performance Report (continued)**

EMPLOYEE AND ORGANISATIONAL CAPACITY AND INNOVATION AND LEARNING PROGRAMMES PER STRATEGY						
	PROJECTS		KPI/ MEASURES	OUTPUTS	DELIVERY	REASON FOR VARIANCE
	PROJECT	PROJECT DESCRIPTION				
	P15-2	Employment equity	EE Plan 2015 approved by the Board and submitted to the Department of Labour; EE Audit and EE Plan in 2020	Diverse workforce in line with annual targets to achieve employment equity goals; EE Plan and Reports	<p>Legal Aid SA is currently in year two Q4 of the approved five-year EE Plan 2015-2020. EE is monitored and reported on a quarterly basis.</p> <p>Overall, African men, Coloured men and people challenged with disabilities are the most under-represented groups.</p> <p>African females in the senior, top management and professional level remains a challenge.</p> <p>The disability recruitment level moved negatively from 1.78% to 1.70% of the target of 2%.</p>	<p>Our disability recruitment: negative variance of 0.3% is due to Candidate Attorney's completion of employment tenure. However on a year-to-year basis compared to country disability statistics Legal Aid SA is amongst the leaders in this space.</p> <p>Overall, African men and Coloured men are still the most under-represented group in terms of our five-year EE plan however when compared to country EE statistics we indicated a positive movement in meeting out targets.</p>
<b>O11</b>	<b>A modern and appropriate, integrated, secure and cost-effective IT platform supporting the provision of client services and linkages and enabling internal business needs</b>					
<b>S13</b>	<b>Building and maintaining an integrated and service-oriented, cutting-edge Information Technology system</b>					
	<b>P16</b>	<b>Maintain a modern IT platform (including hardware, software, middleware and IT network infrastructure)</b>				
	P16-1	IT network	Stable and reliable WAN VPN connected to all sites and available 95% of the time	Provide effective throughput of reliable data across accessible IT systems	YTD average WAN availability was 96.9% which is 1.9% above the target of 95%.	<p>Bandwidth was doubled on 74% (102/137) of sites as at the end of Q4 2016-2017. Telkom does not have capacity to upgrade on 28 sites.</p> <p>Information Systems is to provide costing for the alternative medium e.g. replace Telkom Diginet Line with Wi-Band.</p>
	P16-2	IT hardware	IT hardware capacity aligned to business needs and available 99% of the time	Hardware available to support, maintain and sustain business needs	Average server availability was 99%.	99% of servers have been virtualised excluding the Ad Inifinitum Application server that does not perform well in the virtual environment due to an outdated platform.
	P16-3	IT software and applications	IT software and applications fully integrated and available 99% of the time	Updated, reliable and dependable IT software and applications responsive to business needs	Average system availability was 97.8% in FY 2016-2017.	<p>Servers are virtualised and stable.</p> <p>Intrusion detection system is up to date.</p> <p>Helpdesk system was replaced by Service Desk management system.</p> <p>Eleven enhancements implemented on Ad Inifinitum.</p> <p>Central Supplier Database integrated with Ad Inifinitum.</p> <p>Nine system digitisation enhancements implemented.</p> <p>SYSPRO system upgraded from version 6.1 to version 7.0.</p>

# PERFORMANCE INFORMATION

## 5. SUMMARY OF FINANCIAL INFORMATION

**Table 5: Summary of Financial Information**

### REVENUE COLLECTIONS

Sources of revenue	2016-2017			2015-2016		
	Estimate	Actual amount collected	Over/(under) collection	Estimate	Actual amount collected	Over/(under) collection
Grant	1,577,171,000	1,577,171,000	-	1,522,986,000	1,522,986,000	-
Grant for furniture	-	-	-	-	549,412	549,412
Sponsorship for conference	-	30,000	30,000	-	-	-
Interest	21,500,000	27,978,104	6,478,104	19,600,000	29,303,057	9,703,057
Commission and legal fees received/recovered	-	366,349	366,349	-	415,357	415,357
Profit on disposal of assets	-	-	-	-	1,212,803	1,212,803
Sundry income	-	934,197	934,197	-	1,767,199	1,767,199
	<b>1,598,671,000</b>	<b>1,606,479,650</b>	<b>7,808,650</b>	<b>1,542,586,000</b>	<b>1,556,233,828</b>	<b>13,647,828</b>

**Note:**

1. The R6,4 million under Interest is additional interest received from the Reserve Bank – Corporation for Public Deposits (CPD) on funds invested with them. This is due to higher interest rates received from CPD which were higher than estimates thereof.
2. The R934,000 surplus which is included in the Sundry income is mostly recoveries from other operations.

# PERFORMANCE INFORMATION

**Table 5: Summary of Financial Information (continued)**

## PROGRAMME EXPENDITURE

The Budget is in terms of the cash basis while the expenditure is on the accrual basis.

Programme name	2016-2017			2015-2016		
	Budget	Actual expenditure	(Over)/under expenditure	Budget	Actual expenditure	(Over)/under expenditure
Client, Community, Stakeholders and Shareholders	1,285,957,091	1,219,827,160	66,129,931	1,241,897,625	1,201,575,915	40,321,710
Finance and Sustainability	25,430,747	25,430,747	-	26,456,925	26,456,925	-
Business Processes (Internal)	14,905,561	14,905,561	-	14,036,166	14,036,166	-
Employee and Organisational Capacity and Innovation and Learning	504,244,293	474,449,713	29,794,580	448,941,539	403,966,868	44,974,671
	<b>1,830,537,692</b>	<b>1,734,613,181</b>	<b>95,924,511</b>	<b>1,731,332,255</b>	<b>1,646,035,874</b>	<b>85,296,381</b>
Judicare commitments	64,726,996	64,726,996	-	85,105,252	85,105,252	-
	<b>1,895,264,688</b>	<b>1,799,340,177</b>	<b>95,924,511</b>	<b>1,816,437,507</b>	<b>1,731,141,126</b>	<b>85,296,381</b>

**Note:**

The R95,9 million underexpenditure is due to commitments of R38,9 million for which rollover has been requested; surplus of R7,8 million comprising of R6,5 million due to over recovery on interest received from the CPD and R1,3 million from sundry income; R24,5 million for procured buildings and computer software licences that have not yet been registered (these funds have been moved to prepayment), and savings from operations of R16,9 million.



# PERFORMANCE INFORMATION

**Table 5: Summary of Financial Information (continued)**

## CAPITAL INVESTMENT, MAINTENANCE AND ASSET MANAGEMENT PLAN

Infrastructure projects/ capital assets	2016-2017			2015-2016		
	Budget	Actual expenditure	(Over)/under expenditure	Budget	Actual expenditure	(Over)/under expenditure
Building improvements	153,098	153,098	-	1,234,173	1,190,174	43,999
Computer hardware	9,871,073	8,476,613	1,394,460	25,522,051	23,872,824	1,649,227
Computer software	14,735,265	5,620,314	9,114,951	18,378,720	2,096,847	16,281,873
Furniture and equipment	1,373,726	1,373,726	-	2,739,041	2,739,041	-
Leasehold improvements	6,388,324	2,799,588	3,588,737	5,066,341	4,572,619	493,722
Motor vehicles	8,433,407	10,006,299	(1,572,892)	13,226,874	13,226,874	-
Land and buildings	43,017,201	11,415,289	31,601,912	43,218,798	-	43,218,798
	<b>83,972,094</b>	<b>39,844,926</b>	<b>44,127,168</b>	<b>109,385,998</b>	<b>47,698,379</b>	<b>61,687,619</b>

**Note:**

1. The underexpenditure in computer hardware and computer software is due to commitments relating to procurement of computers and eLAA systems development projects but not finalised and/or not delivered at year end. The amounts have been requested for rollover.
2. The underexpenditure on leasehold improvements is due to newly acquired buildings that have not yet been registered and the refurbishments which could not be finalised by the end of the financial year. These funds have therefore been requested for rollover.
3. The underexpenditure on land and buildings is due to lengthy and complex procurement processes which could not be finalised at year end. The payment for the buildings has been done, however the registration process has not been finalised and therefore the expenditure has been moved to prepayment. The remaining funds have been requested for rollover in order to finalise the procurement of two buildings.
4. The overexpenditure on motor vehicles is as a result of insurance replacement vehicles that are not provided for during the budgeting process. A journal entry is processed as a credit from insurance proceeds in the line item that allows the procurement of vehicles without the actual budget on the line item; this creates a variance between the budget and actual expenditure as the expenditure will always exceed the budget available.

### ***Legal Aid SA funds precedent-setting matters that promote the rights of communities in impact litigation matters***

As a result of the historical discrimination on so many levels in South Africa, Legal Aid SA specifically assists clients in the Equality Courts in order to ensure that the right to be treated equally is protected. A student nurse at Sakhisizwe Nursing School was enrolled to perform practical training at the Dundee Provincial Hospital. She belongs to the Muslim faith and in terms of her religion, is expected to cover her hair in public by way of a head scarf (hijab). The Hospital Management refused to allow her to wear the hijab on the basis that it is against hospital policy. The policy states that nurses' heads cannot be covered and nurses may not wear anything other than a nurse's cap on their heads. The objective of the policy is to prevent cross infection, protect the public, protect the image of nursing and maintain the dignity of the nursing profession. The Hospital Management applied to the client's nursing school for the latter to find alternative placement for her on the basis that she is acting contrary to hospital policy. In the interim, she was directed by management not to wear her hijab. Our client refused to adhere to the directives; continued to wear her hijab and sought legal assistance at our Newcastle Justice Centre. An application was brought at court in terms of the Promotion of Equality and Prevention of Unfair Discrimination Act (No. 4 of 2000). The argument made on behalf of the client was that her wearing the hijab does not in any manner conflict with the objective of the policy in that it is not a health risk nor does it taint the reputation and dignity of the nursing profession and that the conduct of the Dundee Hospital amounts to unfair discrimination based on the religious practices and beliefs of our client. The Equality Court agreed with our argument and ordered that the Nurse's Welfare Policy be reviewed to bring it in line with our country's constitutional values. This judgment will have an impact on many of the Provincial and/or all hospitals countrywide which may still be implementing a policy which discriminates against nurses on religious grounds.

# PART C:

## GOVERNANCE

Once again, as an entity of government, Legal Aid SA had good governance structures for effective delivery of much needed legal services to the indigent people of South Africa, in light of the socio-economic challenges facing the country today

## 1. INTRODUCTION

The leadership of Legal Aid South Africa is committed to maintaining the highest standards of governance in running the day-to-day activities of the organisation to achieve its mandate. The organisation embraced a co-ordinated approach to governance underpinned by the principles of openness, integrity and accountability and an inclusive approach that recognises the importance of all stakeholders with respect to the viability and sustainability of Legal Aid SA. The approach also included concerted efforts in embedding risk management thinking within the organisation, embedding of the Social and Ethics Programme, the Sustainability Strategy, legislative compliance, transparency, fraud prevention, and compliance investigation. Continual reporting and discussion by the Board and its Committees ensures this strong focus on the governance perspective.

The Board ensured that each individual director had a working understanding of the effect of the applicable laws, rules, codes and standards on the organisation and its business. To that effect, the Board received and considered the quarterly report on legislative compliance which confirmed partial compliance with the PPPFA and the PFMA relating to the conduct of individual employees and suppliers of Legal Aid South Africa as well as with the Legal Aid SA Act relating to the Legal Aid Regulations and Legal Aid Manual, which were not brought into operation on or before 1 March 2017 as required by sections 23(1) and 24(1) of the Act. Legal Aid SA is fully compliant with all other legislation and laws including the implementation of King III Principles and other related codes. We once again attained an unqualified audit by the A-G confirming our strong governance and financial management ethos.

The organisation continued to be accountable to the EA, Minister of Justice and Correctional Services and Parliament on the delivery of mandate, governance and sustainability. It provided ongoing updates on progress to the EA on its performance. Four quarterly performance reports were submitted as at the end of March 2017 as well as the audited Integrated Annual Report (2015-2016). This provided assurance to the EA and other stakeholders that once again, as an entity of government, Legal Aid South Africa had good governance structures for effective delivery of much needed legal services to the indigent people of South Africa in light of the socio-economic challenges facing the country today.

The Board ensured that the values of accountability and integrity were upheld and supported through continued fraud awareness programmes. Transparency continued to be the primary focus of the organisation in the period under

review. Detailed reporting on performance and on financial information was presented regularly to the Board. Decisions taken by the Board were communicated to staff following each Board meeting through the Board Brief.

## CORE GOVERNANCE PRINCIPLES

During 2016-2017, the Board maintained tracking of the implementation of the King III Code on Corporate Governance in the organisation. The Board ensured that the organisation's ethics were managed effectively, receiving quarterly reports in this regard. The Directors and employees complied with the Legal Aid SA Code of Ethics and Conduct and acted in the best interests of the organisation by, amongst other actions, disclosing conflicts at each meeting of the Board. Other issues of concern relating to ethical conduct of employees were effectively followed up by the Forensic Unit in the Internal Audit function.

The Board managed risk effectively in the year under review, receiving Risk Registers for review and scrutiny. The Board reviewed and approved the risk appetite and risk tolerance levels for the organisation for 2017-2018.

The Combined Assurance Model ensured that Legal Aid South Africa had an adequate and effective system control environment, strengthening the integrity of external reports to provide both an appropriate depth and reach of assurance. The Combined Assurance Report was refined to include significant risks, governance risks, risks associated with performance indicators and opportunities. Quarterly reports were completed by all assurance providers and submitted to the Board.

Our overall strong and effective governance and good performance has contributed to improved confidence in our organisation to deliver on its mandate, thereby increasing access to justice to our clients. The Internal Audit Department has also confirmed the adequacy and effectiveness of risk management within Legal Aid SA. All governance instruments were reviewed by the Board in the year under review.

## 2. PORTFOLIO COMMITTEE

Legal Aid South Africa accounts to the DoJ&CD and Parliament on delivery of our mandate. In the year under review, Legal Aid SA appeared three times before the Portfolio Committee on Justice to present the Integrated Annual Report 2015-2016; the Strategic Plan 2015-2020; Review 2017-2018; the Annual Performance Plan 2017-2018 and the Budget 2017-2018. The Portfolio Committee showed much appreciation for the work done by, and the quality of the leadership, of Legal Aid South Africa.

## 3. EXECUTIVE AUTHORITY

The Department of Justice and Constitutional Development (DoJ&CD) is the EA to which the organisation is accountable. In the 2016-2017 period, Legal Aid SA submitted four quarterly performance reports to the EA to provide updates on the implementation of the Annual Performance Plan 2016-2017. The Legal Aid South Africa Integrated Annual Report 2015-2016 was submitted to the EA, Parliament, NT and the A-G in accordance with section 55(1)(d) of the PFMA by 31 August 2016.

## 4. ACCOUNTING AUTHORITY (BOARD)

### 4.1 THE BOARD OF DIRECTORS

The Governing Board of Legal Aid SA has operated within a strong governance framework guided by best practices on corporate governance including the King III Code on Corporate Governance for South Africa. In the year under review the Board fulfilled its oversight responsibilities of the organisation and provided the necessary guidance to management to establish a very high performance record and excellence in all facets of the work of Legal Aid South Africa.

The 2016-2017 financial year saw the new Board fully constituted and operational to ensure that Legal Aid SA fulfilled its mandate. The Minister of Justice appointed Judge Motsamai Makume as the Deputy Chairperson of the Board. The Board actively monitored and had oversight of the setting of plans to execute the organisational strategy and approved the policies to inform the implementation of the plans. It also

monitored and tracked performance of these plans to ensure their successful implementation. The powers, functions and duties of the Board of Legal Aid South Africa are determined by the Legal Aid SA Act and are outlined fully in the Board Charter.

Other key programmes that the Board engaged in during 2016-2017 included the following:

#### *Board Induction*

All new directors of the Board were taken through a formal induction programme on the various aspects of the Legal Aid SA business, which also included visits to JCs to familiarise the directors with the work of the offices. The induction programme equipped the directors with the requisite knowledge of the organisation pursuant to them exercising their oversight role to assist Legal Aid South Africa to achieve its performance objectives.

#### *Board Maturity*

In the year under review, the Board adopted a comprehensive Board Maturity Scale that was benchmarked against best practice. This involved the Board reviewing its own performance metrics and maturity to impact positively on its engagement, growth and maturity.

#### *Board Performance Goal Setting*

Having agreed on the Board Maturity Scale, the Board and its Committees developed annual goals/priorities for its performance. This was a necessary step for the Board to achieve its objective of performing at higher levels as a collective. The goals will be tracked during the 2017-2018 financial year to ensure that the Committees achieve them.

The composition of the Board is detailed below:



*From left: Ms Adila Chowan, Mr Nkosana Mvundlela, Ms Marcella Naidoo, Professor Yousuf Vawda, Ms Thulisile Mhlungu, Advocate Pieter du Rand, Judge President Dunstan Mlambo, Judge Motsamai Makume, Ms Vidhu Vedalankar, Mr Patrick Hundermark, Mr Matome Lesellane, Ms Nonhlanhla Mgadza, Advocate Brian Nair, Mr Jerry Makokoane.*

# GOVERNANCE

**Table 6: Composition of the Board**

	Designation	Date Appointed	Qualifications	Area of Expertise	Number of Meetings Attended
<b>Judge President Dunstan Mlambo</b>	Director  Board Chairperson  Chairperson of the Board Executive Committee	1 March 2016	BProc (University of the North)	Law	3
<b>Judge Motsamai Makume</b>	Director  Deputy Chairperson  Chairperson of Legal Services Committee	1 March 2016	B.Iuris (University of the North)	Law	1
<b>Mr Matome Leseilane</b>	Director  Chairperson of Remuneration Social & Ethics Committee	1 March 2016	BAdmin (University of the North); PGDip Labour Law, BA Honours: Human Resources Development (University of Johannesburg – formerly Rand Afrikaans University); Executive Leadership Programme (GSB, University of Cape Town); Advanced Management Programme (GIBS, University of Pretoria & London School of Economics); Executive Human Resources Programme (USB, University of Stellenbosch)	Law	4
<b>Ms Nonhlanhla Mgadza</b>	Director  Chairperson of Audit Committee	1 March 2016	BCom (University of Swaziland); MBA (De Montfort University, UK)	Finance  Internal Auditing	4
<b>Ms Adila Chowan</b>	Director	1 March 2016	BCom, PGDip Accounting (University of Durban-Westville); CA (SA)	Finance	4
<b>Professor Yousuf Vawda</b>	Director	1 March 2016	BA, LLM (University of Durban-Westville); BProc (UNISA); LLD (University of KwaZulu-Natal)	Law	3
<b>Advocate Pieter A du Rand</b>	Director	<i>Ex officio</i>	BProc (University of the Free State); LLB (UNISA)	Law	3
<b>Mr Nkosana Mvundlela</b>	Director	1 March 2016	BA Law, LLB (University of Venda); Diploma in Corporate Law (University of Johannesburg)	Law	3
<b>Ms Marcella Naidoo</b>	Director	1 March 2016	BSocSci (University of Cape Town)	Social Work  Human Rights	4
<b>Ms Thulisile Mhlungu</b>	Director	1 March 2016	BProc, LLB (University of Natal)	Law	4

# GOVERNANCE

	Designation	Date Appointed	Qualifications	Area of Expertise	Number of Meetings Attended
<b>Ms Vidhu Vedalankar</b>	Executive Director	1 March 2016	BSc (University of Durban-Westville); Masters in Town and Regional Planning (University of Natal); Executive Development Programme (GIBS, University of Pretoria)		4
<b>Advocate Brian Nair</b>	Executive Director	1 March 2016	BPaed (University of Durban-Westville); BEd (University of South Africa); FDE Computer Studies (University of Natal); MBL, LLB (University of South Africa)		4
<b>Mr Patrick Hundermark</b>	Executive Director	1 March 2016	BCom, LLB (Nelson Mandela Metropolitan University – formerly University of Port Elizabeth); Certificate Programme in Leadership Development (WBS, University of the Witwatersrand)		4
<b>Mr Jerry Makokoane</b>	Executive Director	1 March 2016	BCom Economics (University of South Africa); Diploma Data Processing and Systems Analysis (University of Zululand); MBA (Mancosa)		4
<b>Ms Aneline Rhoda</b>	Alternate Member of the Board	1 March 2016	BSocSci (University of Cape Town); Honours, Masters: Industrial and Organisational Psychology (University of the Western Cape)	Psychology Human Resources Management	1
<b>Mr Langelihle Mtshali</b>	Alternate Member of the Board	1 March 2016	BProc (University of Natal)	Law Community-based knowledge relevant to legal aid Legal Education and Training Translation	1
<b>Ms Rebecca Hlabatau</b>	Alternate Member of the Board	1 March 2016	BCompt, BCompt Honours, Advanced Diploma in Accounting Science, CTA (University of South Africa); Management Advancement Programme, Certificate Programme in Leadership Development (WBS, University of the Witwatersrand); AGA(SA) (SAICA)	Finance and Accounting	4



# GOVERNANCE

## 4.2 BOARD COMMITTEES

New Board Committees were formed under the new Board. The Board retained its core Committees, namely the Board Executive Committee, Legal Services Committee, Audit Committee and Remuneration Social and Ethics Committee, to which specific decision-making authority was delegated. The Board Committees were charged with the responsibilities

outlined in their comprehensive and formal Charters. In the period under review the Board Committee Charters were reviewed and approved by the Board to ensure alignment to best practice, the Legal Aid SAACT and to the overall strategy of Legal Aid SA.

The table below shows the role, membership and attendance of the members of each Committee:

**Table 7: Composition of the Board Committees**

	Board Executive Committee	Legal Services Committee	Remuneration Social & Ethics Committee	Audit Committee
<b>Chairperson</b>	Judge President D Mlambo (1)	Judge M Makume (1)	Mr M Leseilane (4)	Ms N Mgadza (4)
<b>Deputy Chairperson</b>	Judge M Makume (1)	Ms T Mhlungu (3)	Ms M Naidoo (4)	Ms A Chowan (4)
<b>Non-Executive Board Directors</b>	Ms N Mgadza (4) Mr M Leseilane (4)	Prof. Y Vawda (4) Mr N Mvundlela (4) Adv. P du Rand (1) Ms M Naidoo (4)	Ms T Mhlungu (4) Adv. P du Rand (1)	Mr N Mvundlela (4)
<b>Alternate Board Members</b>		Mr L Mtshali (2)	Ms A Rhoda (3)	
<b>Executive Board Directors</b>	Ms V Vedalankar (3) Adv. B Nair (3) Mr P Hundermark (4) Mr J Makokoane (2) Ms R Hlabatau (invitee) (4)	Ms V Vedalankar (3) Adv. B Nair (3) Mr P Hundermark (4)	Ms V Vedalankar (3) Mr J Makokoane (3)	Ms V Vedalankar (invitee) (3) Adv. B Nair (invitee) (3) Mr J Makokoane (invitee) (3) Ms R Hlabatau (invitee) (4) Mr P Hundermark (invitee) (1)
<b>Co-opted members</b>	Mr W Scholtz (3)	Ms E Emdon (3)		Mr W Scholtz (3) Mr R Theunissen (3)

(attendance in brackets)

For details on Board members' and Executive Management members' emoluments for the financial year ending 31 March 2017, refer to the notes to the Annual Financial Statements on pages 126 to 153.

## 5. RISK MANAGEMENT

Legal Aid South Africa is committed to building a risk-intelligent culture across the organisation and its employees. As such, the Enterprise Risk Management Plan including the Fraud Management Plan was reviewed and approved by the Board during the year under review.

The concepts of risk appetite and risk tolerance were fully understood and implemented by all levels of management in the organisation.

A quarterly Risk Watch Report was submitted to the Board, detailing the residual value of each risk for the quarter under review in relation to the risk appetite and risk tolerance settings. Explanations were provided by all managers where the tolerance levels were exceeded. The risk appetite and

risk tolerance values for the Top Ten Risks were approved by the Board. All other risk appetite and risk tolerance values were approved by management.

The Board Risk Registers were reviewed biannually by management and the Board. Risk-Control Self-Assessment surveys are conducted biannually by all executives and managers.

As at Q4 of the 2016-2017 financial year, executives and managers indicated that 98% of controls implemented to mitigate 167 risks were at Level 5 (controls were adequate and effective). The percentage of controls assessed at Level 4 (controls were adequate but partially effective) was 1.8%, with the remaining 0.2% assessed at Levels 3 and 2 (controls were adequate but not effective or controls were both inadequate and ineffective).

# GOVERNANCE

The Board approved the revised Combined Assurance Framework during the financial year under review, which provides for five lines of assurance instead of defence, i.e. management, the Chief Risk Officer, Internal Audit, External Audit, and the Board constituting the fifth line. The Combined Assurance Report has also been extended to include assurance on performance indicators, internal control environment and opportunities. The Combined Assurance Report is completed on a quarterly basis by all five lines of assurance. The ratings provided by the various assurance providers for 2016-2017 are generally at level 5 for the 50 identified risks, activities, opportunities and performance indicators that are included in the Combined Assurance Report. The Internal Audit Department has provided over 90% coverage in these areas.

Only in two instances were mitigating measures for risks rated at Level 4 – one of these risks was rated by management and the other by the Internal Audit Department.

Across Legal Aid SA, risk mitigating measures and controls are adequate and are being managed effectively.

## 5.1 FRAUD MANAGEMENT

The Board is of the view that a strong ethical culture is key to negating theft, fraud and corruption by employees. The Legal Aid South Africa Fraud Management Plan and Fraud Management Policy were approved by the Board in May 2016. These documents outline specific measures on the management of fraud and the roles and responsibilities emanating from the Policy are well understood by the Board, management and all other employees.

**Table 8: Strategic Risks and Mitigating Controls and Opportunities**

Number	Risk Description	Mitigating Controls	Opportunities Derived
1(a)	<b>Challenges to the Rule of Law (Criminal)</b>	Court Coverage Programme	<ul style="list-style-type: none"> <li>• All courts are covered by practitioners</li> <li>• Legal Aid SA playing proactive role in ensuring that inefficiencies within the justice system are minimised</li> </ul>
1(b)	<b>Challenges to the Rule of Law (Civil)</b>	Civil Legal Aid Delivery Programme	<ul style="list-style-type: none"> <li>• Assistance to clients and communities with the funding of impact litigation matters</li> <li>• Expansion of civil legal aid</li> <li>• Legal Aid Advice Line</li> </ul>
2(a)	<b>Lack of capacity to deliver on the demand for legal services (Criminal)</b>	<ul style="list-style-type: none"> <li>• Biannual review of court coverage plans</li> <li>• Co-operation Partner Agreements</li> <li>• Judicare programmes</li> <li>• Legal Advice Capacity</li> <li>• Review Legal Aid Guide (LAG) to assess exclusions in line with budget</li> <li>• Monitoring of recruitment levels per JC</li> <li>• Monthly staffing plans compiled per office</li> <li>• Relief programme implemented at identified JCs</li> </ul>	<ul style="list-style-type: none"> <li>• All courts are covered by practitioners</li> <li>• Agent Agreements with Judicare practitioners</li> <li>• Practitioners are allocated in terms of demand emanating from individual courts</li> </ul>

# GOVERNANCE

Number	Risk Description	Mitigating Controls	Opportunities Derived
2(b)	<b>Lack of capacity to deliver on the demand for legal services (Civil)</b>	<ul style="list-style-type: none"> <li>• Matters exceed turnaround times webpage</li> <li>• Pending matters exceeding turnaround times report</li> <li>• Pending matters verification webpage</li> <li>• Legal aid only granted where there is a reasonable prospect of success</li> <li>• Linkages with community advice offices/traditional structures/Government Departments, including the Masters Office for estates matters</li> <li>• Legal aid clinics assisting clients with civil problems</li> <li>• Co-operation Partner Agreements</li> <li>• Judicare programmes</li> <li>• Legal advice capacity</li> <li>• Community outreach/civil courts outreach programme</li> <li>• Self-help programmes</li> <li>• Business model for delivery of civil legal aid</li> <li>• Review LAG to assess exclusions in line with budget</li> </ul>	<ul style="list-style-type: none"> <li>• Expansion of civil legal aid services across all JCs including SOs</li> <li>• Growth of civil advice services to clients at JCs, SOs and via the Advice Line</li> <li>• Provision of self-help information modules on our website</li> <li>• Prioritisation of matters for vulnerable groups i.e. women and children</li> <li>• Legal support to advice offices</li> </ul>
3(a)(i)	<b>Poor quality of legal services provided by JCs (Criminal)</b>	<ul style="list-style-type: none"> <li>• Quality intervention programmes</li> <li>• Quality monitoring and assessment programmes</li> <li>• Competency development/training of legal staff</li> <li>• Professional indemnity insurance</li> <li>• Recruiting competent practitioners</li> <li>• Candidate Attorney readiness/support programmes</li> </ul>	Improved competencies, skills and awareness by all practitioners
3(a)(ii)	<b>Poor quality of legal services provided by JCs (Civil)</b>	<ul style="list-style-type: none"> <li>• Practitioner Support Needs Assessment</li> <li>• Quality Management Programme</li> <li>• Independent Legal Quality Assessment by the LQAU</li> <li>• Professional Negligence Insurance Cover</li> </ul>	Improved competencies, skills and awareness by all practitioners
3(b)	<b>Poor quality of legal services provided by Judicare practitioners, Agency Agreements (Criminal) and Co-operation Partners (Civil)</b>	<ul style="list-style-type: none"> <li>• Judicare file reviews</li> <li>• Quality reviews of Judicare and Agency Agreement practitioners</li> <li>• Judicare induction sessions</li> <li>• Discussions with JCEs and Judicare practitioners on file reviews</li> <li>• Professional Negligence Insurance Cover</li> </ul>	Increased awareness of the required quality standards by Judicare practitioners
4(a)	<b>Lack of confidence in the justice system due to ineffective and inefficient processes (ability to resolve cases timeously, fairly and efficiently) (Criminal)</b>	<ul style="list-style-type: none"> <li>• Monitoring case turnaround times of all matters</li> <li>• Backlog Court Project – reduction in case backlogs</li> <li>• CJSR</li> </ul>	Legal Aid SA playing proactive role in ensuring that inefficiencies within the justice system are minimised
4(b)	<b>Lack of confidence in the justice system due to ineffective and inefficient processes (ability to resolve cases timeously, fairly and efficiently) (Civil)</b>	<ul style="list-style-type: none"> <li>• Matters exceed turnaround times webpage</li> <li>• Pending matters exceeding turnaround times report</li> <li>• Justice Sector Stakeholder Relationship Programme</li> <li>• Attending NEEC and PEEC meetings to address systemic challenges and delays</li> </ul>	Legal Aid SA playing proactive role in ensuring that inefficiencies within the justice system are minimised
5	<b>Budgetary constraints impacting on Legal Aid SA's ability to deliver on its mandate</b>	<ul style="list-style-type: none"> <li>• Prudent, balanced budget and lobby NT for additional budget</li> <li>• Use own reserves while maintaining minimum current ratio of 1.5:1</li> <li>• Monitor cash flow closely ensuring that MTEF and annual budget are focused on essential and priority spending</li> <li>• Monitor expenditure ensuring that it is within budget</li> </ul>	<ul style="list-style-type: none"> <li>• Legal Aid SA ensuring budget is aligned to Strategic Plan and Business Plan</li> <li>• Business Plan projects aligned to budget and organisational resources</li> </ul>

# GOVERNANCE

Number	Risk Description	Mitigating Controls	Opportunities Derived
6	<b>Ineffective governance structures and processes</b>	<ul style="list-style-type: none"> <li>Reviewed Board Charter 2015-2016</li> <li>Board and Committee minutes accurate and timeously distributed</li> <li>Board self-evaluation reports discussed</li> <li>Reviewed Sustainability Strategy and Plan 2016-2017</li> <li>Strategic Plan 2015-2020 and Annual Review of Strategic Plan 2016-2017</li> <li>Business Plan 2016-2017 timeously finalised and available</li> <li>Quarterly performance reports submitted timeously to EA</li> <li>Assessment of performance on organisational maturity scale</li> <li>Quarterly internal audit reports submitted to the Audit Committee and Board</li> </ul>	<ul style="list-style-type: none"> <li>Improved Enterprise Risk Management across Legal Aid SA including measuring and monitoring risk appetite and risk tolerance levels</li> <li>Improved compliance across Legal Aid SA</li> <li>Refined organisational maturity model</li> </ul>
7	<b>Unethical, corrupt or fraudulent practices or acts</b>	<ul style="list-style-type: none"> <li>Monitoring and follow up of issues reported on Ethics Hotline</li> <li>Signing of Confidentiality Agreement by all employees upon commencement of employment</li> <li>Implementation of Online Register of Interests for Executives and Managers</li> <li>Implementation of Organisational Culture Programme including fraud awareness</li> <li>Selection and recruitment done in terms of the recruitment policies</li> <li>Segregation of duties between administrators and interview panel</li> <li>Segregation of duties between HR and Payroll</li> <li>Validation of staff records</li> <li>Implementation of financial controls and segregation of duties between initiation and approval of procurement transactions</li> <li>Management oversight over procurement</li> <li>Conducting lifestyle audits on legal administration managers, legal practitioners and paralegals</li> <li>Client Complaints Monitoring Programme</li> </ul>	<ul style="list-style-type: none"> <li>Regular fraud awareness and training workshops held across the country</li> <li>Organisational Culture Programme addresses ethics</li> <li>Legal Aid SA Fraud Management Policy revised to include the building of an ethical culture</li> </ul>
8	<b>Poor transition to new regulatory framework of the Legal Aid SA Act</b>	<ul style="list-style-type: none"> <li>Approved transitional arrangements, including Transitional Board, implemented within 12 months of enactment of new Act</li> <li>Reconfiguration of Board membership after the appointment of the new Board in terms of the Legal Aid SA Act within a 12-month period of the Act coming into effect on 1 March 2015</li> <li>Preparation and approval (in terms of the Act) of the Legal Aid Regulations and Legal Aid Manual within 24 months of enactment of the new Act. The Regulations and Manual replace the LAG</li> <li>Project management of transitional process</li> <li>Compliance with good governance principles and capacity building on fiduciary responsibilities</li> </ul>	<ul style="list-style-type: none"> <li>New Board includes members of the Transitional Board and provides for continuity</li> <li>Greater consultation with stakeholders on the Regulations and Manual</li> </ul>

# GOVERNANCE

Number	Risk Description	Mitigating Controls	Opportunities Derived
9	<b>Inadequate IT infrastructure to support the business needs</b>	<ul style="list-style-type: none"> <li>• IT Strategic Plan responding to organisational strategy and best practices</li> <li>• IT system continuously monitored and user queries timeously responded to</li> <li>• Up-to-date IT Capital Asset Replacement Programme</li> <li>• IT architecture implemented in line with reviewed architecture framework of best practice and in support of business requirements</li> <li>• Consistent review of Information Systems Policies and SOPs</li> <li>• Uninterrupted power supply units installed in all offices</li> </ul>	<ul style="list-style-type: none"> <li>• Relevant and applicable IT best practice applied across the IT environment</li> <li>• Lifespan of IT equipment reviewed in line with the capex budget</li> <li>• Development of new systems for the administration of the granting of legal aid, case management and business intelligence</li> </ul>
10	<b>Lack of engagement with the organisational values and culture by employees</b>	<ul style="list-style-type: none"> <li>• Leadership Development Programme implemented to improve leadership and management capability</li> <li>• Organisational Culture Programme implemented to improve the levels of engagement with the values</li> <li>• Annual Internal Omnibus Survey to monitor and measure levels of engagement</li> <li>• EVP reviewed in order to attract, retain and engage talent</li> <li>• People development programmes realign to business requirements</li> </ul>	Legal Aid SA is being marketed as an employer of choice to potential employees, positively impacting on the strategic positioning of the Legal Aid SA brand

## ***Legal Aid SA is a leader in the provision of civil representation***

Housing and access to immovable property and land remains a challenge in our country and places landless people in a very vulnerable situation which impacts on their right to dignity. Legal Aid SA remains committed to protect such vulnerable persons from practices by financial institutions that are not in accordance with our law. An elderly couple living in Grahamstown stood to lose their house after they received a notice that the house will be sold in execution. Legal Aid SA reviewed the matter and discovered that a mortgage bond was granted to the couple 12 years ago, at a time when the only income in the household was a government grant. The original debt was R30,000 and in terms of the agreement the total amount repayable was just under R80,000. The client had already paid just over R30,000. We successfully stayed the execution and applied for rescission of the judgment against the client. Our argument in the application was that to have our client's property declared executable touched on his constitutional rights as it is in respect of his primary residence and therefore required more diligence, and that granting a bond to a family solely dependent on one social grant constituted reckless lending in terms of the National Credit Act. The bank, through its attorneys, consented to our application and agreed to write off the remaining outstanding amount.

## 6. IT GOVERNANCE

IT governance structures have been established and are continuously reviewed to ensure that the organisation realises the intended business value from IT investments. Working towards achieving the organisational goals as per the Legal Aid SA Strategic Plan 2015-2020, the IT Strategy has been reviewed and approved by the Board to ensure alignment with the business strategy as required by the King III Code of Practice. The Information Systems Steering Committee (ISSC) is in place as guided by the IT governance framework to oversee the IT expenditure and investments through monitoring the projects portfolio and IT risks. IT disaster recovery is included in the Business Continuity Plan (BCP) Policy to ensure that IT forms an integral part of the business continuity.

The disaster recovery process has been enhanced to improve on recovery time from 12 hours to 8 hours. Rehearsals have been successfully executed to provide assurance of recoverability of the IT system when the need arises.

The Legal Aid South Africa administration system (Ad Infinitum) has been integrated with the established National Treasury Central Supplier Database to ensure compliance with applicable regulations, and ensure that business is conducted only with suppliers registered on the CSD system. Technological innovations are continuously implemented to enable a digital business environment and improve on business processes for efficient operations.

The Change Authority Board (CAB) that is in place has been effective in ensuring that changes to the IT systems are assessed and authorised to avoid unintended operation disruptions. This CAB has contributed positively towards maintaining the desired system availability, reliability and delivery of quality services.

The IT Maturity Assessment conducted by an external consultant indicated that IT governance structures exercise adequate oversight in supporting the Information Systems Department. The results of the IT Maturity Assessment indicate that the department has matured from level 1.5 in 2011 to level 2.8 in 2016.

IT trends are becoming dominated by cloud computing services; as such, one of the long term goals of the Legal Aid SA Strategic Plan is to probe and assess the readiness of the organisation for the adoption of cloud computing services.

Legal Aid South Africa has embarked on a project to upgrade its bandwidth infrastructure to all remote sites in preparation for the new eLAA system that is currently in development.

In line with this preparation, the financial system was also upgraded to the latest version, which supports better security and reliable integration protocols.

## 7. INTERNAL CONTROL

Legal Aid SA has a number of internal control systems in place, which are the responsibility of the relevant executives, as the organisation does not have an internal control unit. A system of matrix management is however in place, which provides management with sufficient oversight over all the activities of the organisation.

The Board has ultimate responsibility for establishing a framework for internal controls, including an appropriate procurement and provisioning system. During the period under review, the Board approved the reviewed Internal Control Framework, which assists the organisation to assess and enhance internal control systems.

Legal Aid South Africa implemented the Internal Control Framework which resulted in the following objectives being achieved:

- Income, expenses, assets and liabilities were managed in an effective and economically efficient manner.
- Finance and administration were performed in accordance with the laws and other regulations.
- Irregular expenditure and fraud were prevented; where such expenditure actually occurred, it was detected and reported.
- Regular, timely and reliable financial reporting was provided to make decisions.
- The misusing and wastage of assets was prevented.

Organisational policies, procedures, structures and approval frameworks were reviewed in line with best practices and the latest legislation.

## 8. INTERNAL AUDIT

### 8.1 INTERNAL AUDIT FUNCTION

Internal Audit at Legal Aid SA provides an independent, objective assurance and consulting service designed to add value and improve the organisation's operations. It helps the organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, compliance and governance processes.



# GOVERNANCE

The internal audit activity assesses and makes appropriate recommendations for improving risk and governance processes to accomplish the following objectives:

- i. Promote appropriate ethics and values within the organisation;
- ii. Achieve effective organisational performance management and accountability;
- iii. Communicate risk and control information to appropriate areas of the organisation;
- iv. Assist management in achieving the organisation's strategic objectives;
- v. Secure reliability and integrity of financial and operational information;
- vi. Operate effectively and efficiently;
- vii. Safeguard assets; and
- viii. Comply with laws, regulations, policies, procedures, and contracts.

Internal Audit conforms to the International Standards for Professional Practice of Internal Auditing and performs its activities in compliance with the PFMA, Treasury regulations and the King IV Report on Corporate Governance. Accordingly, Internal Audit adopted a risk-based approach and the Audit Plan is approved by the Audit Committee. The Audit Plan is flexible and responsive to Legal Aid South Africa's risk profile.

The purpose, authority, and responsibility of the internal audit activity is formally defined in the Internal Audit Charter. Internal Audit reports functionally to the Audit Committee. The Internal Audit Department has full and unrestricted access to all organisational activities, records, property and personnel and has the support of management, the Audit Committee and the Board.

The Internal Audit function completed 100% of its approved Audit Coverage Plan. This was an improvement of 1% as compared to their 2015-2016 performance and is attributable to better planning and an improved turnaround of responding to the auditor's request of information from auditees. A total of 21 additional projects over and above the planned and approved audits were completed during the year, resulting in a 113% overall achievement for the year.

## 8.2 LEGAL QUALITY ASSURANCE

The Legal Quality Assurance Unit (LQAU), which reports to the Internal Audit Executive, is tasked with the responsibility of independently and objectively assessing the quality of legal practitioners. The Unit assesses internal and external legal practitioners, paralegals and Call Centre agents within Legal Aid SA and Judicare practitioners that are accredited with the organisation and are representing clients in both civil and criminal matters.

The Unit completed 99% of assessments planned for the 2016-2017 financial year. This was an improvement of 3% when compared to the performance of 2015-2016 and is attributable to better planning and an improved turnaround of responding to auditor's request for files from auditees. The Unit could not conduct follow-up assessments on two of the 12 planned assessments as there were only 11 employees who failed to meet the target; one of whom was on extended incapacity leave for the rest of the year.

## 9. COMPLIANCE WITH LAWS AND REGULATIONS

Legal Aid South Africa's compliance universe consists of approximately 94 applicable laws. Approximately 15 applicable laws require the attention of management on an ongoing basis, such as the Legal Aid SA Act; the PFMA (as amended); the Basic Conditions of Employment Act, 1997 (as amended) and the Employment Equity Act, 1998 (as amended).

The Legislative Compliance Checklist with 214 provisions that include deadline dates for complying with certain statutory requirements, were confirmed annually by all executives and JCEs through a webpage, and thereafter monthly confirmations were done by all executives.

A separate webpage has been created – Statutory Submissions Tracking – which allows executives to record dates of submission, extensions granted and to upload a copy of the submission as well as any extensions granted for a submission on a later date. The Legislative Compliance Checklist is updated every six months.

A Legislative Compliance Checklist was completed monthly by all executives and managers, with a Quarterly Compliance Report thereafter submitted to the Board. The Legislative Compliance Checklist was updated when new legislation or provisions came into effect. Management strives to ensure 100% compliance with all relevant legislation, regulations and directives/practice notes.

Legal Aid SA is in compliance with all legislation that comprises the legislative universe, except for the Legal Aid SA Act; PPPFA and PFMA. The organisation is materially compliant with all three, but not fully compliant. All incidents of non-compliance with the PPPFA and the PFMA relate to the conduct of individual employees and suppliers of Legal Aid SA. As required by the Legal Aid SA Act, the Legal Aid Regulations were approved by the Board in March 2016 and submitted to the DoJ&CD. The Regulations have been approved by the National Assembly and have been



submitted to the National Council of Provinces for approval. This process was delayed due to the new Socio Economic Impact Assessment Study (SEIAS) process and the deadline of 28 February 2017 was not met. The draft Legal Aid Manual was approved by the Board in July 2016 with amendments approved in November 2016, but cannot be brought into operation as it has to be brought into operation simultaneously with the Legal Aid Regulations. Hence, both the legislative deadlines of 1 March 2017 could not be met. The transitional provisions in terms of section 26(6)(a) and (b) of the Act make provision for the LAG to remain in force with the commencement of the Act, until the publication of the Legal Aid Regulations and Legal Aid Manual within 24 months of the commencement of the Act.

The King Report on Governance for South Africa, 2009 together with the King Code of Governance Principles, 2009 (King III) contain 166 governance principles, of which only 146 apply to Legal Aid South Africa. The organisation conforms to or meets best practice for all 146 principles.

The King IV Report on Corporate Governance for South Africa, 2016 (hereafter referred to as King IV) was published by the Institute of Directors in Southern Africa NPC on 1 November 2016, and is effective in respect of financial years starting on or after 1 April 2017. A gap analysis of the organisation's level of readiness to implement the 17 applicable King IV Principles indicated seven areas of improvement in practices. Some of these improvements are in progress. King IV advocates an outcomes-based approach, resulting in the following good governance outcomes for any organisation: ethical culture, effective control and legitimacy.

Section 32 of the Promotion of Access to Information Act, No. 2 of 2000, requires an Information Officer of a public body to annually submit to the Human Rights Commission a report stating among others, the number of requests for access to information received, requests granted and refused. In the reporting period, Legal Aid SA received two requests which were refused in full. These requests for access to information came from one requester relating to one subject matter, which has formed part of ongoing litigation.

## 10. MINIMISING CONFLICT OF INTEREST

Employees of Legal Aid South Africa are obligated to declare instances of conflict of interest, which is regulated through the Code of Conduct and Ethics Policy. In the 2016-2017 financial year the Management Executive

Committee approved the SOPs that establish a procedure to determine individual conflicts of interest and to mitigate associated risks to prevent costly reputational and financial damage to Legal Aid SA. Declarations of conflict of interest by employees are done at least twice a year and captured on the electronic register. In the financial year under review there was a 2% improvement from the previous year.

A three-year average view of compliance by employees is shown in the table below:

**Table 9: Register of Interest (three-year comparison)**

Financial Year	2014-2015	2015-2016	2016-2017
Compliance Rate	87%	96% (once)	98%

All employees receiving gifts, regardless of value or size, were required to register the receipt on the centralised online Gift Register. Quarterly reports on the declaration relating to gifts, hospitality and favours were reviewed by the Management Executive Committee in order to assess the risks the organisation is facing and inform the Risk Awareness Programme.

All directors of the Board declared interests in all meetings they attended in the year under review to ensure adherence to the Legal Aid South Africa Code of Conduct.

## 11. CODE OF CONDUCT

The Legal Aid SA Code of Ethics and Conduct Policy was reviewed and approved by the Board in May 2016. The Policy applies equally to all employees and compliance with the Code is compulsory. The purpose of the Code of Ethics and Conduct Policy is to promote and enforce ethical business practices and standards within Legal Aid South Africa. This Code represents the highest ethical standards applicable in the environment in which the organisation operates and strongly emphasises integrity and objectivity on the part of all employees, all managers and all executives.

A contravention of the Code must be reported to a line manager, the Human Resources Executive or Internal Audit Executive. The matter will then be investigated and dealt with in terms of the Legal Aid SA Disciplinary Policy and Procedure.

## 12. HEALTH, SAFETY AND ENVIRONMENTAL ISSUES

The Legal Aid South Africa Health and Safety Policy and the Occupational Health and Safety Act (Act No. 85 of 1993) provide guiding principles for the achievement of the organisation's health and safety programmes. Health and Safety representatives and Committees are in place.

Any serious injuries, reportable diseases or dangerous occurrences taking place at work must be reported to the Human Resources Department. Sixteen incidents of injury on duty were reported.

As part of the HIV/Aids Programme, voluntary counselling and testing (VCT) was undertaken. The VCT testing participation was recorded at 40.4%. The Employee Wellness and HIV Education Programme was fully implemented to encourage awareness and support.

The Vicarious Trauma Counselling Programme was once again successfully delivered at 100% of the planned interventions on a national scale by the in-house clinical psychologist.

This programme mitigates the vicarious trauma suffered by legal professionals particularly in serious violent criminal matters, through the creation of awareness and coping strategies for affected employees.

## 13. BOARD SECRETARY

The Board of Legal Aid SA had access to the advice and services of the Secretary of the Board. The duties of the Secretary of the Board included the following:

- i. Provide guidance to the Board on the duties of the directors and good governance;
- ii. Assist with the induction and training programmes for Board members;
- iii. Track the review and approval of the governance instruments by the Board;
- iv. Prepare the annual review of the Board programme and ensure that meetings of the Board are held as scheduled;
- v. Prepare agendas of meetings in agreement with the Board and Board Committee Chairpersons;
- vi. Ensure that minutes of Board and Committee meetings are recorded, circulated to and agreed to by members of the Board and filed securely;
- vii. Ensure that the decisions of the Board are implemented;
- viii. Assist with the evaluation of the Board, Committees and individual directors.

Directors of the Board were also advised of their entitlement to obtain independent professional advice, at Legal Aid South Africa's expense, should they deem this necessary.

## 14. REPORT OF THE AUDIT COMMITTEE

The purpose of the Legal Aid SA Audit Committee, in addition to its statutory responsibility to the governing authority, is to assist the Board in fulfilling its responsibility regarding integrated reporting, the system of internal financial control, the governance of risk, internal and external audit functions and Legal Aid South Africa's process for monitoring statutory and regulatory compliance.

The Audit Committee adopted formal terms of reference, which are updated accordingly year-on-year and approved by the Board of Directors. During the past financial year, the Committee carried out its duties in accordance with its terms of reference; the PFMA; National Treasury Regulations 3.1.13 and the King III Code on Corporate Governance.

### 14.1 COMPOSITION

The Committee consists of three independent non-executive directors and two independent specialist members. Collectively they have sufficient skills and knowledge to deliver on the set responsibilities of the Committee. The meetings of the Audit Committee members are detailed in table 7 on page 59. The table below provides the qualifications and the appointment/termination dates of the members of the Committee.

# GOVERNANCE

**Table 10: Composition of the Audit Committee**

Name	Qualifications	Internal or external	Date appointed
<b>Ms Nonhlanhla Mgadza (Chairperson)</b>	BCom (University of Swaziland); MBA (De Montfort University)	External (Non-Executive Director)	1 March 2016 for the period of three years
<b>Mr Nkosana Mvundlela</b>	BA Law, LLB (University of Venda); Diploma in Corporate Law (University of Johannesburg)	External (Non-Executive Director)	1 March 2016 for the period of three years
<b>Ms Adila Chowan</b>	BCom; PGDip Accounting (University of Durban-Westville); CA (SA)	External (Non-Executive Director)	1 March 2016 for the period of three years
<b>Mr Robin Theunissen</b>	Bachelor of Accountancy (University of the Witwatersrand); CA (SAICA); Registered Auditor (IRBA (PAAB)); Diploma in Criminal Justice and Forensic Auditing (University of Johannesburg)	External (Co-opted Committee Member)	1 April 2016 for the period of three years
<b>Mr Willie Scholtz</b>	Technology and Business Leadership Programme (IBM International Academy and Harvard Business School); Executive Management Programme (GBS, University of Cape Town); Financial Management and Corporate Strategies (IBM, Harvard, Wits Business School); Management of Information Technology (IBM, Harvard Business School)	External (Co-opted Committee Member)	1 April 2016 for the period of three years

## ***Legal Aid SA is a leader in protecting and defending the rights of children***

Our services are not only limited to South African children but also to a child of any nationality that finds him/herself in need of assistance. A 14-year-old Zambian girl was abducted from Zambia and brought to South Africa as a sex slave. When the situation was discovered by the Department of Social Development, the child was urgently removed and Legal Aid SA was appointed to act for the child. She was initially placed in a foster home but due to the language barrier she was growing more isolated and depressed with no counselling or peer interaction available to her. In conjunction with the court, a decision was taken that it will be in her best interest to negotiate her return to Zambia through the International Organization for Migration and the Zambian Ministry for Community Development, Mother and Child Health. The case proved to be very difficult as we had almost no information about her family and she had reportedly been living under a bridge when she was abducted. After various interventions with relevant stakeholders, a family in Zambia who was willing and able to take her in was located, an urgent application for her repatriation was brought and she was successfully repatriated to Zambia on 13 June 2016.

# GOVERNANCE

The Legal Aid SA CEO, COO, NOE, CFO and other senior members of management of the organisation, coupled with the internal and external auditors attend these meetings by invitation. The Committee holds separate meetings with senior management, external auditors and internal auditors individually, before every meeting. The internal and external auditors have unrestricted access to the Audit Committee. The Audit Committee and its members are assessed for effectiveness on an annual basis.

The Audit Committee reports that it has regulated its affairs in compliance with its set terms of reference and has delivered on all its responsibilities as contained therein.

## 14.2 THE EFFECTIVENESS OF INTERNAL CONTROL

The Internal Audit function submitted full reports on the status of the internal control environment. We are satisfied that the function delivered on its approved plan, covering operational, financial, IT and sustainability controls.

The issues raised by Internal Audit were satisfactorily addressed by management.

We reviewed the policies and procedures relating to the prevention and detection of fraud and corruption. We reviewed the effectiveness of Legal Aid South Africa's system of internal controls including the assurance received from management, internal audit and external audit.

All the above outcomes are reported via the Combined Assurance Model, which is reported to us on a quarterly basis. To this end we are satisfied with the optimisation of the assurance processes of Legal Aid SA and are happy to conclude that the internal control environment was maintained at an effective level throughout the financial year.

### *Regulatory compliance:*

The Audit Committee of Legal Aid South Africa has complied with all applicable legal and regulatory responsibilities.

### *External audit:*

Year-on-year we review, discuss and deliberate on external audit fees as set out in Note 17.1 of the financial statements, this year was no different. We concur that the proposed fees are sufficient for the scope and coverage of external audit.

### *Internal Audit:*

The Committee has:

- i. Reviewed and recommended the Internal Audit Charter;
- ii. Evaluated the independence, effectiveness and performance of the function and compliance to its mandate;
- iii. Considered and satisfied ourselves that internal audit has the necessary resources, budget and standing within Legal Aid SA;
- iv. Assessed the IAE's performance year-on year; and
- v. Continuously encouraged co-operation and reliance between internal and external audit.

The Internal Audit function is subject to an external assessment every five years, with the most recent being a GC (Generally Conform).

## 14.3 IN-YEAR MANAGEMENT AND MONTHLY/ QUARTERLY REPORT

Legal Aid South Africa has submitted monthly and quarterly reports to the EA.

## 14.4 EVALUATION OF FINANCIAL STATEMENTS

We have reviewed the Annual Financial Statements prepared by Legal Aid SA.

## 14.5 AUDITOR'S REPORT

We have reviewed Legal Aid South Africa's implementation plan for audit issues raised in the prior year as stated above and we are satisfied that nothing significant remained unresolved.

We concur and accept the conclusions of the external auditor on the Annual Financial Statements and are of the view that the audited Annual Financial Statements be accepted and read together with the report of the auditor.



**Ms Nonhlanhla Mgadza**

Chairperson of the Audit Committee

Legal Aid South Africa

Date: 29 July 2017

# PART D:

## SUSTAINABILITY REPORT

The level of representation to children, women, mental healthcare patients and in land/eviction matters increased during the financial year under review. Various impact matters that we dealt with involved the rights of vulnerable groups including the right to housing, rights of refugees/asylum seekers or foreign nationals and frail care and mental health

# SUSTAINABILITY REPORT

## 1. SUSTAINABILITY STRATEGIC PLAN

During the 2016-2017 financial year, Legal Aid South Africa implemented the Sustainability Strategic Plan, linked to the organisational Strategic Plan. This Sustainability Report shows the link between the organisation's strategy and its commitment to a sustainable society.

The approach taken to sustainability by Legal Aid SA is about:

- i. **The sustainability impact of the organisation:**  
The impact of the organisation's work on the economy, society and the environment in the short, medium and long term; and
- ii. **Sustainability of the organisation itself:**  
Improving the maturity level of the organisation so that it operates at optimal levels and can continue to be a going concern in delivery terms as well as financial terms.

Legal Aid South Africa's **SUSTAINABILITY VISION** is

**To make the Constitution a living document for the poor and vulnerable, be a partner to communities and stakeholders and be a preferred employer of legal professionals.**

*thus increasing access to justice, widening the social safety net of communities, building trust in the rule of law and building viable institutions (courts and public entities) of a democratic state.*

*to positively impact the current and future quality of life of clients and communities.*

*The Legal Aid SA Sustainability Vision incorporates the following aspirational elements:*

- i. *to promote a human rights approach to access to justice.*
- ii. *to be an accepted part of the community's safety net enabling poor and vulnerable persons to access justice, which positively improves the quality of their life in the short and long term.*
- iii. *to contribute to an efficient and effective justice system, which builds trust in the rule of law and confidence in the effective functioning of a public institution (that is, courts) of a democratic state.*
- iv. *to partner with communities and stakeholders to inform the delivery of legal aid services and increase access to justice.*
- v. *to be the best and preferred employer of legal professionals.*
- vi. *to develop a segment of a clean, accountable, efficient and effective government/state.*

The sustainability goals and the strategic intent of each goal are:

### SUSTAINABILITY GOAL 1: IMPROVED ACCESS TO JUSTICE IMPACTING ON CURRENT AND FUTURE QUALITY OF LIFE OF CLIENTS

*Strategic intent: (social & economic)*

Access to justice widens the safety net of poor and vulnerable persons.

Outcomes of justiciable matters impact on quality of life and economic conditions of clients.

Developing a segment of an effective and efficient government/state able to deliver public goods (legal aid services).

### SUSTAINABILITY GOAL 2: IMPROVED EFFECTIVENESS & CONFIDENCE IN THE JUSTICE SYSTEM

*Strategic intent: (social & economic)*

Building the public institutions (i.e. justice system including courts) of a democratic society.

Efficient and effective justice system impacts positively on the functioning of the economic systems at local and national level.

Engaging stakeholders for their inputs to inform services offered to increase access to justice and improving the functioning of the justice system.

### SUSTAINABILITY GOAL 3: GOOD GOVERNANCE PRACTICE AND A STRONG GOVERNANCE REPUTATION

*Strategic intent: (governance)*

Developing a segment of a clean and accountable government/state effectively utilising public funds.

### SUSTAINABILITY GOAL 4: IMPROVED MATURITY LEVEL OF THE ORGANISATION

*Strategic intent: (business performance)*

Developing a segment of an efficient and effective government/state.

Transparent and accountable use of public funds improves probability/support for continued funding.



# SUSTAINABILITY REPORT

## SUSTAINABILITY GOAL 5: BEST EMPLOYER OF LEGAL PROFESSIONALS (& RELATED MANAGEMENT & SUPPORT STAFF)

*Strategic intent: (social)*

Employer of choice.

## SUSTAINABILITY GOAL 6: REDUCED CARBON FOOTPRINT (OF ORGANISATION)

*Strategic intent: (environment)*

Reduce global carbon footprint.

To give effect to these goals Legal Aid SA has identified **six sustainability focus areas:**

- I. Access to Justice
- II. Justice System
- III. Good Governance
- IV. Maturity Levels
- V. Employer of Choice
- VI. Carbon Footprint

Each focus area is further detailed into sub-focus areas, which add greater depth to the focus areas. These sub-focus areas are reported upon in detail as part of the Performance Report on Sustainability for 2016-2017. Sustainability risks associated with each of the strategic focus areas were identified and a Sustainability Risk Register was developed. These risks are managed and tracked by management and reported on to the Board.

## 2. REPORT ON PERFORMANCE AGAINST SUSTAINABILITY GOALS

### GOAL 1: IMPROVED ACCESS TO JUSTICE IMPACTING ON CURRENT AND FUTURE QUALITY OF LIFE OF CLIENTS

#### *Focus area I – access to justice*

##### **Sub-focus areas:**

- I. access to legal services and advice
- II. quality of legal services and advice
- III. community outreach and education

##### **Access to legal services and advice**

Mechanisms are in place to ensure that all clients have the opportunity to be represented in the criminal courts and do not go through the Criminal Justice System (CJS) unrepresented. All lower courts are covered through our practitioner per court model which results in poor

and vulnerable people having equal access to legal representation. We monitor automatic review statistics and over the past decade there has been a consistent reduction – evidence that there are fewer unrepresented accused going through the CJS.

Our programme, which focuses on remand detainees, further contributed to the reduction in the number of accused that go through the CJS unrepresented, reflected in the 2.7% decrease in the number of automatic reviews in comparison to the previous financial year.

With regards to the finalisation time of criminal matters, the overall number of internal pending matters, which were primarily in the District Courts, has decreased. However, backlog matters in the Regional Courts exceeded the target turnaround times. A programme is in place to monitor the progress of every matter and we have accurate and up-to-date information on the progress of all our pending matters.

We ensure that every accused has an opportunity to apply for bail when in custody and this guarantees that the constitutional right to liberty and the right to be presumed innocent until proven guilty is protected.

For legal representation in civil matters, we have a policy provision whereby priority matters are given preference and waiting periods have been introduced for non-priority matters in order to balance our capacity against high demand. Capacity is always available to assist qualifying clients in priority matters and no qualifying clients were refused legal aid in priority matters. Limited civil capacity led to some clients with non-priority matters (0.13% of new matters) having to wait for their matters to be attended to at a later date. There was a decrease of 4% in civil matters exceeding the turnaround time, in comparison to 2015-2016. We are aware of the challenge of accessibility by clients, particularly clients in rural areas, and regularly investigate methods to improve access through our outreach programmes. Linking with our partners such as Community Advice Offices as well as other outreach sites is therefore crucial as clients are able to access our services through a number of outreach sites.

We provided legal representation to vulnerable groups in specialist matters and covered Sexual Offences Courts, Child Justice Courts and Commercial Crimes Courts. Legal representation to children, women, the elderly, mental healthcare patients and in land/eviction matters increased. We provided criminal and civil legal aid services to vulnerable groups with a particular focus on children. The level of representation to children, women, mental healthcare patients and in land/eviction matters increased during the financial year under review.



# SUSTAINABILITY REPORT

Various impact cases which we dealt with involved the rights of vulnerable groups including the right to housing, rights of refugees/asylum seekers or foreign nationals and frail care and mental health.

In keeping with our legislative mandate to make legal advice available, we assisted clients who required general advice. This was done through outreach advice services at community sites and telephonic advice via the Legal Aid Advice Line. Legal information and guidance is now available to all persons, including Community Advice Offices, irrespective of whether such persons qualify for legal aid or not, thereby ensuring access to justice that positively impacts on their ability to access and enforce their rights and the services associated with such rights. These methods of providing legal advice and information allowed convenient, easy and swift access for clients and contributed to building a rights-based culture as people become aware of their rights and the right to legal aid.

Linkages with health and frail care organisations have extended access to the Legal Aid Advice Line to vulnerable patients and people who are prone to discrimination. Advertising initiatives have increased the awareness of the Legal Aid Advice Line, which resulted in more people being able to access telephonic legal advice.

The impact litigation cases taken on this financial year have contributed to making the Constitution a living document for the poor and the vulnerable and a number of legal precedents were set. An important development of the law was achieved in an impact matter that recognised the rights of refugees to be brought before a court within 48 hours of arrest. The outcome of each case litigated has had a positive impact on a wider population, far beyond those who were actually involved in the litigation.

## Quality of legal services and advice

We place great emphasis on the quality of legal services and advice provided since this has an impact on the outcome of cases which in turn affects the lives of our clients. Our practitioners continued to demonstrate commitment to providing quality service to our clients.

Interventions to ensure that practitioners are competent and able to provide the best quality legal services include:

- i. Training focused on the core modules for criminal and civil litigation.
- ii. Training programmes to address needs in specialist areas, including DNA training, fingerprint training, ballistics training and medico forensics.
- iii. An improved training programme for attorneys admission exams (which resulted in a marked increase in the pass rate of Candidate Attorneys).

- iv. Legal research and support programmes (online research support, legal newsletters and discussion forums, systems to assist in producing legal pleadings, documents and notices), which ensure that our practitioners are current in terms of their legal knowledge, specifically in terms of both changes in the law as well as legal precedents set by court judgments.

The various support programmes implemented have resulted in our practitioners being more competent and empowered to better represent clients in their cases. As a result, the reviews done by our Legal Quality Assurance Unit (LQAU) have confirmed that over 98% of our internal practitioners render services in compliance with our quality requirements, which includes an assessment on the outcomes achieved by practitioners in the cases reviewed.

Quality assessments included the audit of files, court observations and observations of paralegals providing legal advice. Assessment results from court observations for Judicare practitioners confirmed that 97% met and exceeded the quality target.

The practitioners who have not met the quality targets are supported by their managers and receive more frequent supervision to ensure that clients are not prejudiced in any way. With regard to Judicare practitioners, the file reviews confirm that more work needs to be done to improve the quality of files.

A comprehensive marketing plan is in place to increase awareness and an independent survey confirmed a 7% increase in awareness of the Legal Aid South Africa brand. Marketing activities include radio, television, print and outdoor advertising, stakeholder engagement, branding of courts, police stations and government service delivery points, as well as media initiatives. There was substantial growth in the usage of our website, which could be attributed to our improved presence on social media platforms.

## Community outreach and education

Outreach events in communities are an important vehicle for providing information and educating people about Legal Aid SA, the Constitution, their rights and responsibilities and the rule of law. These outreach events are held at community level as well as at government key service delivery points, making them accessible to people. They assist in increasing the visibility of our brand and also cement partnerships with like-minded stakeholders. By participating in events and campaigns such as Access to Justice Week, Child Protection Week and Human Rights Month, awareness of the Constitution and the Bill of Rights was enhanced.

# SUSTAINABILITY REPORT

We implemented a comprehensive Client Relationship Management Strategy. Implemented programmes linked to this strategy included continuous client relationship management training for staff, improved tracking of client complaints using webpages and a revised Client Services Charter. Client satisfaction surveys conducted are now more representative as we were able to survey more clients. The results of these surveys show an increased level of client satisfaction, as 94% of clients surveyed in criminal matters (an increase of 2.4% from the previous financial year) and 76% of clients surveyed in civil matters (an increase of 2.5% from the previous financial year) were satisfied with the legal aid services received.

## GOAL 2: IMPROVED EFFECTIVENESS AND CONFIDENCE IN THE JUSTICE SYSTEM

### Focus area II – justice system

#### Sub-focus areas:

- I. speedy and fair trial (criminal)
- II. speedy and fair resolution of matters (civil)
- III. justice governance

#### Speedy and fair trial (criminal)

There was a decrease in backlogs in all courts (DC, RC and HC) when compared to the previous financial year, which indicates that interventions implemented impact positively on the speedier finalisation and resolution of legal matters.

Justice system role players worked together to address blockages and thus ensured that clients' matters are processed speedily, contributing to increased efficiencies in the justice system.

Legal Aid South Africa has implemented all protocols from the CJSR committee and has participated in a number of ad hoc projects aimed at improving the functioning of the civil justice system. Our participation in the Rules Board ensures that all changes to the rules for courts take into account the needs of indigent litigants.

We have an effective system to track remand detainees and this information is shared with stakeholders in the CJS. We are able to accurately report on the progress of all appeal matters through a tracking system; this enables us to engage meaningfully with court stakeholders, especially on outstanding court records.

Through our participation in the Intersectoral Committee on Child Justice, as well as our internal tracking systems, the number of children awaiting trial in custody has reduced substantially. We link with the Office of the Independent Inspectorate of Correctional Services so that all legal representation issues raised by inmates are efficiently referred to us.

Legal Aid SA participates in all justice cluster forums that have been set up. Through our participation in local case flow management committees and interaction with court stakeholders, the inefficiencies that contribute to delays are identified and the objective of improving efficiencies is prioritised. On a provincial level the various PEECs have been effective in getting stakeholders to work together to improve the justice system. At a national level we are involved in a forum that examines system-wide challenges that contribute to inefficiencies and ensure that recommendations are made to the NEEC to address this.

Sustainable Development Goal 16, *Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels*, is important in our work context. We have been involved in processes to raise awareness about SDG 16 in order to build a national partnership for the implementation of this goal. We also participated in the development of a questionnaire on Governance, Justice and Public Safety so that questions gauging legal needs, access to legal services and the public's responses to legal needs are included.

#### Speedy and fair resolution of matters (civil)

There was a decrease in backlogs for civil matters, translating to speedier access to justice for clients. One hundred and fifty-nine Legal Aid South Africa practitioners also volunteer their services to act as Small Claims Commissioners in the Small Claims Courts, which resolves minor disputes speedily. The Hotdocs solution for automatic document generation has been rolled out to civil practitioners at all JCs. This software allows for the efficient generation of documents, thereby reducing the turnaround time to prepare civil pleadings.

#### Justice governance

In order to play a role in increasing efficiencies in the justice system and contribute to the swift finalisation of matters we have a Court Stakeholder Relationship Management Programme in place.

A survey was conducted with judicial officers. The feedback obtained from judicial officers is that Legal Aid SA is contributing positively to the administration of justice. Over 70% of those surveyed think highly of our practitioners in terms of the quality of their work as well as their ethical conduct. Results from the survey also show that Legal Aid South Africa is making a positive contribution to the smooth flow of cases.

# SUSTAINABILITY REPORT

We continued to ensure that clients were able to access justice by working in partnerships with stakeholders such as SASLAW (South African Society for Labour Law), who assisted clients in labour matters where we have limited capacity, and pro bono agreements with the Law Societies and ProBono. Org. Legal Aid SA launched the inaugural Legal Aid South Africa Pro Bono Award at the annual Pro Bono Awards to recognise outstanding practitioners who perform legal aid pro bono work and to encourage others to do likewise.

## GOAL 3: GOOD GOVERNANCE PRACTICE AND A STRONG GOVERNANCE REPUTATION

### *Focus area III – good governance*

#### **Sub-focus areas:**

- i. strong governance performance
- ii. high ethical standards: zero tolerance of fraud and corruption, and ethical conduct with clients
- iii. an effective and visionary Board
- iv. IT governance

#### **Strong governance performance**

Strong governance performance was maintained during the 2016-2017 financial year as Legal Aid SA complied with best governance practices as per the PFMA, King IV Code of Practice and other relevant statutory compliance. Effective internal financial controls enabled us to identify irregular and fruitless and wasteful expenditure and report on this. Staff members are generally compliant with the PFMA and other regulations governing Legal Aid South Africa as only 40 incidents of irregular expenditure and 20 incidents of fruitless and wasteful expenditure were detected and reported. The value of these transactions is small and therefore not material. No incidents of non-compliance with other regulations were detected and reported. Legal Aid SA's governance practices are aligned to the King IV Code on Corporate Governance. There is, furthermore, consistency in unqualified audits without matters of emphasis, with the 2016-2017 financial year being the 16th unqualified 'clean' audit the organisation has achieved.

#### **High ethical standards: zero tolerance of fraud and corruption, and ethical conduct with clients**

The Internal Audit Department conducted fraud awareness campaigns to educate and engage staff, emphasising the organisation's policy on fraud and corruption and the importance of upholding the Legal Aid South Africa values of integrity and accountability. We can confirm that a high level of ethical conduct exists amongst our employees as only two incidents out of the eight investigations conducted found that the staff members did not act ethically. Lifestyle audits conducted did not find any evidence of unethical behaviour by Legal Aid SA employees.

#### **An effective and visionary Board**

The Board was fully constituted and operational in the 2016-2017 financial year to ensure the fulfilment of the Legal Aid South Africa mandate. The Board actively monitored the execution of the Strategic Plan of Legal Aid SA, reviewed quarterly reports and Risk Registers.

The Board and Board Committees continue to evaluate set performance metrics and maturity in order to realign performance to set goals. This impacts positively on Board engagement, which in turn impacts on Board maturity.

#### **IT governance**

The Legal Aid South Africa IT Strategy and Architecture Framework is consistent with best practice and aligned to the organisational strategy. The Board monitors and evaluates significant IT investments, tenders, performance and expenditure and oversees risk management of the IT component of the business. IT strategic projects are executed within the defined budget and any changes to the IT strategic projects are communicated and approved by the Board. As a result, IT maturity has improved over the past six years.

## GOAL 4: IMPROVED MATURITY LEVEL OF THE ORGANISATION

### *Focus area IV – maturity levels*

#### **Sub-focus areas:**

- i. to develop maturity level of core business to improve quality services to clients
- ii. to develop maturity level of each segment of the organisation to perform at optimal levels and improve the impact of delivery/outcomes
- iii. to embed enterprise risk management into the business approach and culture of the organisation
- iv. financial maturity and clean audits
- v. IT and IT systems
- vi. business continuity

#### **To develop maturity level of core business to improve quality services to clients**

The maturity level of quality legal services for criminal legal services delivery has improved, both for internal and Judicare practitioners. For internal matters, audits conducted by the LQAU have confirmed that over 98% of practitioners met or exceeded our quality targets, thereby confirming that clients' rights to a fair trial have been protected. Further, our coverage of courts is now more closely aligned to demand, resulting in some capacity being made available to implement our Relief Programme which means that courts could function more efficiently when our practitioners were absent for any reason.

# SUSTAINABILITY REPORT

The maturity level of quality legal services for civil legal services delivery has improved. For internal matters, LQAU audits have confirmed that 100% of civil practitioners met or exceeded our quality targets, thereby confirming that clients' rights to having their disputes resolved were met. Matters exceeding turnaround time have also decreased by 10% from the previous financial year. Child beneficiaries in estate matters have received payment of R42.7 million in the 2016-2017 financial year.

A comprehensive review of our legal quality was conducted, taking into account various aspects like file quality, complaints, media reports and feedback from the National Omnibus Survey. This review included a review of our current quality monitoring programmes and a comparison to the programmes used in other jurisdictions. The study has focused our attention on four identified gaps which need to be addressed going forward.

## **To develop maturity level of each segment of the organisation to perform at optimal levels and improve the impact of delivery/outcomes**

There was an improvement in maturity in human resources management as leadership programmes intensified and labour relations improved. The organisation was accredited as a Top Employer for the 8th consecutive year and as a leading employer amongst public sector organisations for the 2nd consecutive year, thus indicating an enhanced approach to talent and competency management. The Finance Department's performance was maintained. The MTEF, annual budget, expenditure and financial reporting with the 2016-2017 unqualified 'clean' audit opinion contributed to good performance while internal control flaws seen in irregular and fruitless expenditure are challenges that are being addressed. The Communications Department's maturity level was maintained with continued operational programmes implementation. The IT business practice improved IT maturity as reported through an independent evaluator.

## **To embed enterprise risk management into the business approach and culture of the organisation**

The level of risk intelligence in the organisation is improving. This has been confirmed by feedback received from business units on our risk programme dealing with data integrity.

There is also an improved level of risk maturity in the organisation. Risk management is firmly integrated into our strategic planning process as well as our business planning and implementation. There is a better understanding of risk terminology throughout the organisation as per feedback received from business units on our Risk Organisational Culture Programme. Our quarterly Risk Watch Reports have also confirmed that the majority of risks are managed

within the risk tolerance level. An Opportunities Register was introduced and management has been able to optimise the usage of this Register.

Our overall good governance and good performance has contributed to improved confidence in our organisation to deliver on its mandate, thereby increasing access to justice to our clients.

Four risk opportunities were identified and included in the Risk Register. The risk opportunities relate to the carbon footprint, vehicle accidents and repairs, office space alignment to staff complement and the EVP.

Zero tolerance on fraud was emphasised and all fraud matters reported were investigated. In one case where fraudulent practices were detected, the staff member concerned resigned before disciplinary steps could be taken.

## **Financial maturity and clean audits**

An unqualified audit opinion was obtained from the A-G for the 16th consecutive year in 2016-2017. The audit opinion was also a 'clean' audit opinion.

Non-compliance with PFMA with regard to fruitless, wasteful and irregular expenditure, although not pervasive, is an area of concern.

Property management is an area of concern with regard to procurement of office accommodation, non-compliant service providers, delays in the finalisation of contracts and funding for refurbishments.

Service delivery was not impacted by the R92 million budget cut since the budget cut was funded from existing cash reserves while ensuring that solvency and liquidity tests are met.

Expenditure was appropriately utilised to achieve the Business Plan objectives.

Although Legal Aid SA did not receive an additional budget cut, the emerging challenge relates to budget shortfalls, which arise as a result of cost of living increases which are higher than the macro increase.

These shortfalls will now impact on service delivery and does not affect Legal Aid South Africa only, but government as a whole. The reprioritisation of the budget attempted to minimise impact on service delivery, however, the continued shortfall can only be addressed through reduced levels of services delivered.

# SUSTAINABILITY REPORT

## IT and IT systems

Our IT Strategy is aligned to the business strategy. The IT systems' availability and accessibility improved, with the user satisfaction survey indicating a good level of performance. There were improvements in the turnaround time for the restoring of data and for the Disaster Recovery Rehearsal. We are well prepared for the rollout of the eLAA project with sufficient storage available. The Risk Watch Report has indicated that mitigations in place to manage IT risks are efficient and effective. Emerging risks are identified and added to the Risk Register for management and monitoring.

## Business continuity

Proactive mitigation plans are in place that respond effectively to business threats and take advantage of opportunities coded in the BCP and Crisis Management Plan. The Uninterrupted Power Supply (UPS) is implemented at all JCs and ROs. The UPS was successfully tested and this is an indication of the capacity to effectively manage potential incidents the organisation may face. We are assured of the safety of the organisational data through a successful IT disaster recovery rehearsal. Water-saving awareness programmes were conducted to assist in contributing to water saving in the workplace. The organisation remains compliant with its legal and regulatory obligations. Owing to the implementation of business continuity measures including the utilisation of the UPS, we experienced minimal business interruptions at Kroonstad JC following a fire at the building adjacent to our offices.

## GOAL 5: BEST EMPLOYER OF LEGAL PROFESSIONALS (AND RELATED MANAGEMENT AND SUPPORT STAFF)

*Focus area V – employer of choice:*

### Sub-focus areas:

- i. recruitment and retention
- ii. employee engagement and development
- iii. labour relations
- iv. organisational culture
- v. employee wellness
- vi. CSI

### Recruitment and retention

Legal Aid SA was accredited as a Top Employer for the 8th consecutive year in 2016-2017.

This accreditation provides assurance from an external body that we are managing our human resources function according to best practices. We were also rated as first amongst the public sector organisations that were rated by the Top Employer organisation.

We fared well with employee retention and thus achieved stability in our work environment, as can be deduced by the low staff turnover (5.5%) that is comfortably within the 10% industry norm. Turnover reduced by 1.7% as compared to the 2015-2016 financial year.

Legal Aid South Africa provides opportunities for employees to progress internally in their careers as prospects for promotion into leadership and management posts were provided.

### Employee engagement and development

Comprehensive training plans aligned to individual development plans are in place for legal and support staff. Legal training is done through training courses and e-Learning. The training targets were not achieved as a result of challenges experienced in sourcing service providers, however, training gaps were addressed through our internal training programmes at JCs. The skills level of support employees has improved as a result of the programme as indicated by the manager evaluation of the impact of training on employee performance.

### Labour relations

We achieved sound labour relations through a constructive, positive relationship with organised labour and effective management of internal and external labour cases. This has to be continuously worked on to be maintained at the levels required.

### Organisational culture

The Organisational Culture Programme (OCP) included an online pledge to the culture and values for all employees which included a culture fit assessment. The Culture Fit Survey result indicated an extremely high level of organisational culture fit across all dimensions measured. The programme also included robust engagement on issues of discrimination, racism and diversity.

The Internal Communication Plan targets were met. This indicates that a sustained value-based and organisation-wide shared corporate culture is in motion. The sustained and varied means of internal communication indicate that employees are kept up-to-date on key matters and are part of the organisation's branding efforts.

Respondents to the Internal Communication Survey indicated that they are of the opinion that the communication of information has improved.

The clarity of Legal Aid SA's EVP assists in attracting talent. We have observed continuous high levels of interest in advertised posts. Existing talent is committed, motivated and continues to perform at high levels. Participation in, and engagement on, business strategies and issues remain notable at leadership level and amongst staff and therefore contributes positively to business success.



# SUSTAINABILITY REPORT

## Employee wellness

An Employee Wellness Programme aimed at raising awareness of health and wellness issues to ensure a healthy workforce was implemented. We continue to support employees and encourage them to take ownership of their health. There was a lower absenteeism rate in 2016-2017 (6.2 days per capita) as compared to 2015-2016 (6.5 days per capita), which is seen as a benefit of a healthy workforce.

## CSI

We engaged in a number of activities to support vulnerable groups to ultimately ensure that communities had increased access to justice. These activities were as follows:

- i. Administered a Pro Bono Scheme, which encourages practitioners to render pro bono services to indigent communities. This facilitates access to justice for the poor at no cost to the tax payer. There are 612 practitioners registered to render pro bono services and 473 new pro bono matters were dealt with during the financial year.
- ii. One hundred and fifty-nine Legal Aid SA employees registered as Small Claims Court Commissioners to ensure speedy resolution of small disputes, thereby increasing access to justice for the poor.
- iii. We revised our Asset Disposal Policy to donate usable assets such as furniture, computers and motor vehicles that are disposed of to Community Advice Offices and University Law Clinics to address their infrastructure challenges. This helps organisations that provide access to justice to poor people to meet the challenges of the prevailing negative economic outlook. In the year under review, we donated 71 computers, the majority to Community Advice Offices.

## GOAL 6: REDUCED CARBON FOOTPRINT (OF ORGANISATION)

### Focus area VI – carbon footprint

#### Sub-focus areas:

- i. reduce carbon footprint related to business operations

Legal Aid South Africa has an Environmental Policy in place, which is aimed at educating the Legal Aid SA community to appreciate and manage environmental issues.

In order to reduce our carbon footprint, we have continued raising awareness amongst employees through our Internal Communication Programme to encourage greening in the workplace as well as in their homes and communities.

Electricity usage at the National Office was tracked and the programmes initiated to reduce carbon emissions led to savings in electricity at this office. However, we were not able to quantify our carbon footprint and any reduction.

## 3. STAKEHOLDER ENGAGEMENT

Both internal and external stakeholders form an integral stakeholder base for Legal Aid South Africa as they can influence the strategic objectives and how the organisation should respond to their respective stakeholder needs. Guarding and promoting a positive stakeholder relationship is paramount to the way Legal Aid SA remains relevant to its key strategic stakeholders. We were able to maintain this relationship through proactive two-way communication and continuous engagement with stakeholders through dedicated forums and publications.

We attained the above through extensive dialogue and meetings to address key stakeholder issues and to design effective means, through partnerships, to enable access to justice for the indigent groups we are constitutionally mandated to assist. Some of these partnerships include:

- i. Working with stakeholders who promote access to justice for the vulnerable. A number of CBOs and NGOs are committed to educating our target beneficiaries on their constitutional rights and on how to access justice.
- ii. Hosting community outreach initiatives through our JCs – these initiatives allow for consultations with our staff and the dissemination of legal services information.
- iii. Working with like-minded justice delivery organisations to help maintain and create a well-oiled justice system that recognises the needs of the indigent groups as priority areas.
- iv. Utilising Community Advice Offices in order to access a larger number of communities.
- v. Rolling out OCP events and brand ambassadorship activities internally in order to educate and engage employees.

# SUSTAINABILITY REPORT

**Table 11: Engagement with Stakeholders**

Group	Stakeholder	Engagement	Report on input received	How issues were responded to
A. Legal/Justice	1. Courts (including Judiciary and Prosecution)	<p><b>Strategic Objectives</b></p> <p>A) Shared vision and commitment to ensure an effective justice system that upholds constitutional rights.</p> <p>B) Review of criminal legal aid access and recommendations.</p> <p>C) Improved relationship with justice cluster stakeholders in order to facilitate the provision of quality legal services as well as contribute to the efficient operation of the justice system as a whole.</p> <p>D) Acquire meaningful insight and input to the organisation's strategic direction.</p> <p><b>Report on Performance</b></p> <p>A) Continued our active participation in the CJSR process.</p> <p>B) Legal Aid SA is represented on the Rules Board for Courts of Law that updates and improves the functioning of the civil justice system. Currently the Rules Board for Courts of Law is undertaking a review of the Rules of Courts for Civil Matters. The CLE is a member of the Rules Board and chairs the Cost Committee.</p> <p>C) A total of 10 meetings of the Rules Board were attended by the CLE (three Board meetings, three Cost Committee meetings, three Exco meetings, one Colloquium).</p> <p>D) The JCs participated in over 6,872 meetings/interactions with presiding officers.</p> <p>E) Approximately 1,019 stakeholder interactions held with DoJ senior officials.</p> <p>F) Legal Aid SA participated in all NEEC (2), PEEC (30) and Dev Comm meetings (15).</p> <p>G) Legal Aid SA participated in all local case flow meetings.</p> <p>H) Legal Aid SA participated in the committee established by the Child Justice Act to deal with matters of children in conflict with the law.</p> <p>I) A survey was conducted with Judicial Officers in all courts to obtain their views on the services offered by Legal Aid SA.</p>	<ul style="list-style-type: none"> <li>• The number of children represented by Legal Aid SA in preliminary enquiries and Child Justice Courts, their ages as well as the type of offences they were charged with.</li> <li>• Feedback on the effectiveness of our recently introduced Court Relief Programme.</li> <li>• Stakeholder concerns about our inability to provide 100% coverage in both DCs and RCs.</li> <li>• Stakeholder discomfort with our practitioner rotation system.</li> <li>• Legal Aid SA practitioners consulting with clients on the day of their trials.</li> <li>• Staggering of practitioner consultation days throughout the week.</li> <li>• Civil legal aid services/consultations should be made available at all courts.</li> <li>• Increased legal services to be made available in maintenance matters and domestic violence.</li> </ul>	<ul style="list-style-type: none"> <li>• Statistics were provided on the number of children represented by Legal Aid SA with the detail required.</li> <li>• Feedback was provided on the rollout of the Court Relief Programme and the experience of stakeholders was discussed. Towards the end of the year, concerns about the continuation of the Court Relief Programme were discussed with stakeholders in light of the looming budget cuts.</li> <li>• Information from our court roll research project was shared with stakeholders to make them understand how we have aligned our supply of capacity at courts to the actual demand at each court room.</li> <li>• The rationale behind the rotation programme was shared with court stakeholders. It was explained that an SOP is in place to ensure that rotation of practitioners is planned months in advance in consultation with the relevant presiding officer, especially if there are part-heard matters.</li> <li>• Consultation with clients prior to the date of trial is required of practitioners both in quality reviews and as part of their performance contracts. Where circumstances dictate that a consultation should take place on the date of trial, the reason for this deviation from the requirement must be clearly recorded on the court file.</li> <li>• We have increased engagement with court stakeholders to explain the importance of allowing time for practitioners to consult in order to improve the quality of their work.</li> <li>• We have expanded our outreach programme to ensure that general advice services are available at civil courts and that clients can access civil legal aid services at those courts.</li> <li>• Our policy has been revised to give priority to maintenance and domestic violence matters, even if it is only to give advice where resource constraints limit our ability to represent the clients in court.</li> </ul>



# SUSTAINABILITY REPORT

**Table 11: Engagement with Stakeholders (continued)**

Group	Stakeholder	Engagement	Report on input received	How issues were responded to
A. Legal/Justice (continued)	2. Law Clinics and Advice Offices	<p><b>Strategic Objectives</b></p> <p>A) To be responsive and have co-operative relationships with other service providers.</p> <p>B) Acquire meaningful insight and input to the organisation's strategic direction.</p> <p>C) To introduce a Corporate Social Investment component to Legal Aid SA's services.</p> <p><b>Report on Performance</b></p> <p>A) Justice Centres linked to 144 Community Advice Offices through 1,458 visits to provide assistance and back up legal services. A total of 7,069 clients were seen and 1,111 new files were opened.</p> <p>B) Our Asset Disposal Policy was amended to provide for the donation of usable assets and equipment to Law Clinics and Community Advice Offices to assist them in carrying out their work for the poor.</p> <p>C) Legal Aid SA volunteered its IT services to develop a case management system for use by Community Advice Offices.</p>	<ul style="list-style-type: none"> <li>Community Advice Offices require support to ensure sustainability.</li> <li>Legal representation support required for clients whose matters require litigation.</li> </ul>	<ul style="list-style-type: none"> <li>Because of the current economic environment, and because of our inability to provide financial support, we have engaged with the Association of Community Advice Offices of South Africa to determine what support can be provided to Community Advice Offices to improve their operations and sustainability.</li> <li>We are supporting Advice Offices with a webpage to collect data and with the drafting of legislation for the regulation and recognition of the paralegal sector.</li> <li>As from the financial year under review, a policy change allows us to allocate fully depreciated computer equipment.</li> <li>Communication channels have been put in place for Advice Offices to contact us whenever they need backup legal services, even at short notice.</li> </ul>
	3. Professional Legal Bodies	<p><b>Strategic Objectives</b></p> <p>A) Effective interaction with professional bodies regarding professional regulatory matters concerning legal professionals.</p> <p>B) Acquire meaningful insight and input to the organisation's strategic direction.</p> <p>C) Increase access to justice through pro bono agreements with private practitioners.</p> <p>D) Effective participation in the transformation process of the regulatory environment for legal professionals.</p> <p><b>Report on Performance</b></p> <p>A) Legal Aid SA kept up to date with developments in the legal profession through continued interaction with legal professional bodies.</p> <p>B) The organisation is represented by a senior executive in the National Forum, which has been established to give effect to the Legal Practice Act.</p> <p>C) Legal Aid SA participated in 86 provincial Law Society meetings.</p> <p>D) Pro bono agreements concluded with all Law Societies and Bar Councils.</p> <p>E) Input into development of relevant regulations for the Legal Practice Council.</p> <p>F) Legal Aid SA lawyers participated in all AGMs and meetings of the Law Societies, Black Lawyers Association (BLA), National Association of Democratic Lawyers and SAWLA.</p> <p>G) One Legal Aid SA Board member, a Regional Executive and three JCEs elected to the executive structures of the Free State Law Society, the BLA and SAWLA.</p> <p>H) The inaugural Legal Aid SA Pro Bono Award was launched in collaboration with ProBono.Org.</p>	<ul style="list-style-type: none"> <li>Increasing the exposure of Candidate Attorneys to a variety of work.</li> <li>Processing of payments of membership fees for our practitioners.</li> <li>Efficient processing of contracts of community service for our CAs.</li> <li>The maximum number of CAs to a Principal.</li> <li>Implementation of our Quality Monitoring Programme for Judicare practitioners.</li> <li>The representation by Legal Aid SA of more than one client where a conflict of interest exists.</li> <li>Implementation of the Legal Aid SA Act and preparation of Regulations, which will contain the policy provisions relating to rendering of legal aid.</li> <li>The allocation of pro bono work to legal practitioners.</li> </ul>	<ul style="list-style-type: none"> <li>Our Preadmission Training Programme was revised to ensure that CAs are exposed to as wide a variety of work as possible.</li> <li>A draft policy was developed on Legal Aid SA's contribution to every practitioner's membership fees.</li> <li>Improved processing of documentation for registration of community service.</li> <li>The profession was engaged in the impact any limitation on the number of CAs per Principal will have on the delivery of legal aid services.</li> <li>Information was disseminated through our newsletter to all Judicare practitioners on the performance of such practitioners in file quality and court observation reviews.</li> <li>SOP developed to guide JCs where a conflict exists between two people, both seeking legal aid assistance.</li> <li>Statistics on the number of pro bono instructions issued have been shared.</li> <li>Certificates have been issued to pro bono practitioners to use as proof of delivery of pro bono work to their professional bodies.</li> <li>The first Legal Aid SA ProBono.Org Award was awarded to a Judicare practitioner.</li> </ul>

# SUSTAINABILITY REPORT

**Table 11: Engagement with Stakeholders (continued)**

Group	Stakeholder	Engagement	Report on input received	How issues were responded to
A. Legal/Justice (continued)	4. Justice System Stakeholders (criminal and civil)	<p><b>Strategic Objectives</b></p> <p>A) An improved CJS.</p> <p>B) To increase civil legal aid.</p> <p>C) Joint efforts aimed at improving case flows at courts.</p> <p>D) Improved access to detainees.</p> <p>E) Mitigate the service of serving civil process and executing court orders.</p> <p>F) Joint efforts aimed at increasing access to justice and providing legal education to the public.</p> <p><b>Report on Performance</b></p> <p>A) Legal Aid SA is represented at all Justice System Stakeholder meetings, including participation in all local case flow management committees.</p> <p>B) JCs hosted 64 Justice Cluster Forums.</p> <p>C) Legal Aid SA participated in over 100 legal fraternity meetings/activities.</p> <p>D) Participated in the CJSR Committee and contributed to the development of a number of protocols to improve efficiencies of the CJS.</p> <p>E) Protocol entered into with the Sheriff's Board and Sheriff's Associations to limit the cost of service or process for poor clients.</p> <p>F) Engagement with Sheriff's Board and Deputy Minister of Justice to resolve procurement-related challenges in light of the establishment of a CSD by the NT.</p> <p>G) Legal Aid SA participated in the forum established to monitor the cross-border abduction of children in terms of the Hague Convention.</p> <p>H) Legal Aid SA participated in joint projects to increase access to justice such as Willis Week, Women's Month, 16 Days of Activism for No Violence against Women and Children, Youth Month, Human Rights Month.</p>	<ul style="list-style-type: none"> <li>Practices that cause delays in the finalisation of cases.</li> <li>Reducing the number of RDs in custody, especially those in custody for longer than two years.</li> <li>Development of protocols to improve the functioning of the CJS.</li> <li>Reduction in the number of children awaiting trial.</li> <li>Improving our relationship with justice cluster stakeholders to ensure improved communication to address local challenges.</li> <li>Providing assistance to litigants seeking divorces with the assistance of RC Registrars.</li> <li>Making qualifying practitioners available to act as Commissioners of the Small Claims Courts.</li> <li>Non-payment of Sheriff accounts.</li> </ul>	<ul style="list-style-type: none"> <li>All complaints/concerns raised at local case flow management committees investigated and addressed.</li> <li>Legal Aid SA compiles top 20 RD list per province for attention of respective PEECs.</li> <li>Legal Aid SA has implemented all protocols in as far as it affects Legal Aid SA.</li> <li>Legal Aid SA ensures participation of senior managers at all local case flow meetings.</li> <li>Enhanced tracking and monitoring of children awaiting trial.</li> <li>A divorce self-help package is available on our website.</li> <li>One hundred and fifty-nine Legal Aid SA practitioners have been appointed as Commissioners of Small Claims Courts.</li> <li>The protocol with the Sheriff's Board provides guidelines on the processing and payment of sheriff accounts.</li> </ul>
	5. Master's Office	<p><b>Strategic Objective</b></p> <p>A) Linkage with Master's Office to attend to estate matters on behalf of children.</p> <p><b>Report on Performance</b></p> <p>A) Engagements with Chief Master to respond to operational challenges.</p> <p>B) MOU revised and amended.</p> <p>C) 4,109 new children estates matters were taken on.</p> <p>D) Payments to beneficiaries were effected in the amount of approximately R42.7 million.</p>	<ul style="list-style-type: none"> <li>Compliance with Administration of Estates Act for Estates exceeding R250,000 (after 24 November 2014).</li> <li>Monies returned by Guardian's Fund where relevant documents not received for all the beneficiaries.</li> </ul>	<ul style="list-style-type: none"> <li>SOP updated to provide for submitting L and D accounts in estates exceeding section 18(3) limits.</li> <li>Trust Account Tracking Schedule updated to track estates exceeding section 18(3) limits.</li> <li>Updated the webpage to track reasons for matters exceeding 12-month turnaround for payments.</li> <li>Engagement with Guardian's Fund on required documents improved quality of submissions.</li> </ul>

# SUSTAINABILITY REPORT

**Table 11: Engagement with Stakeholders (continued)**

Group	Stakeholder	Engagement	Report on input received	How issues were responded to
B. Government	6. Ministry of Justice and Correctional Services (Executive Authority) and DoJ&CD	<p><b>Strategic Objective</b></p> <p>A) Ensure best governance practice, King III guidelines, and compliance with PFMA and other statutory requirements.</p> <p><b>Report on Performance</b></p> <p>A) Accounting to the DoJ&amp;CD, and Parliament on delivery of mandate done timeously as required.</p> <p>B) The Chairperson of the Board represents Legal Aid SA to all stakeholders.</p>	<ul style="list-style-type: none"> <li>The Ministry of Justice acknowledged the performance of Legal Aid SA and remarked that it was on track. Legal Aid SA staff were commended.</li> <li>Meetings with the EA and other stakeholders occurred as and when required.</li> </ul>	<ul style="list-style-type: none"> <li>No issues raised by the EA. Legal Aid SA was accountable and compliant with relevant legislation.</li> <li>The organisation participated in all relevant stakeholder meetings as required.</li> </ul>
	7. National Treasury	<p><b>Strategic Objective</b></p> <p>A) Ensure best governance practice and compliance with PFMA and other statutory requirements.</p> <p><b>Report on Performance</b></p> <p>A) Legal Aid SA attended two MTEC meetings.</p> <p>B) The organisation was part of two NT forums and six workshops on travel, quarterly reporting and the RT15 contract.</p> <p>C) Legal Aid SA attended training hosted by NT.</p>	<ul style="list-style-type: none"> <li>Legal Aid SA is seen as a professional entity. Meetings and presentations on finance matters are always handled in a very proficient manner at all times. No additional funds allocated for the financial year under review due to financial constraints facing the country as a whole.</li> <li>Legal Aid SA seen as one of the few entities with an excellent track record on A-G's independent audit opinions.</li> <li>Training conducted on NT Annual Financial Statements consolidation templates and new Accounting Standards.</li> </ul>	<ul style="list-style-type: none"> <li>Material compliance on PFMA and full compliance on other statutory requirements. Legal Aid SA absorbed the budget cuts of R92.7 million in the 2016-2017 financial year. Service delivery was not negatively impacted by the budget cuts.</li> <li>New circulars and NT guidelines introduced and discussed at the forums and workshops were implemented by Legal Aid SA to ensure good governance and financial maturity.</li> <li>New accounting standards were applied when preparing the quarterly and Annual Financial Statements.</li> </ul>
	8. Government Departments (other) (National, provincial, local)	<p><b>Strategic Objectives</b></p> <p>A) To be responsive and have co-operative relationships with government departments.</p> <p>B) Acquire meaningful insight and input to the organisation's strategic direction.</p> <p>C) Linkage with Department of Health for assistance of mental healthcare patients.</p> <p><b>Report on Performance</b></p> <p>A) 694 poster displays and 824 outreach events were achieved at key government service points, in partnership with government departments this FY. This was executed by the Communications Department.</p> <p>B) Attendance of Biannual Mental Healthcare seminar.</p> <p>C) Participation in approximately 3,000 meetings with various government departments.</p> <p>D) Referral of mental healthcare clients for legal advice and representation where needed.</p>	<ul style="list-style-type: none"> <li>Department of Correctional Services (DCS): improving consultation facilities and security for Legal Aid SA practitioners.</li> <li>Department of Public Works: planning requirements for building of High Courts at Limpopo and Mpumalanga.</li> <li>DoJ: Minimum norms and standards for court buildings.</li> <li>Department of Health: legal representation for mental health patients.</li> <li>Issue of assistance in parole matters.</li> </ul>	<ul style="list-style-type: none"> <li>Webpage implemented to put into effect the consultation protocol with DCS.</li> <li>Legal Aid SA representatives participated in joint meetings as arranged by DoJ &amp; Department of Public Works relating to the building of the new High Courts in Limpopo and Mpumalanga.</li> <li>Participated in discussions on the minimum norms and standards for court buildings.</li> <li>Participated in discussions between the DoJ and Department of Health on challenges common to departments.</li> <li>Investigating how Legal Aid SA can assist parolees using paralegals.</li> </ul>

# SUSTAINABILITY REPORT

**Table 11: Engagement with Stakeholders (continued)**

Group	Stakeholder	Engagement	Report on input received	How issues were responded to
B. Government (continued)	9. JICC	<p><b>Strategic Objectives</b></p> <p>A) Continuous linkages with Department of Correctional Services for better access to detainees.</p> <p>B) Partnership with JICC to increase access to legal aid for detainees and inmates.</p> <p>C) Joint initiatives with all Justice Crime Prevention and Security Cluster stakeholders to reduce the number of remand detainees in custody for periods exceeding two years.</p> <p><b>Report on Performance</b></p> <p>A) Ongoing meetings with JICC and interactions with Independent Correctional Centre Visitors (ICCVs) at local JC level.</p> <p>B) Attendance at visitation committee meetings.</p>	<ul style="list-style-type: none"> <li>Participation by Legal Aid SA at local JICC meetings.</li> <li>Complaints by inmates, in as far as it affects Legal Aid SA, are discussed.</li> <li>Issue of unrepresented accused at correctional facilities.</li> </ul>	<ul style="list-style-type: none"> <li>Legal Aid SA ensures that senior JC managers attend the local JICC meetings as arranged so that all inmate concerns regarding the provision of legal aid can be addressed.</li> <li>All inmates' concerns regarding Legal Aid SA investigated and addressed.</li> <li>Visits undertaken by JC paralegals to offer assistance to unrepresented accused.</li> </ul>
	10. SAPS and Department of Social Development	<p><b>Strategic Objectives</b></p> <p>A) Effective engagement with SAPS and the Department of Social Development (DSD) to ensure legal representation for children in criminal matters.</p> <p>B) Improved linkages with the SAPS system for referral of matters relating to legal aid.</p> <p><b>Report on Performance</b></p> <p>A) Legal Aid SA was part of 423 Case Flow Management Committees to improve linkages, which include representatives from SAPS and the DSD.</p> <p>B) JC personnel attended almost 2,068 case flow committee meetings.</p> <p>C) Legal Aid SA participated in all activities of the Intersectoral Committee on Child Justice (ISCCJ).</p> <p>D) Regions participated in all Provincial Child Justice Fora.</p> <p>E) Integration of our legal administration system (AI) and the CAS system pursued as part of the US deliverables.</p> <p>F) Legal Aid SA partnership extends to other areas including outreach programmes, social mobilisation and rights-based awareness through branding at numerous SAPS police cells nationally.</p> <p>G) Information regarding children awaiting trial is communicated to our local JCs.</p> <p>H) Solid relationships are built to jointly co-ordinate efforts in dealing with child justice matters.</p>	<ul style="list-style-type: none"> <li>Children held in holding cells at police stations.</li> <li>Probation Officer reports as well as assessments done on children.</li> <li>Children used by adults to commit crime.</li> <li>Drug abuse and its impact on crime levels.</li> <li>Programmes offered by the DSD for the rehabilitation of children.</li> <li>The legal representation of children in preliminary enquiry matters.</li> </ul>	<ul style="list-style-type: none"> <li>Legal Aid SA visits all holding cells where children are held to ensure legal representation is provided.</li> <li>Legal Aid SA also tracks all children held in custody in correctional facilities.</li> <li>The provision of reports within timeframes so that there are no unreasonable delays in matters involving children.</li> <li>Information shared with stakeholders with ISCCJ on the number of children represented by Legal Aid SA.</li> <li>Information given for the development of the National Policy Framework on Child Justice.</li> </ul>
	11. Parliamentary Portfolio Committee on Justice and Constitutional Development	<p><b>Strategic Objective</b></p> <p>A) Reporting and accountability to the Executive Authority and statutory compliance maintained and improved.</p> <p><b>Report on Performance</b></p> <p>A) Three Parliamentary Portfolio Committee Briefings were held in the 2016-2017 financial year. Reporting done by Legal Aid SA Management: Annual Performance Plan 2016-2017, Budget 2016-2017, Strategic Plan 2015-2020, Annual Review 2016-2017, Integrated Annual Report 2015-2016.</p>	<ul style="list-style-type: none"> <li>The Portfolio Committee was appreciative of the work done by and the quality of the leadership of Legal Aid SA.</li> </ul>	<ul style="list-style-type: none"> <li>Legal Aid SA responded to all Parliamentary questions raised.</li> </ul>

# SUSTAINABILITY REPORT

**Table 11: Engagement with Stakeholders (continued)**

Group	Stakeholder	Engagement	Report on input received	How issues were responded to
C. Service Providers	12. Co-operation partners	<p><b>Strategic Objective</b></p> <p>A) Boost capacity and resources to deliver quality legal services/ensure increased access to justice.</p> <p><b>Report on Performance</b></p> <p>A) Increased access to justice in civil matters, with specific legal focus or specific geographical areas.</p> <p>B) New Co-operation Agreement entered into with SASLAW to increase access to labour services.</p> <p>C) The number of Co-operation Agreements increased to 11.</p> <p>D) A total of 5,534 new matters were taken on by the co-operation partners.</p>	<ul style="list-style-type: none"> <li>Additional funding required to extend services.</li> </ul>	<ul style="list-style-type: none"> <li>Additional funding allocated to existing co-operation partners in line with their proposals to extend services to the poor.</li> </ul>
	13. Judicare practitioners and Agency Agreements	<p><b>Strategic Objectives</b></p> <p>A) Boost capacity and resources to deliver quality legal services/ensure increased access to justice.</p> <p>B) Increase access to justice in rural-based courts that are uneconomical to service from a JC.</p> <p><b>Report on Performance</b></p> <p>A) Implemented a webpage for the appointment of counsel in civil matters on a Judicare instruction where the JC remains as the instructing attorneys.</p> <p>B) Biannual newsletter published for Judicare practitioners.</p> <p>C) All JCs held Judicare practitioner briefing sessions to discuss all issues affecting Judicare practitioners.</p> <p>D) Individual communications sent to Judicare practitioners to highlight changes in policy.</p> <p>E) All Agency Agreements renewed.</p>	<ul style="list-style-type: none"> <li>Criteria for Judicare accreditation.</li> <li>Judicare quality monitoring of case files as well as court observations.</li> <li>Account payment enquiries.</li> <li>CSD registration requirements.</li> </ul>	<ul style="list-style-type: none"> <li>Accreditation criteria reviewed and refinements effected.</li> <li>Court observation of Judicare practitioners by senior JC managers rolled out.</li> <li>Details of our Quality Monitoring Programme shared with practitioners in their compulsory briefing session with JC management.</li> <li>Judicare newsletters contained articles on requirements for the efficient processing of Judicare practitioner accounts.</li> <li>Webpage introduced for reporting progress on all Judicare matters.</li> <li>Update on NT regulations on tax clearance certificates and payment of suppliers; including registration on NT CSD.</li> <li>New Agency Agreement practitioners inducted and agreements finalised.</li> </ul>
	14. Other suppliers	<p><b>Strategic Objectives</b></p> <p>A) Improved relations and supplier co-operation.</p> <p>B) Promote better understanding of Legal Aid SA's procurement policies and procedures.</p> <p><b>Report on Performance</b></p> <p>A) Regular updates with regards to SCM matters and guidelines sent out to suppliers through newsletters, SMS and emails.</p> <p>B) Tender briefings and publishing of tender results through website.</p> <p>C) Suppliers kept informed of SCM processes and advised to register on NT CSD.</p>	<ul style="list-style-type: none"> <li>Suppliers requested Legal Aid SA to clarify SCM requirements for tenders and requested assistance with CSD registration.</li> <li>Suppliers requested to be informed timeously about Legal Aid SA's December closure and cut-off dates for submission of accounts for payment purposes.</li> </ul>	<ul style="list-style-type: none"> <li>Held tender briefing meetings, where applicable, to clarify SCM requirements.</li> <li>Suppliers informed of the cut-off dates for submission of accounts to be processed before December closure.</li> <li>Suppliers were assisted with registration on NT CSD.</li> </ul>

# SUSTAINABILITY REPORT

**Table 11: Engagement with Stakeholders (continued)**

Group	Stakeholder	Engagement	Report on input received	How issues were responded to
D. Internal Public	15. Board members	<p><b>Strategic Objectives</b></p> <p>A) Skilled and properly constituted Board and Board Committees that function effectively to lead the organisation.</p> <p>B) Ensure ongoing dialogue between Legal Aid SA management and Board.</p> <p><b>Report on Performance</b></p> <p>A) Board meetings.</p> <p>B) Board self-evaluation.</p>	<ul style="list-style-type: none"> <li>• In terms of section (6)(1)(a) and section 9 of the Legal Aid SA Act, Non-Executive and Executive Directors were appointed to the Board.</li> <li>• Not all Board members familiar with the organisational environment.</li> <li>• Board meetings convened as scheduled.</li> <li>• Board strategic and effective in providing leadership and oversight of delivery on performance.</li> <li>• Board self-evaluation originally due for May 2017.</li> </ul>	<ul style="list-style-type: none"> <li>• Board self-evaluation rescheduled for July 2017.</li> <li>• All Board members inducted.</li> </ul>
	16. Employees	<p><b>Strategic Objectives</b></p> <p>A) Ongoing dialogue between Legal Aid SA employees and management at all levels.</p> <p>B) Consult with internal stakeholders to obtain input on Legal Aid SA Strategic Plan 2015-2020: Review 2017-2018.</p> <p><b>Report on Performance</b></p> <p>A) Draft Strategic Plan 2015-2020: Review 2017-2018 circulated to all Executives for discussion with management teams.</p> <p>B) Employee consultations on changes in the operations and policies of the organisation.</p> <p>C) Employer brand activities including corporate identity, value system and brand ambassadorship implemented.</p> <p>D) Employee Wellness and People Development Programmes implemented during the year.</p> <p>E) Values-based Legal Aid SA Organisational Culture Programme implemented including diversity.</p> <p>F) The Social and Ethics Programme implemented.</p> <p>G) Monthly staff meetings including quarterly forums.</p> <p>H) Issued weekly online newsletters (51), including Good News Alerts.</p> <p>I) Internal events on human rights and other special days implemented (19) for employees, including annual Achiever Awards ceremonies.</p> <p>J) National Internal Omnibus Employee Engagement Survey conducted.</p> <p>K) National and Regional Offices and JCs departmental workshops; Management Committee workshops conducted during the year.</p>	<ul style="list-style-type: none"> <li>• Comments/revisions incorporated into Strategic Plan 2015-2020: Review 2017-2018.</li> </ul> <p>Changes related to:</p> <ul style="list-style-type: none"> <li>– financial sustainability as a result of budget shortfall.</li> <li>– strategic risk and strategies related to budgetary reductions.</li> <li>– environmental analysis (external and internal environment).</li> </ul>	<ul style="list-style-type: none"> <li>• Changes were made to the Strategic Plan 2015-2020: Review 2017-2018 and submitted as an Annexure to the APP 2017-2018 to the Board. After approval by the Board in November 2016, it was submitted to the EA in January 2017 and tabled in Parliament on 10 March 2017.</li> <li>• Suggestions and recommendations received through Internal Omnibus Employee Engagement, Employee Wellness and OCPs.</li> <li>• Comments received at the Leadership BP discussions.</li> <li>• Strengthened focus on internal communication, including an increase in the frequency of internal communication; introduction of Good News Alerts to celebrate employee excellence and recognition; introduction of a uniform employee signature to ignite pride in the Legal Aid SA brand and united celebration of National Days through messages and events that promote employee cohesion and diversity.</li> </ul>



# SUSTAINABILITY REPORT

**Table 11: Engagement with Stakeholders (continued)**

Group	Stakeholder	Engagement	Report on input received	How issues were responded to
E. External Public	17. Clients and potential clients/public (LSM 1-5)	<p><b>Strategic Objective</b></p> <p>A) Increased awareness and usage of Legal Aid SA services.</p> <p><b>Report on Performance</b></p> <p>A) National Omnibus Survey conducted; results show an increase in awareness of the Legal Aid SA brand and the work that the organisation does. The results also indicated a high advocacy rate by members of the public, indicating they are willing to recommend Legal Aid SA to others. Overall, the perception of the brand by external publics in the LSM 1-5 range is positive.</p> <p>B) Below and above the line advertising utilised through outdoor media (billboards), print media and broadcast media with key messages targeted at promoting access for walk-in clients at JCs; general advice through the Legal Aid Advice Line, Ethics Hotline and website.</p> <p>C) A total of 824 community events held at government key service delivery points in partnership with both national and provincial governments including local municipalities.</p>	<ul style="list-style-type: none"> <li>How can we better our engagement with the public?</li> <li>How can we reach more people and make them aware of our services?</li> <li>How can we make the external public become better advocates for our brand and spread brand awareness?</li> </ul>	<ul style="list-style-type: none"> <li>Partnerships with like-minded stakeholders held to promote access to justice by all through events.</li> <li>To further improve awareness of the Legal Aid SA brand, the branding of matchboxes was added as an advertising tool for the FY.</li> <li>The organisation's social media platforms were revived in the FY, which is assisting in increasing awareness of Legal Aid SA services.</li> <li>Content generated and brand support rendered through hosted community outreach projects.</li> <li>The organisation gazetted and promoted the Legal Aid SA Language Policy in order to increase access and promote brand interaction.</li> <li>The National Omnibus Survey found that most JC clients (70%) were assisted in vernacular languages. This indicates that the public is being made aware of the brand's services in a more personal and tangible manner, thereby making them better advocates for the brand.</li> </ul>
	18. Community-based organisations (CBOs, FBOs)	<p><b>Strategic Objective</b></p> <p>A) Improved linkages to increase awareness of legal aid services as well as referral of clients to Legal Aid SA.</p> <p><b>Report on Performance</b></p> <p>A) Our continuous engagement with NGOs, traditional structures, CBOs and FBOs to increase awareness of legal aid services.</p> <p>B) Stakeholder forums held provincially.</p>	<ul style="list-style-type: none"> <li>Funding of partnership programmes at community level.</li> <li>Availability of services at remote locations.</li> </ul>	<ul style="list-style-type: none"> <li>In the absence of resources to provide financial assistance, various ways and means were explored to assist non-governmental bodies.</li> <li>Outreach programmes were continued to provide better access in remote areas.</li> <li>Communication programmes extended to schools to educate children about their rights.</li> </ul>



# SUSTAINABILITY REPORT

**Table 11: Engagement with Stakeholders (continued)**

Group	Stakeholder	Engagement	Report on input received	How issues were responded to
F. Advocacy Groups	19. Commissions and Chapter 9 institutions	<p><b>Strategic Objectives</b></p> <p>A) To network with Commissions in safeguarding the rights of vulnerable persons.</p> <p>B) Ensure effective referral systems of clients with legal representation needs to Legal Aid SA.</p> <p>C) Co-branding initiatives/human rights awareness campaigns.</p> <p><b>Report on Performance</b></p> <p>A) Legal Aid SA maintained partnerships with Commissions and other Chapter 9 institutions.</p> <p>B) Legal Aid SA engaged with the Commission on Cultural, Religious and Linguistic Rights (CRL Commission) with regard to providing legal representation to people referred by them.</p> <p>C) Legal Aid SA engaged with the South African Law Reform Commission (SALRC) on mediation in family law.</p> <p>D) Public information sharing with relevant institutions through co-partnerships on access to justice and awareness on constitutional rights.</p> <p>E) Legal Aid SA engaged with the South African Human Rights Commission (SAHRC) on matters in which they can process complaints received at their various offices.</p>	<ul style="list-style-type: none"> <li>SAHRC requires knowledge sharing relating to the use of technology in making services available to clients.</li> <li>SALRC required information regarding a mediation pilot project Legal Aid SA conducted as well as the use of interns to deliver legal services.</li> <li>CRL Commission required information on how people access legal aid in order to enforce their rights.</li> </ul>	<ul style="list-style-type: none"> <li>Shared our delivery models with regard to general advice, outreach programmes and litigation services with the SAHRC.</li> <li>Shared reports and experiences on the mediation and use of interns pilot with the SALRC.</li> <li>Discussed a referral system and procedure with the CRL Commission.</li> </ul>
	20. NGOs and lobby groups	<p><b>Strategic Objectives</b></p> <p>A) To strengthen partnerships.</p> <p>B) To ensure effective referral systems of clients with legal representation needs to Legal Aid SA.</p> <p><b>Report on Performance</b></p> <p>A) Co-branding initiatives/human rights awareness campaigns.</p> <p>B) Legal Aid SA participated in 10 meetings with NGOs on civil legal aid (land matters).</p> <p>C) Legal Aid SA was part of approximately 586 meetings with NGOs on legal aid targeting vulnerable groups.</p> <p>D) MOU in place with the South African National AIDS Council (SANAC) to provide advice and legal services to persons facing discrimination as a result of their HIV/AIDS status.</p> <p>E) MOU entered with Hospice for Palliative Care Association of South Africa; marketing of Legal Aid Advice Line at Hospice AGM.</p> <p>F) Partnership with the Communications Department to market MOUs via social media, i.e. SANAC partnership was marketed during the International AIDS Conference and around World AIDS Day.</p> <p>G) Attendance and exhibition of Legal Aid SA services at the annual Wits NGO Fair targeting all Gauteng NGOs and other lobby groups.</p>	<ul style="list-style-type: none"> <li>Call for regular partnerships.</li> <li>SANAC was concerned that legal services were not reaching persons affected/infected by HIV/AIDS.</li> <li>Hospice for Palliative Care Association of South Africa was concerned about access to legal services for terminally ill or immobile patients.</li> </ul>	<ul style="list-style-type: none"> <li>Regional Communication Practitioners extended invitations to local NGOs during their partnership events.</li> <li>The extension of legal services to persons with HIV/AIDS was provided in line with the MOU with SANAC and its partners.</li> <li>Access to legal aid services to terminally ill/immobile patients was increased through our continued co-operation with the Hospice for Palliative Care Association of South Africa.</li> </ul>

# SUSTAINABILITY REPORT

**Table 11: Engagement with Stakeholders (continued)**

Group	Stakeholder	Engagement	Report on input received	How issues were responded to
<b>G. International Legal Bodies</b>	21. African/ International Legal Aid Bodies	<p><b>Strategic Objective</b></p> <p>A) Foster relationships that will result in partnerships to strengthen legal aid internationally.</p> <p><b>Report on Performance</b></p> <p>A) Preparations for hosting 2017 International Legal Aid Group Conference.</p> <p>B) Ten delegations were hosted in this financial year.</p> <p>C) Legal Aid SA continued to work with the UNODC and UNDP in the global study on legal aid.</p> <p>D) Extended study tour by a delegation from Sierra Leone to assist in the development of their legal aid system.</p> <p>E) Legal Aid SA visited Palestine to assist in the strengthening of their legal aid system.</p>	<ul style="list-style-type: none"> <li>Legal aid bodies seek to understand the development and management of a sustainable legal aid system with particular reference to: <ul style="list-style-type: none"> <li>Legislation and policy.</li> <li>Governance structures.</li> <li>Delivery systems including quality management.</li> <li>Support systems/structures e.g. IS and HR.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Knowledge/information sharing with other legal aid bodies is based on the specific requirements of each visiting delegation.</li> <li>The promotion of Legal Aid SA outside of South Africa remains a key ongoing activity.</li> <li>Legal Aid SA implemented a programme of allocating a Regional Operations Executive as mentor to visiting delegations in order to ensure continued and ongoing support is available after the visit to Legal Aid SA.</li> </ul>
<b>H. Educational Institutions</b>	22. Tertiary Institutions and Schools	<p><b>Strategic Objectives</b></p> <p>A) Position Legal Aid SA as an employer of choice to potential CAs.</p> <p>B) Educate learners about their rights and responsibilities at schools/brand awareness.</p> <p>C) Ensure that students understand the organisation's EVP.</p> <p><b>Report on Performance</b></p> <p>A) Legal Aid SA convened open days at 21 universities to create brand awareness and supply information to law students about opportunities for the completion of articles within the organisation. Improved awareness of Legal Aid SA at universities assists students to plan their career paths.</p>	<ul style="list-style-type: none"> <li>Students seek clarity on the processes to follow to secure placement to serve articles at Legal Aid SA. Students also enquire about details of the training provided and Legal Aid SA's remuneration and benefits.</li> </ul>	<ul style="list-style-type: none"> <li>Legal Aid SA provided information on its placement processes, training programme, remuneration and benefits. The organisation also assisted students to register their applications for articles online during open days.</li> </ul>
<b>I. Media</b>	23. National Print, Broadcast, Online, Community and Regional Media	<p><b>Strategic Objectives</b></p> <p>A) Improved share of voice for Legal Aid SA in the media.</p> <p>B) Position thought leadership within Legal Aid SA.</p> <p><b>Report on Performance</b></p> <p>A) Approximately 204 media networking sessions held with key journalists, resulting in a number of subsequent media pieces and coverage of Legal Aid SA services.</p> <p>B) A total of 241 public relations initiatives including print and broadcast media interviews undertaken with a significant increase in community media.</p> <p>C) Informative press releases, including responses to media queries issued, totalling 172.</p>	<ul style="list-style-type: none"> <li>More media enquiries and requests for interviews.</li> </ul>	<ul style="list-style-type: none"> <li>Timeous responses to media requests resulting in positive coverage.</li> <li>Our legal practitioners approached to offer legal opinion on radio, TV and in print media. This is indicative of Legal Aid SA as a legal think tank.</li> <li>Improved media coverage due to the positive profiling of Legal Aid SA – community radio stations and publications now use Legal Aid SA legal practitioners as regular legal experts.</li> <li>Annual Media Engagement Plan is in place to secure media slots in community and regional media.</li> <li>Media protocol in place to mitigate risk to the Legal Aid SA brand and ensure that media savvy representatives are elected to speak on behalf of the organisation.</li> </ul>

## ***Legal Aid SA funds precedent-setting matters that promote the rights of communities in impact litigation matters***

Legal Aid SA funded Lawyers for Human Rights (LHR), representing Sonke Gender Justice against Pollsmoor Correctional Centre and the Government of the Republic of South Africa regarding the current conditions of detention at Pollsmoor Remand Detention Facility (Pollsmoor RDF). The matter focused on two main issues: the rate of overcrowding and the inadequate access to amenities at the facility. The argument was that these issues amount to a violation of the right to be kept in conditions consistent with human dignity, including at least exercise, and the provision at state expense of adequate accommodation, nutrition, reading material and medical treatment and the right to not be subjected to ill-treatment and cruel or inhumane treatment or punishment. Chapter Three of the Correctional Services Act 111 of 1998 makes a provision for custody of all inmates under conditions of human dignity, which gives effect to the provision of section 35(2)(e) of the Constitution.

According to the information from the Department of Correctional Services, Pollsmoor RDF accommodates adult men 21 years of age and older. The Department has what it terms “approved accommodation for 1,429 detainees and maximum sleeping space for 2,355 detainees”. The figure for maximum sleeping space amounts to accommodation where the facility is at least 165% over capacity. It has been admitted by the Department in their own statistics that in February 2014, Pollsmoor RDF was accommodating 4,361 detainees, placing the centre at 305% capacity. This figure is much higher when compared to the national average rate of overcrowding in relation to remand detainees generally, which when measured against the Department’s own benchmark of 25,000, was at 177% by 31 March 2014.

On 5 December 2016 the Western Cape High Court granted an order by consent which will change the lives of the thousands of inmates at Pollsmoor Prison and will also influence other detention facilities in the country. The Pollsmoor remand detainees will be detained in a habitable environment with the dignity they deserve. The ruling is also a warning for other detention facilities. We will be monitoring the compliance with this order.

# **PART E:**

## **HUMAN RESOURCES MANAGEMENT**

Human resources management had noteworthy performance in all talent management areas including sustaining high recruitment levels, low turnover and the exceeding of most of our training and development targets

## 1. OVERVIEW OF HR MATTERS AT LEGAL AID SA

In the 2016-2017 financial year, HR management had noteworthy performances in all talent management areas including sustaining high recruitment levels, low turnover and the exceeding of most of our training and development targets.

## 2. SET HR PRIORITIES FOR THE YEAR UNDER REVIEW AND THE IMPACT OF THESE PRIORITIES

The key priorities set for the HR function, over and above maintaining the standard talent management programmes, included maintaining a competitive Employee Value Proposition (EVP), ongoing Leadership Development, intensified climate and culture-fit management and improved capability management by refining the Legal Aid South Africa legal capability pipeline and conducting a legal skills audit.

### 2.1 MAINTAINING A COMPETITIVE EVP

The Legal Aid SA EVP articulates both the financial and non-financial value presented as a total rewards package in the organisation's employment offering. The EVP establishes the expectation by the employer of the employee in terms of commitment to the Constitution, the organisational culture, the Legal Aid South Africa brand and approach to providing access to justice to the poor and vulnerable. The EVP thus represents a partnership between the employee and employer, and shared, mutual responsibility for the provision of a stimulating and meaningful work experience.

During the 2016-2017 financial year, the Legal Aid SA EVP was reviewed in keeping with people management best practices. These interventions were found to be competitive in that the organisation was accredited as a Top Employer for the 8th consecutive year and a 2nd-time industry winner for the public sector segment of the benchmark. This firmly entrenches Legal Aid South Africa in the position of employer of choice whilst the benchmark provides assurance that our talent management, leadership, culture and development practices are in keeping with international contemporary best practice. This leading practice has been translated into the EVP. During the financial year under review, the EVP came under significant pressure due to the imminent budget cuts and the need to reduce the cost of employment. In mitigation of the cost pressures, internal marketing of the EVP was

implemented including highlighting critical benefits such as the Group Life Scheme and presenting all employees with a Total Rewards Statement for the period. The EVP remained effective in ensuring that Legal Aid SA attracted and retained talent during the period.

### 2.2 LEADERSHIP DEVELOPMENT PROGRAMME

During 2016-2017, the Legal Aid South Africa Leadership Development Programme was supported by continued education and training in critical leadership competencies. The Coaching Programme was embedded into operations during the period as a key capability in managing employee performance.

Regional Leadership Summits were not held during the period owing to budgetary pressures. However, Leadership Business Priority Conversations were introduced to ensure universal critical awareness of strategic issues facing the organisation. These conversations have empowered leaders to contribute solutions to current business challenges.

The focus on business priorities has created a platform for challenges to be addressed consistently by leaders across the national footprint.

### 2.3 MANAGING CLIMATE AND CULTURE-FIT ENGAGEMENT

A quarterly assessment of the climate within each business unit and across all management forums was conducted. The findings were used to direct the HR Business Partners to work with leaders and teams to address and improve the engagement dimensions which needed attention. Further to this, the findings of an earlier Internal Omnibus Survey of employees informed the talent management interventions during 2016-2017.

During the year under review, Legal Aid SA introduced a culture-fit assessment tool. This tool has assisted the organisation to screen the fit of potential employees. Testing culture fit across all business units has also provided a barometer for the kinds of talent engagement programmes needed to continuously improve fit.

All employees recommitted themselves to the values and organisational culture of Legal Aid South Africa by undertaking and submitting an online pledge.

## 2.4 IMPROVED CAPABILITY MANAGEMENT

In 2016-2017, the HR Department partnered with the office of the CLE in order to refine the Legal Aid SA competency legal capability pipeline. The pipeline delineates critical technical and behavioural competencies for each legal post. It also indicates the required proficiency level for each competency.

A legal skills audit was conducted against the capability pipeline. The results of the audit have assisted the organisation in assessing its skills threshold and directed legal training towards continuously improving legal quality.

## 3. WORKFORCE PLANNING FRAMEWORK AND KEY STRATEGIES TO ATTRACT AND RECRUIT A SKILLED AND CAPABLE WORKFORCE

Legal Aid South Africa bases its workforce planning framework on a practitioner per court model, which is aimed at having dedicated Legal Aid SA practitioners based at courts.

In the Magistrates Courts (District and Regional) the practitioner per court model is able to serve the requirements of providing service at scale meeting high volume needs. The advantage of the practitioner per court model is that the same practitioner is able to take on all cases required in a specific court on a specific day. This provides certainty amongst court-based stakeholders as to who the Legal Aid South Africa service provider is and contributes positively to efficient case flow management.

The practitioner per court model has a target of achieving ≥83% coverage of DCs and ≥93% coverage of RCs. In the 2016-2017 financial year we achieved our targets of 88% coverage of DCs and achieved 97% coverage of RCs.

In the HCs, the central diary system provides the opportunity to match each case with the appropriate levels of practitioner skills and ability.

Whilst the practitioner per court coverage explained above is the current targeted court coverage, the organisation strives to improve the court coverage with any improvements in this regard being dependent on additional budget allocations from the NT.

The organisation remained reasonably well recruited throughout the year under review with a recruitment rate of 96.1% being recorded as at financial year end against the targeted recruitment of 96%.

In so far as civil legal aid is concerned, workforce planning is undertaken on the basis of demand in a given JC coverage area together with the ability of Legal Aid SA's capacity to efficiently serve this demand.

The workforce planning approach of the support platform is one of continuous modernisation, process improvement and best practice alignment. The support services platform continuously refines and develops support models in order to improve sustainability, efficiency and effectiveness of delivery. Business processes in support departments are reviewed annually to ensure greater efficiency, risk mitigation and value creation in support of the delivery of quality legal services as per the organisation's mandate.

The turnover rate of 5.5%, recorded for the 2016-2017 financial year in relation to permanent positions, is well within acceptable norms. The key Legal Aid South Africa attraction and retention strategy is the offering of a viable EVP, which is appealing to our knowledge-based workforce both in terms of financial rewards, professional fulfilment, work-life balance and social consciousness in improving the lives of the indigent by providing access to justice.

## 4. EMPLOYEE PERFORMANCE MANAGEMENT FRAMEWORK

The Legal Aid SA performance management framework has continued to deliver sustainable, holistic and integrated organisational performance. This is as the inclusive performance management policy applies to all permanent employees and because it contains elements of collective performance and individual performance, which must be delivered within budget and in compliance with organisational rules and policies. Stated differently, whilst each employee's individual performance is critical, every employee has to ensure a team approach to performance so that the organisation's Business Plan is holistically delivered whilst complying with budgetary and policy frameworks.

The performance management framework also includes aspects aimed at stimulating innovation, exceptional performance beyond agreed deliverables and paradigm-changing organisational solutions. In addition, leadership development and performance forms part of the system for all managers.

# HUMAN RESOURCES MANAGEMENT

Each leader's performance assessment is weighted as follows:

Key Performance Indicators	60%
Contribution to Strategic Outcomes	20%
Management & Leadership Effectiveness	10%
Engagement with Culture & Values	10%

Each non-management employee's performance assessment is weighted as follows:

Key Performance Indicators	70%
Contribution to Strategic Outcomes	20%
Engagement with Culture & Values	10%

As such, the performance management framework contributes to the sustainable realisation of Legal Aid South Africa's stated outcomes. During the year under review, coaching was introduced as a tool to manage performance. In addition, technology applications were implemented in order to bring greater efficiency to the performance management process.

## 5. EMPLOYEE WELLNESS PROGRAMME

The Employee Wellness Programme took the form of health awareness programmes and an independent counselling service. The employment of an in-house clinical psychologist has continued to reap rewards in terms of assisting legal professionals to deal with vicarious trauma they are often exposed to in the course of their criminal cases. During the year under review, vicarious trauma counselling and awareness as well as supporting employees to maintain healthy lifestyles was the main focus of the Programme.

## 6. POLICY DEVELOPMENTS: HIGHLIGHTS, CHALLENGES, FUTURE GOALS

Legal Aid SA has benchmarked its HR practices against the Top Employer standards and is proud that it received Top Employer accreditation for the 8th consecutive year during 2016-2017.

In keeping with its commitment to continuous improvement in people management practice, Legal Aid South Africa has continuously benchmarked its HR policies and practices against the Top Employer standards.

A robust and productive relationship was maintained with the Legal Aid SA-recognised trade union, the South African Parastatal and Tertiary Institutions Union (SAPTU).

In forecasting the year ahead, no major policy shifts are foreseen except that the fiscal outlook indicates a continuous reduction in financial aspects of the EVP. A key focus in the year ahead will be to leverage the non-financial aspects of the EVP to mitigate any negative impacts to employee engagement caused by the budget cuts.

Creating a humanistic work environment and improving the levels of employee happiness have been identified as priorities for the year ahead.

### CULTURE STATEMENT

*"Proudly Legal Aid SA... champion of legal rights, serving our clients with integrity and confidence. Your Voice. For Justice."*

### LEADERSHIP STATEMENT

*"Leading with integrity, inspiring excellence and promoting values and rights enshrined in the Constitution."*



# HUMAN RESOURCES MANAGEMENT

## 7. HUMAN RESOURCES OVERSIGHT STATISTICS

**Table 12: Personnel Cost by Business Unit**

Directorate/Business Unit	Total expenditure for the entity (R'000)	Personnel expenditure (R'000)	Personnel exp. as a % of total exp.	No. of employees	Average personnel cost per employee (R'000)
<b>Legal Aid SA: National Office</b>		<b>115,072,947.37</b>		<b>252</b>	<b>4,389,283.31</b>
Office of the CEO (incl. COO & Board Secretariat)	8,092,830	7,381,804.22	91.21%	6	1,136,823.03
Board members		456,826.69		11	41,529.70
Internal Audit	18,834,117	17,932,566.80	95.21%	30	551,843.46
Human Resources	67,922,485	10,447,092.65	15.38%	23	420,879.36
Communications	12,246,984	4,821,267.00	39.37%	10	443,039.69
Finance (include Payment Processing Unit, Corporate Services & Creditors)	76,871,783	26,270,006.86	34.17%	81	298,518.01
Information Technology	49,005,551	15,792,965.19	32.23%	32	456,889.56
National Operations	83,272,189	10,359,072.69	12.44%	17	563,461.90
Legal Development Services	28,078,074	21,611,345.27	76.97%	42	476,298.61
AI Development (eLAA)	8,732,150				
<b>Eastern Cape Region</b>		<b>203,843,805.32</b>		<b>521</b>	<b>4,116,780.00</b>
Aliwal North Justice Centre	8,610,490	7,692,849.09	89.34%	20	353,505.00
Butterworth Justice Centre	12,086,383	10,826,168.76	89.57%	39	258,014.00
East London Justice Centre	20,134,832	17,771,802.23	88.26%	54	305,377.00
Eastern Cape Regional Office	9,779,101	6,347,513.08	64.91%	10	586,109.00
Graaff-Reinet Justice Centre	12,251,949	11,312,525.76	92.33%	23	454,595.00
Grahamstown Justice Centre	18,693,317	16,848,048.56	90.13%	44	351,841.00
King Williams Town Justice Centre	22,437,415	20,240,733.67	90.21%	53	352,108.00
Port Elizabeth Justice Centre	48,199,866	45,813,223.84	95.05%	98	431,058.00
Queenstown Justice Centre	20,248,172	18,952,506.61	93.60%	46	381,012.00
Uitenhage Justice Centre	12,787,203	11,620,553.73	90.88%	36	299,435.00
Mthatha Justice Centre	41,941,655	36,417,879.99	86.83%	98	343,726.00
<b>Free State/North West Region</b>		<b>182,991,308.25</b>		<b>499</b>	<b>4,749,774.00</b>
Bethlehem Justice Centre	11,907,751	10,850,447.26	91.12%	33	304,498.00
Bloemfontein Justice Centre	38,631,171	34,344,314.61	88.90%	77	411,200.00
Botshabelo Justice Centre	11,206,023	9,952,328.27	88.81%	28	327,036.00
Free State/North West Regional Office	9,462,158	5,929,860.39	62.67%	11	491,886.00
Ga-Rankuwa Justice Centre	19,014,025	17,352,873.97	91.26%	49	328,638.00
Klerksdorp Justice Centre	14,824,603	13,647,112.85	92.06%	33	380,353.00
Kroonstad Justice Centre	8,984,025	8,098,382.90	90.14%	23	326,659.00
Lichtenburg Justice Centre	8,787,977	7,985,944.67	90.87%	22	337,299.00
Mahikeng Justice Centre	16,939,098	14,068,529.30	83.05%	45	290,111.00
Phuthaditjhaba Justice Centre	11,994,235	10,354,205.70	86.33%	31	311,293.00
Potchefstroom Justice Centre	14,566,561	13,171,183.73	90.42%	40	305,790.00
Rustenburg Justice Centre	13,525,558	12,249,590.00	90.57%	32	349,444.00
Vryberg Justice Centre	6,812,287	5,666,647.68	83.18%	21	252,980.00
Welkom Justice Centre	21,825,334	19,319,886.92	88.52%	54	332,587.00
<b>Gauteng Region</b>		<b>232,514,695.50</b>		<b>621</b>	<b>3,924,259.00</b>
Alexandra Justice Centre	15,234,352	13,986,311.82	91.81%	43	303,555.00
Benoni Justice Centre	26,629,683	24,560,969.51	92.23%	74	307,992.00
Gauteng Regional Office	13,483,713	6,753,950.96	50.09%	11	569,182.00

# HUMAN RESOURCES MANAGEMENT

Directorate/Business Unit	Total expenditure for the entity (R'000)	Personnel expenditure (R'000)	Personnel exp. as a % of total exp.	No. of employees	Average personnel cost per employee (R'000)
Germiston Justice Centre	14,591,348	13,423,858.19	92.00%	46	272,272.00
Johannesburg Justice Centre	52,841,685	43,990,158.82	83.25%	112	364,426.00
Krugersdorp Justice Centre	19,859,521	18,760,491.01	94.47%	55	316,660.00
Pretoria Justice Centre	43,423,485	39,286,014.55	90.47%	88	412,770.00
Soshanguve Justice Centre	11,666,409	10,756,561.95	92.20%	27	369,374.00
Soweto Justice Centre	28,234,633	25,496,039.77	90.30%	71	337,485.00
Tembisa Justice Centre	13,187,206	11,377,233.40	86.27%	38	280,005.00
Vereeniging Justice Centre	25,627,630	24,123,105.52	94.13%	57	390,538.00
<b>KwaZulu-Natal Region</b>		<b>203,256,542.96</b>		<b>577</b>	<b>3,670,492.00</b>
Durban Justice Centre	41,081,945	38,643,054.01	94.06%	85	420,401.00
Empangeni Justice Centre	22,989,367	20,731,880.17	90.18%	71	270,595.00
KwaZulu-Natal Regional Office	8,894,245	6,636,725.89	74.62%	12	512,084.00
Ladysmith Justice Centre	10,914,397	9,555,238.04	87.55%	33	269,989.00
Newcastle Justice Centre	12,710,750	10,994,565.66	86.50%	38	271,515.00
Pietermaritzburg Justice Centre	34,425,192	31,835,539.82	92.48%	91	325,109.00
Pinetown Justice Centre	15,352,031	13,644,581.67	88.88%	47	269,402.00
Port Shepstone Justice Centre	20,647,334	18,677,010.51	90.46%	55	313,723.00
Umlazi Justice Centre	18,231,838	17,019,618.05	93.35%	42	374,418.00
Verulam Justice Centre	24,752,081	23,007,125.21	92.95%	68	313,538.00
Vryheid Justice Centre	14,284,728	12,511,203.93	87.58%	35	329,718.00
<b>Limpopo/Mpumalanga Region</b>		<b>157,362,946.16</b>		<b>1,062</b>	<b>3,647,593.00</b>
Ermelo Justice Centre	16,510,688	14,820,826.02	89.77%	38	360,292.00
Limpopo/Mpumalanga Regional Office	12,987,166	6,318,807.25	48.65%	9	650,014.00
Makhado Justice Centre	11,360,878	9,678,289.43	85.19%	31	290,429.00
Middelburg Justice Centre	16,917,059	15,241,590.53	90.10%	44	318,925.00
Modimolle Justice Centre	10,489,573	9,559,908.87	91.14%	23	384,438.00
Nelspruit Justice Centre	29,687,957	25,596,570.97	86.22%	82	288,218.00
Polokwane Justice Centre	31,864,518	29,352,656.67	92.12%	77	351,633.00
Thohoyandou Justice Centre	13,236,312	12,414,203.60	93.79%	31	370,141.00
Tzaneen Justice Centre	18,687,609	17,294,860.83	92.55%	47	341,862.00
Witbank Justice Centre	18,852,855	17,085,231.99	90.62%	54	291,641.00
<b>Western Cape/Northern Cape Region</b>		<b>239,736,729.98</b>		<b>626</b>	<b>4,773,682.00</b>
Athlone Justice Centre	40,135,353	38,479,850.16	95.88%	106	336,173.00
Bellville Justice Centre	23,082,196	21,443,316.60	92.90%	67	298,330.00
Caledon Justice Centre	11,799,301	10,749,326.11	91.10%	27	368,631.00
Cape Town Justice Centre	35,664,387	32,534,120.25	91.22%	73	412,058.00
Colesburg Justice Centre	11,196,205	9,783,657.98	87.38%	20	448,158.00
George Justice Centre	30,685,061	28,220,759.33	91.97%	58	449,686.00
Kimberley Justice Centre	27,716,397	25,263,869.71	91.15%	67	350,387.00
Malmesbury Justice Centre	11,638,757	10,025,142.99	86.14%	29	322,587.00
Stellenbosch Justice Centre	24,712,423	21,425,924.07	86.70%	69	290,722.00
Upington Justice Centre	16,928,780	13,892,281.77	82.06%	41	310,652.00
Vredendal Justice Centre	11,782,265	10,048,428.73	85.28%	26	357,719.00
Western Cape/Northern Cape Regional Office	10,824,038	5,742,007.45	53.05%	11	479,069.00
Worcester Justice Centre	13,045,390	12,128,044.83	92.97%	32	349,510.00
		<b>1,334,778,975.54</b>			

# HUMAN RESOURCES MANAGEMENT

**Table 13: Personnel Cost by Salary Band**

Level	Personnel expenditure (R'000)	% of personnel exp. to total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Top Management	24,738,594	2%	16	1,546,162
Senior Management	116,141,772	9%	103	1,127,590
Professional Qualified	938,736,908	70%	1,607	584,155
Skilled	165,071,176	12%	1,155	142,919
Semi-skilled	89,633,700	7%	463	193,593
<b>Total (excl. Board members (R456,826.69))</b>	<b>1,334,322,149</b>	<b>100%</b>	<b>3,344</b>	<b>399,020</b>

**Table 14: Performance Rewards**

Salary Band	Performance rewards (R'000)	Personnel expenditure (R'000)	% of performance rewards to total personnel cost
Top Management	2,562,121	22,866,175	11%
Senior Management	6,609,278	106,918,983	6%
Professional Qualified	34,521,657	863,375,645	4%
Skilled	2,924,710	159,401,067	2%
Semi-skilled	3,065,457	82,668,196	4%
<b>Total</b>	<b>49,683,224</b>	<b>1,235,230,066</b>	<b>4%</b>

## ***Legal Aid SA champions the rights of all persons to access justice***

We once again paid special attention to the representation of children in conflict with the law. Our Port Elizabeth Justice Centre represented a child who was 13 years of age at the time of the commission of the offence, and had been sentenced to 10 years' imprisonment for various charges arising from a farm attack. The child had refused to exercise his right to an automatic appeal despite his rights being explained to him. Our Justice Centre took the unusual step of invoking the provisions of the Child Justice Act that stipulate that even if a child refuses legal representation, a court must appoint a legal representative to assist the child. As a result, the court appointed two of our practitioners as co-curators *ad litem* to prepare a report and make submissions in the best interests of the child at the hearing of the appeal.

# HUMAN RESOURCES MANAGEMENT

**Table 15: Training Costs**

Directorate/Business Unit	Personnel expenditure (R'000)	Training expenditure (R'000)	Training expenditure as a % of personnel cost	No. of employees trained	Average training cost per employee (R'000)
<b>Legal Aid SA: National Office</b>					
Office of the CEO (incl. COO & Board Secretariat)	7,381,804	27,312.00	0.37%	16	1,707
Internal Audit	17,932,567	111,264.00	0.62%	18	6,181
Human Resources	10,447,093	1,147,089.00	10.98%	220	5,214
Communications	4,821,267	650.00	0.01%	1	650
Finance (incl. Payment Processing Unit & Creditors)	26,270,007	29,037.00	0.11%	23	1,262
Information Technology	15,792,965	34,149.00	0.22%	3	11,383
Corporate Services	0	0.00	0.00%	0	0
National Operations	10,359,073	13,832.00	0.13%	3	4,611
Legal Development Services	21,611,345	1,520,545.00	7.04%	1,000	1,521
<b>Eastern Cape Region</b>					
Aliwal North Justice Centre	7,692,849	20,839.40	0.27%	6	3,473
Butterworth Justice Centre	10,826,169	44,023.40	0.41%	11	4,002
East London Justice Centre	17,771,802	36,142.40	0.20%	19	1,902
Eastern Cape Regional Office	6,347,513	115,929.00	1.83%	65	1,784
Graaff-Reinet Justice Centre	11,312,526	24,975.40	0.22%	10	2,498
Grahamstown Justice Centre	16,848,049	37,217.40	0.22%	34	1,095
King Williams Town Justice Centre	20,240,734	40,375.40	0.20%	11	3,670
Port Elizabeth Justice Centre	45,813,224	45,447.40	0.10%	20	2,272
Queenstown Justice Centre	18,952,507	27,633.40	0.15%	10	2,763
Uitenhage Justice Centre	11,620,554	26,080.40	0.22%	9	2,898
Mthatha Justice Centre	36,417,880	40,048.40	0.11%	22	1,820
<b>Free State/North West Region</b>					
Bethlehem Justice Centre	10,850,447	31,989.92	0.29%	4	7,997
Bloemfontein Justice Centre	34,344,315	73,015.92	0.21%	14	5,215
Botshabelo Justice Centre	9,952,328	46,257.92	0.46%	10	4,626
Free State/North West Regional Office	5,929,860	131,501.00	2.22%	60	2,192
Ga-Rankuwa Justice Centre	17,352,874	41,256.92	0.24%	8	5,157
Klerksdorp Justice Centre	13,647,113	43,247.92	0.32%	10	4,325
Kroonstad Justice Centre	8,098,383	32,569.92	0.40%	5	6,514
Lichtenburg Justice Centre	7,985,945	29,273.92	0.37%	4	7,318
Mahikeng Justice Centre	14,068,529	39,269.92	0.28%	7	5,610
Phuthaditjhaba Justice Centre	10,354,206	41,737.92	0.40%	9	4,638
Potchefstroom Justice Centre	13,171,184	38,576.92	0.29%	9	4,286
Rustenburg Justice Centre	12,249,590	42,957.92	0.35%	8	5,370
Vryberg Justice Centre	5,666,648	29,300.92	0.52%	5	5,860
Welkom Justice Centre	19,319,887	57,187.92	0.30%	10	5,719
<b>Gauteng Region</b>					
Alexandra Justice Centre	13,986,312	7,517.40	0.05%	11	683
Benoni Justice Centre	24,560,970	4,467.40	0.02%	13	344
Gauteng Regional Office	6,753,951	468,526.00	6.94%	160	2,928
Germiston Justice Centre	13,423,858	4,467.40	0.03%	3	1,489
Johannesburg Justice Centre	43,990,159	9,042.40	0.02%	37	244

# HUMAN RESOURCES MANAGEMENT

Directorate/Business Unit	Personnel expenditure (R'000)	Training expenditure (R'000)	Training expenditure as a % of personnel cost	No. of employees trained	Average training cost per employee (R'000)
Pretoria Justice Centre	39,286,015	25,667.40	0.07%	8	3,208
Krugersdorp Justice Centre	18,760,491	10,567.40	0.06%	19	556
Soweto Justice Centre	25,496,040	4,467.40	0.02%	18	248
Vereeniging Justice Centre	24,123,106	11,367.40	0.05%	15	758
Soshanguve Justice Centre	10,756,562	7,517.40	0.07%	8	940
Tembisa Justice Centre	11,377,233	12,567.40	0.11%	7	1,795
<b>KwaZulu-Natal Region</b>					
Durban Justice Centre	38,643,054	59,183.30	0.15%	22	2,690
Empangeni Justice Centre	20,731,880	31,438.30	0.15%	48	655
KwaZulu-Natal Regional Office	6,636,726	154,262.00	2.32%	89	1,733
Ladysmith Justice Centre	9,555,238	17,958.30	0.19%	19	945
Newcastle Justice Centre	10,994,566	47,788.30	0.43%	20	2,389
Pietermaritzburg Justice Centre	31,835,540	48,543.30	0.15%	10	4,854
Pinetown Justice Centre	13,644,582	12,318.30	0.09%	24	513
Port Shepstone Justice Centre	18,677,011	24,888.30	0.13%	16	1,556
Umlazi Justice Centre	17,019,618	49,913.30	0.29%	21	2,377
Verulam Justice Centre	23,007,125	51,843.30	0.23%	19	2,729
Vryheid Justice Centre	12,511,204	8,608.30	0.07%	9	956
<b>Limpopo/Mpumalanga Region</b>					
Ermelo Justice Centre	14,820,826	25,740.89	0.17%	16	1,609
Limpopo/Mpumalanga Regional Office	6,318,807	533,525.00	8.44%	135	3,952
Makhado Justice Centre	9,678,289	25,740.89	0.27%	9	2,860
Middelburg Justice Centre	15,241,591	25,740.89	0.17%	17	1,514
Modimolle Justice Centre	9,559,909	29,328.89	0.31%	8	3,666
Nelspruit Justice Centre	25,596,571	25,740.89	0.10%	19	1,355
Polokwane Justice Centre	29,352,657	25,740.89	0.09%	25	1,030
Tohoyandou Justice Centre	17,294,861	25,740.89	0.15%	12	2,145
Tzaneen Justice Centre	17,085,232	25,740.89	0.15%	16	1,609
Witbank Justice Centre	17,085,232	25,740.89	0.15%	24	1,073
<b>Western Cape/Northern Cape Region</b>					
Athlone Justice Centre	38,479,850	51,668.33	0.13%	11	4,697
Bellville Justice Centre	21,443,317	42,428.33	0.20%	8	5,304
Caledon Justice Centre	10,749,326	19,683.33	0.18%	8	2,460
Cape Town Justice Centre	32,534,120	39,832.33	0.12%	23	1,732
Colesburg Justice Centre	9,783,658	16,883.33	0.17%	6	2,814
George Justice Centre	28,220,759	23,656.33	0.08%	10	2,366
Kimberley Justice Centre	25,263,870	32,408.33	0.13%	20	1,620
Malmesbury Justice Centre	10,025,143	24,238.33	0.24%	8	3,030
Stellenbosch Justice Centre	21,425,924	44,253.33	0.21%	7	6,322
Upington Justice Centre	13,892,282	39,945.33	0.29%	8	4,993
Vredendal Justice Centre	10,048,429	22,008.33	0.22%	8	2,751
Western Cape/Northern Cape Regional Office	5,742,007	47,875.00	0.83%	43	1,113
Worcester Justice Centre	12,128,045	28,383.33	0.23%	7	4,055

# HUMAN RESOURCES MANAGEMENT

**Table 16: Employment and Vacancies per Region**

Regions	Number of posts	Number of posts filled	Number of permanent posts filled	Vacancy rate %	*Number of posts filled additional to establishment
National Office	208	197	191	8.17%	6
Western Cape/Northern Cape Region	510	502	488	4.31%	14
KwaZulu-Natal Region	447	448	429	4.03%	19
Eastern Cape Region	428	435	425	0.70%	10
Gauteng Region	495	480	468	5.45%	12
Free State/North West Region	411	409	397	3.41%	12
Limpopo/Mpumalanga Region	364	356	353	3.02%	3
<b>Total</b>	<b>2,863</b>	<b>2,827</b>	<b>2,751</b>	<b>3.91%</b>	<b>76</b>

\* Includes CAs and temps

**Table 17: Employment Changes**

Salary Band	Employment at beginning of period	Appointments	Terminations	Employment at end of the period
Top Management	15	1	0	16
Senior Management	97	6	2	98
Professional Qualified	1,425	165	99	1,448
Skilled	824	331	318	823
Semi-skilled	361	36	18	366
<b>Total</b>	<b>2,722</b>	<b>539</b>	<b>437</b>	<b>2,751</b>

**Table 18: Employment and Vacancies per Critical Occupation**

Critical Occupation	Number of posts	Number of posts filled	Vacancy rate	Succession planning candidates in development programmes
Legal	6	6	0%	16
Finance	1	1	0%	1
Human Resources	1	1	0%	2
Internal Audit	1	1	0%	1
Legal Development	1	1	0%	2
Corporate Services	1	1	0%	1
Information Systems	1	1	0%	2
Communications	1	1	0%	2
National Operations	1	1	0%	3
Chief Operations	1	1	0%	2
Chief Executive	1	1	0%	3
<b>Total</b>	<b>16</b>	<b>16</b>	<b>0%</b>	<b>35</b>

# HUMAN RESOURCES MANAGEMENT

**Table 19: Reasons for Staff Leaving**

Termination type	Number	% of total terminations
Abscondment	0	0.00%
Death	6	1.37%
Dismissal	3	0.69%
Dismissal incapacity	2	0.46%
Resignation	143	32.72%
End of contract*	264	60.41%
Retirement	16	3.66%
Medical boarding	3	0.69%
Dismissal due to operational changes	0	0.00%
<b>Total</b>	<b>437</b>	<b>100.00%</b>

\* Legal Aid SA employs ±600 CAs each year. These appointments are made on a fixed-term-contract basis. These contracts expire after 24 months.

**Table 20: Labour Relations: Misconduct and Disciplinary Action**

Nature of Disciplinary Action	Number
Verbal Warning	24
Written Warning	31
Final Written Warning	6
Dismissal	3
Other	26
<b>Total</b>	<b>90</b>

## ***Legal Aid SA provides legal assistance to accused persons, protecting their constitutional right to a fair trial***

The slaughtering of rhinoceroses for their horns has threatened to bring the species close to extinction. Our Pretoria Justice Centre is representing a number of accused in a major rhino horn prosecution. The investigation has spanned over ten years and a large number of dockets from police stations in every province in the country have been consolidated into one case. This case, which is widely reported in the media, may expose syndicates with international links.

Another new trend involving sophisticated syndicates is illegal mining for gold in disused, and at times, operational mines. Our Bloemfontein Justice Centre is representing a number of these so-called 'zama-zamas' in the first large-scale prosecution for illegal gold mining, with the value of the gold mined estimated at R120 million.



# HUMAN RESOURCES MANAGEMENT

**Table 21: Equity Target and Employment Equity Status**

Levels	Male							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	6	7	0	1	1	0	1	1
Senior Management	41	42	6	6	5	2	9	5
Professional Qualified	554	608	57	87	38	29	133	80
Skilled	100	101	8	14	1	5	1	13
Semi-skilled	71	152	6	22	3	7	1	20
<b>Total</b>	<b>772</b>	<b>910</b>	<b>77</b>	<b>130</b>	<b>48</b>	<b>43</b>	<b>145</b>	<b>119</b>

\* Excluding Candidate Attorneys/Temps

Levels	Female							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	4	6	2	1	1	0	1	1
Senior Management	20	35	3	5	4	1	11	3
Professional Qualified	391	507	121	72	50	14	104	51
Skilled	108	84	18	12	1	2	4	8
Semi-skilled	205	127	42	18	9	4	25	13
<b>Total</b>	<b>728</b>	<b>759</b>	<b>186</b>	<b>108</b>	<b>65</b>	<b>21</b>	<b>145</b>	<b>76</b>

\* Excluding CAs/temps

Levels	Disabled Staff			
	Male		Female	
	Current	Target	Current	Target
Top Management	0	0	0	0
Senior Management	1	1	1	1
Professional Qualified	27	16	6	13
Skilled	0	2	0	3
Semi-skilled	2	2	6	6
<b>Total</b>	<b>30</b>	<b>21</b>	<b>13</b>	<b>23</b>

\* A 2% target has been set for disabled persons

\* Excluding CAs/temps

The organisation is challenged in meeting its targets for African females at the Top, Senior and Middle Management levels. This is being addressed through the 2015-2020 Employment Equity Plan.

# PART F:

## FINANCIAL INFORMATION

# FINANCIAL INFORMATION

## 1. STATEMENT OF RESPONSIBILITY

Refer to pages 23 and 111 for the Statement of Responsibility.

## 2. REPORT OF THE CHIEF EXECUTIVE OFFICER

### GENERAL FINANCIAL REVIEW

Legal Aid South Africa continued to strengthen its financial management internal controls, financial risk management controls and processes. The organisation reviewed its policies and procedures to be in line with best practices in the industry. The Internal Control Framework was also reviewed and updated taking into account additional mitigating controls implemented by the organisation throughout the financial year under review. Legal Aid SA achieved its targets within the budget constraints it operates under due to prudent and effective cost management measures. The organisation's main source of revenue is the government grant which amounted to R1,577 billion in the 2016-2017 financial year which is 3.6% more than the 2015-2016 allocation. The increase was minimal due to the budget cut of R92,7 million effected for 2016-2017.

### EXPENDITURE: TRENDS AND CHALLENGES

The organisation completed the financial year on a positive note by implementing the 2016-2017 approved budget and spending and committing more than 99% of its budget. This was after funding the R92,7 million budget cut from cash reserves, ensuring that service delivery was not adversely affected. This was a continuation of the spending trends that the organisation has shown previously of spending over 98% of its budget.

Legal Aid South Africa continues to face challenges with regard to office accommodation as the organisation operates mostly from rented premises. The escalation rates and/or renewal of these leases are usually higher than the macro of 5%-6% provided by National Treasury (NT). The organisation also faced challenges with the renting of office accommodation in some areas where there is no alternative office accommodation, the landlords are not compliant with the NT supply chain management requirements, and any continued payment to them results in irregular expenditure.

Increasing employee costs also bring financial challenges due to cost of living increases that are higher than the NT macro of 5%. The higher cost of living increases were funded from the baseline allocation by implementing further cost-containment measures and reducing the recruitment budget from 96% to 95%. Volatile vehicle fuel prices continue to be a challenge as they continue to increase above the inflation rates. Although this prudent budgeting has worked in the past financial years, it is not sustainable in the long term.

### ROLLOVER OF FUNDS FROM 2016-2017

During the 2016-2017 financial year, Legal Aid SA embarked on projects, most notably the development of a new system, to enhance its IT infrastructure to align to its business operational needs.

Subsequent to the Board cancelling the contract with the service provider due to non-performance in developing the electronic Legal Aid Administration system (eLAA), a new service provider was appointed for the development of eLAA 2016. The new service provider is thus far developing the system within the approved project timeframes.

As expected, development projects of this nature take multiple financial years to finalise. This project will be completed during the 2017-2018 financial year.

NT has been requested to approve the request to roll over funds set aside for the development of this system to the new financial year for finalisation of this project.

Since most of these projects were completed in the current financial year, the organisation applied to NT for approval to roll over these committed funds to the current financial year 2017-2018 as they could not be absorbed in the current budget taking into account that no additional funds were allocated and any budget shortfall had to be funded within the existing allocation.

# FINANCIAL INFORMATION

## SUPPLY CHAIN MANAGEMENT (SCM)

Legal Aid South Africa submitted its Procurement Plan to NT by 30 April 2016 as required in terms of the National Treasury Instruction Note. Legal Aid SA also reviewed its SCM policies and procedures to align them to the applicable legislation, NT Regulations, Practice Notes and best practices. The organisation had effectively functioning Bid Specification, Bid Evaluation, and Bid Adjudication Committees in place. Compliance with SCM policies and procedures was managed by Executive Management, RO and JC management and was monitored and audited by the Internal Audit Department.

The organisation was able to implement its approved Procurement Plan within the allocated budget.

A challenge that the organisation faced relates to office accommodation, especially in rural and remote areas. In most of these areas the possible suppliers do not comply with Supply Chain Management Policy requirements in that they do not always have valid Tax Clearance Certificates in place, and are not registered on the National Treasury CSD and as a result the organisation cannot lease office space from them. In some of the instances where Legal Aid South Africa does not have alternatives for office accommodation, the organisation had to continue to rent offices from these suppliers/landlords to ensure that services are not interrupted and this has resulted in the organisation incurring irregular expenditure.

In order to curb this irregular expenditure, the Board approved the acquisition of immovable property in areas where we are facing challenges. Legal Aid SA managed to acquire three immovable properties during the financial year under review. Legal Aid South Africa will continue to identify and procure suitably located buildings that meet its requirements through the open tender supply chain management processes with the remaining funds set aside for acquisition of immovable property.

99.6% of trade creditors were paid within 30 days while 91.8% of Judicare creditors were paid within 30 days. The Judicare creditors payment rate is low due to system enhancements that were done during the financial year resulting in payment processes taking longer. Systems were also enhanced to calculate the number of days of outstanding invoices from the date the invoice is received at any Legal Aid SA office to the date the invoice is paid. Previously, the system calculated the outstanding days from when an invoice was processed on the system up to when it was paid. Further systems enhancements have been put in place to improve the payment turnaround rate of our creditors.

## ASSET MANAGEMENT

In terms of sub-section 51(1)(c) of the PFMA as amended, the Accounting Authority for a public entity is responsible for the management, including the safeguarding, of the assets and for the management of the revenue, expenditure and liabilities of the public entity.

In addition to the normal day-to-day administration and management of Legal Aid South Africa's asset register, the organisation carried out several activities including the quarterly asset verification.

The finance and administration staff at various cost centres continued to carry out and manage the asset verification processes. Overall coverage for asset verification in the 2016-2017 financial period was 100%, maintaining the asset verification coverage of the 2015-2016 financial year. Focus in the 2016-2017 annual asset verification was to ensure that all assets including tools and equipment are accounted for and that the organisation declares and withdraws from service any unused assets or assets broken beyond economical repair.

In 2016-2017 Legal Aid SA implemented reviewed depreciation rates, which include the extended useful lives of computer hardware, motor vehicles, building improvements and fittings and fixtures. This revision resulted in improved cash flow, in that we are now taking longer to replace the assets.

The organisation also implemented the revised Fixed Assets Policy, which provides for amongst other things, the donation of computer hardware to non-governmental/non-profit organisations that provide legal advice services. 50% of the replaced computer hardware equipment was donated to these organisations.

During the 2016-2017 financial year, the organisation had functional JC, RO and National Office disposal committees. These committees approved assets for disposal in terms of the approved Fixed Assets Policy.

# FINANCIAL INFORMATION

## AUDIT 2015-2016

The organisation was able to produce its financial statements for 2015-2016 and submitted them to the A-G and NT timeously. Legal Aid South Africa received its 15th unqualified audit opinion in 2015-2016 with no matters emphasised by the A-G.

Interim financial statements were issued for the various quarters of the 2016-2017 financial year that depicted a true and fair view of the financial performance, financial position, changes in net assets and cash flows of the organisation at the end of each quarter. The A-G performed an interim audit in 2016-2017, although the scope was limited. No findings were raised by the A-G from the interim audit.

## ECONOMIC VIABILITY

The organisation understands the budget constraints the country is facing. The shedding of jobs will increase the impact on demand for legal services with the consequent impact on the fiscus which is the main source of funding for the organisation. The organisation will continue to implement prudent and cost-effective measures in striving to achieve its strategies and deliver legal services as well as address the challenge of increasing demands for legal aid services in the context of limited funding.

## OUTLOOK/PLAN FOR THE FUTURE TO ADDRESS FINANCIAL CHALLENGES

Over the MTEF period, NT has not allocated new funding to Legal Aid SA.

The organisation completed and submitted its budget for 2017-2018 to the EA.

The 2017-2018 budget had a budget shortfall of R45,5 million which was funded through reprioritisation of the existing resources and from existing cash reserves. The budget shortfall is beginning to impact negatively on service delivery.

## EVENTS AFTER REPORTING DATE

The organisation was able to produce its financial statements for 2016-2017 and submit them to the A-G and NT timeously.

There were no material events which occurred between the reporting date and the date of this report.



**Ms V Vedalankar**

Chief Executive Officer

Date: 29 July 2017

## 3. REPORT OF THE AUDITOR-GENERAL

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

#### *Opinion*

1. I have audited the financial statements of Legal Aid South Africa as set out on pages 110 to 153, which comprise the statement of financial position as at 31 March 2017, the statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of Legal Aid South Africa as at 31 March 2017, and their financial performance and cash flows for the year then ended in accordance with Generally Recognised Accounting Practice (SA Standards of GRAP and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No.1 of 1999)).

#### *Basis for opinion*

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the Auditor-General's responsibilities for the audit of the financial statements section of my report.
4. I am independent of Legal Aid South Africa in accordance with the International Ethics Standards Board for Accountants' Code of ethics for professional accountants (IESBA code) together with the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### *Responsibilities of the Accounting Authority for officer for the financial statements*

6. The Board of directors, which constitutes the Accounting Authority, is responsible for the preparation and fair presentation of the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No.1 of 1999) (PFMA), and for such internal control as the accounting authority determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
7. In preparing the financial statements, the Accounting Authority is responsible for assessing Legal Aid South Africa's ability to continue as a going concern, disclosing, as applicable, matters relating to a going concern and using the going concern basis of accounting unless the Accounting Authority either intends to liquidate the public entity or to cease operations, or has no realistic alternative but to do so.

#### *Auditor-General's responsibilities for the audit of the financial statements*

8. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
9. A further description of my responsibilities for the audit of the financial statements is included in the annexure to the auditor's report.

# FINANCIAL INFORMATION

## REPORT ON THE AUDIT OF THE ANNUAL PERFORMANCE REPORT

### *Introduction and scope*

10. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report material findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report. I performed procedures to identify findings, but not to gather evidence to express assurance.
11. My procedures address the reported performance information, which must be based on the approved performance planning documents of the public entity. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
12. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected objectives presented in the annual performance report of the public entity for the year ended 31 March 2017:

Objectives	Pages in the annual performance report
<b>Objective 1</b> – Empowered clients and communities making informed choices about their legal rights and responsibilities	10
<b>Objective 2</b> – All poor and vulnerable persons able to access quality legal services to protect and defend their rights	10-11
<b>Objective 3</b> – An accessible, fair, efficient, independent and effective justice system serving all in South Africa, contributing to building safer communities	11

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13. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
14. I did not identify any material findings on the usefulness and reliability of the reported performance information for the following objectives:
  - Objective 1 – Empowered clients and communities making informed choices about their legal rights and responsibilities.
  - Objective 2 – All poor and vulnerable persons able to access quality legal services to protect and defend their rights.
  - Objective 3 – An accessible, fair, efficient, independent and effective justice system serving all in South Africa, contributing to building safer communities.

## REPORT ON AUDIT OF COMPLIANCE WITH LEGISLATION

### *Introduction and scope*

15. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the compliance of the public entity with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
16. There were no material findings in respect of the compliance criteria for the applicable subject matters.



# FINANCIAL INFORMATION

## OTHER INFORMATION

17. The Legal Aid South Africa Accounting Authority is responsible for the other information. The other information comprises the information included in the annual report, which includes the director's report, the Audit committee's report and the company secretary's certificate as required by the Companies Act. The other information does not include the financial statements, the auditor's report thereon and those selected objectives presented in the annual performance report that have been specifically reported on in the auditor's report.
18. My opinion on the financial statements and findings on the reported performance information and compliance with legislation does not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.
19. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected objectives presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work I have performed on the other information obtained prior to the date of this auditor's report, I conclude that there is a material misstatement of this other information, I am required to report that fact.

## INTERNAL CONTROL DEFICIENCIES

20. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance thereon. I did not identify any significant deficiencies in internal control.

Auditor - General

Pretoria  
31 July 2017



# FINANCIAL INFORMATION

## ANNEXURE – AUDITOR-GENERAL’S RESPONSIBILITY FOR THE AUDIT

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements, and the procedures performed on reported performance information for selected objectives and on the public entity’s compliance with respect to the selected subject matters.

### FINANCIAL STATEMENTS

2. In addition to my responsibility for the audit of the financial statements as described in the auditor’s report, I also:
  - identify and assess the risks of material misstatement of the financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the public entity’s internal control.
  - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of directors, which constitutes the Accounting Authority.
  - conclude on the appropriateness of the Board of directors, which constitutes the Accounting Authority’s use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Legal Aid South Africa’s ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor’s report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial statements. My conclusions are based on the information available to me at the date of the auditor’s report. However, future events or conditions may cause a public entity to cease to continue as a going concern.
  - evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
  - obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

### COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

3. I communicate with the Accounting Authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also confirm to the Accounting Authority that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and where applicable, related safeguards.

# LEGAL AID SOUTH AFRICA ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2017

## 4. ANNUAL FINANCIAL STATEMENTS

COUNTRY OF INCORPORATION	South Africa
NATURE OF BUSINESS	Provide legal services to the indigent  Members of Accounting Authority  <b>Non-Executive members</b> Judge President D Mlambo – Chairperson Judge M Makume – Deputy Chairperson (Appointed 17 October 2016) Adv. P du Rand Ms N Mgadza Prof. Y Vawda Ms M Naidoo Ms T Mhlungu Mr MNF Mvundlela Ms A Chowan Mr M Leseilane  <b>Executive members</b> Ms V Vedalankar Mr J Makokoane Mr P Hundermark Adv. B Nair
REGISTERED OFFICE	29 De Beer Street Braamfontein Johannesburg
BUSINESS ADDRESS	29 De Beer Street Braamfontein Johannesburg
POSTAL ADDRESS	Private Bag X76 Braamfontein 2017
BANKERS	First National Bank South African Reserve Bank
AUDITORS	Auditor-General of South Africa

# LEGAL AID SOUTH AFRICA ANNUAL FINANCIAL STATEMENTS

## for the year ended 31 March 2017

The reports and statements set out below comprise the Annual Financial Statements presented to the members:

Index	Page
Report of the Accounting Authority	112
Statement of financial position	113
Statement of financial performance	114
Statement of changes in net assets	114
Cash flow statement	115
Statement of comparison of budget and actual amounts	116
Notes to the Annual Financial Statements	126

### Accounting Authority's responsibility and approval

The Public Finance Management Act (No. 1 of 1999) (PFMA), as amended, requires the Accounting Authority to ensure that Legal Aid South Africa keeps full and proper records of its financial affairs. The Annual Financial Statements have been prepared in accordance with the effective Standards of Generally Recognised Accounting Practice (GRAP), including any interpretations and directives issued by the Accounting Standards Board.

The Annual Financial Statements are the responsibility of the Accounting Authority.

To enable the members of the Accounting Authority to fulfil their responsibilities, appropriate standards are set and agreed at their level, and require systems of internal control and risk management to be implemented. These are designed to provide reasonable assurance against material misstatements and deficits. Legal Aid SA maintains internal financial controls to provide assurance regarding the safeguarding of assets against unauthorised use or disposition as well as the maintenance of proper accounting records to provide reliable financial information for use within the organisation or for publication.

The internal controls contain self-monitoring mechanisms and actions are taken to mitigate risk as identified. Even an effective system of internal control, no matter how well designed, has inherent limitations, including the possibility of circumvention or the overriding of controls.

An effective system of internal control, therefore, aims to provide reasonable assurance that financial information is accurate, valid and complete, to ensure that the financial statements fairly present the financial position of Legal Aid South Africa.

The effectiveness of internal financial controls may vary over time due to the changes in conditions.

The Accounting Authority has reviewed Legal Aid SA's budgets and cash flow forecasts for the period. On the basis of this review, and in view of the current financial position, the Accounting Authority has every reason to believe that Legal Aid South Africa will be a going concern in the foreseeable future. Accordingly, Annual Financial Statements have been prepared on the going concern basis, since the Accounting Authority has every reason to believe that the organisation has sufficient resources to continue in operation for the foreseeable future.

In the 2016-2017 financial year, Legal Aid SA had a baseline allocation reduction of R92,7 million, which was funded from the cash and cash equivalent reserves. This baseline allocation reduction did not have an impact on service delivery and the organisation continued to be a going concern for the foreseeable future.

The Annual Financial Statements which appear on pages 110 to 153 were approved by the Accounting Authority on 29 July 2017 and signed on their behalf by:



**Vidhu Vedalankar**  
Chief Executive Officer  
Legal Aid South Africa  
Johannesburg



**Judge President Dunstan Mlambo**  
Chairperson  
Legal Aid South Africa  
Johannesburg

# LEGAL AID SOUTH AFRICA ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2017

## REPORT OF THE ACCOUNTING AUTHORITY

The members of the Accounting Authority present their report for the Annual Financial Statements.

### 1. INCORPORATION

Legal Aid South Africa was established on 26 March 1969 in terms of the Legal Aid Act (No. 22 of 1969). In December 2014 the President of the Republic approved the new Legal Aid South Africa Act (Act No. 39 of 2014), which came into effect on 1 March 2015.

### 2. BUSINESS AND OPERATIONS

Legal Aid SA's results are clearly reflected in the attached Annual Financial Statements. No material fact or circumstance has occurred between the accounting date and the date of this report. Legal Aid South Africa carries on the business of providing legal services to indigent residents of South Africa utilising State funding. There was no major change in the nature of the business.

### 3. FINANCIAL RESULTS

The results of Legal Aid SA and the state of its affairs are set out in the Annual Financial Statements and do not, in our opinion, require further comment. The financial position of the organisation, which is set out in the Statement of Financial Position, shows that it has no borrowings. Legal Aid South Africa's deficit on ordinary activities for the period amounted to R88,288,605 (deficit March 2016: R42,103,667).

### 4. PROPERTY, PLANT AND EQUIPMENT

There were no major changes in the property, plant and equipment during the year or any changes in the policy relating to their use.

### 5. MEMBERS OF THE ACCOUNTING AUTHORITY

The members of the Accounting Authority of Legal Aid SA, all of whom are South Africans, during the accounting period and up to the date of this report were as follows:

#### Non-Executive members

Judge President D Mlambo – Chairperson  
Judge M Makume – Deputy Chairperson (Appointed 17 October 2016)  
Adv. P du Rand  
Ms N Mgadza  
Prof. Y Vawda  
Ms M Naidoo  
Ms T Mhlungu

Mr MNF Mvundlela  
Ms A Chowan  
Mr M Leseilane

#### Executive members

Ms V Vedalankar  
Mr J Makokoane  
Mr P Hundermark  
Adv. B Nair

### 6. EVENTS AFTER REPORTING DATE

There were no significant events that took place after the reporting date of the statement of financial position.

### 7. GOING CONCERN

The Accounting Authority reviews Legal Aid South Africa's budgets and cash flow forecasts for the year. On the basis of this review, and in view of the organisation's current financial position, the Accounting Authority assesses the organisation's going concern in the current and year ahead. The Financial Statements are prepared on a going concern basis based on the Accounting Authority's assessment.

Johannesburg

LEGAL AID SOUTH AFRICA ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2017

STATEMENT OF FINANCIAL POSITION

	Notes	March 2017 R	March 2016 R
<b>ASSETS</b>			
<b>Non-current assets</b>		176,424,834	171,645,055
Property, plant and equipment	2	169,640,637	165,666,949
Finance lease assets	2.1	1,099,255	2,209,918
Intangible assets	3	5,684,942	3,768,188
<b>Non-current assets held for sale</b>	4	-	110,506
<b>Current assets</b>		318,735,477	418,556,116
Trade and other receivables	5	6,620,810	4,866,800
Prepayments	6	24,568,320	8,364,910
Client trust funds	7	38,248,204	28,467,840
Deposits	8	1,661,651	1,697,715
Inventories	9	1,664,789	1,540,046
Cash and cash equivalents	10a	245,971,703	373,618,805
<b>Total assets</b>		495,160,311	590,311,678
<b>NET ASSETS AND LIABILITIES</b>			
Accumulated surplus		250,053,153	338,341,758
<b>Non-current liabilities</b>			
Non-current portion of finance lease	11	-	600,848
Employee benefits	12	1,096,704	1,133,067
<b>Current liabilities</b>		244,010,454	250,236,005
Current portion of finance lease	11	616,757	1,172,222
Provisions	13	122,271,996	143,391,275
Client trust funds	14a	38,169,530	28,467,840
Trade and other payables	14	82,952,171	77,204,668
<b>Net assets and liabilities</b>		495,160,311	590,311,678

# LEGAL AID SOUTH AFRICA ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2017

## STATEMENT OF FINANCIAL PERFORMANCE

	Notes	March 2017 R	March 2016 R
Revenue		<b>1,606,479,650</b>	<b>1,556,233,829</b>
<b>Non-exchange transaction</b>			
Grant	15	1,577,171,000	1,522,986,000
Grant for furniture	15	-	549,412
Sponsorship for conference	15	30,000	-
<b>Exchange transactions</b>		<b>29,278,650</b>	<b>32,698,417</b>
Interest income	16	27,978,104	29,303,057
Other income	16.1	1,300,546	3,395,360
<b>Expenses</b>		<b>(1,694,768,255)</b>	<b>(1,598,337,496)</b>
Personnel		(1,331,167,737)	(1,206,145,946)
Administrative	17	(109,020,411)	(149,118,922)
Other expenses	17.1	(224,133,769)	(214,450,900)
Depreciation and amortisation	10c	(30,232,759)	(28,238,623)
Finance costs	11.1	(213,579)	(383,105)
<b>Deficit for the year</b>	<b>22.2</b>	<b>(88,288,605)</b>	<b>(42,103,667)</b>

## STATEMENT OF CHANGES IN NET ASSETS

	R
<b>Balance as at 31 March 2015</b>	380,445,425
Net deficit for the year ended 31 March 2016	(42,103,667)
<b>Balance as at 31 March 2016</b>	338,341,758
Net deficit for the year ended 31 March 2017	(88,288,605)
<b>Balance as at 31 March 2017</b>	250,053,153



# LEGAL AID SOUTH AFRICA ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2017

## CASH FLOW STATEMENT

	Notes	March 2017 R	March 2016 R
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>		1,606,479,650	1,555,021,025
Grant		1,577,201,000	1,523,535,412
Interest received		27,978,104	29,303,057
Other receipts		1,300,546	2,182,557
<b>Payments</b>		(1,697,034,382)	(1,574,260,820)
Employee costs		(1,331,167,737)	(1,206,145,946)
Suppliers		(365,653,066)	(367,731,769)
Finance costs		(213,579)	(383,105)
<b>Net cash flow from operating activities</b>	10c	(90,554,732)	(19,239,795)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds on disposals of property, plant and equipment		3,973,756	5,900,947
Acquisition of property, plant and equipment	2	(34,224,611)	(45,601,534)
Acquisition of intangible assets	3	(5,620,315)	(2,096,847)
<b>Cash flows from investing activities</b>		(35,871,170)	(41,797,434)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Finance leases		(1,221,200)	(2,510,190)
<b>Cash flow from financing activities</b>		(1,221,200)	(2,510,190)
(Decrease)/increase in cash and cash equivalents		(127,647,102)	(63,547,419)
Cash and cash equivalents at beginning of the year		373,618,805	437,166,222
Cash and cash equivalents at end of the year	10a	245,971,703	373,618,805

# LEGAL AID SOUTH AFRICA ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2017

## STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

	Approved Budget	Final Budget	Actuals	Difference Between Final Budget and Actuals	% Difference
	R	R	R	R	
<b>Revenue</b>	<b>1,691,399,000</b>	<b>1,762,330,128</b>	<b>1,749,353,032</b>	<b>12,977,096</b>	
Grant	1,577,171,000	1,577,171,000	1,577,171,000	-	0%
Sponsorship for conference	-	30,000	30,000	-	
Interest income	21,500,000	21,500,000	27,978,104	(6,478,104)	-30%
Other income	-	-	1,300,546	(1,300,546)	-100%
Rollover funding	-	70,901,128	70,901,128	-	
Funding from reserves	92,728,000	92,728,000	71,972,254	20,755,746	22%
<b>Expenses</b>	<b>(1,701,320,717)</b>	<b>(1,709,375,379)</b>	<b>(1,694,768,255)</b>	<b>(14,607,124)</b>	
Personnel	(1,363,307,500)	(1,332,872,317)	(1,331,167,737)	(1,704,580)	0%
Administrative	(98,189,207)	(122,189,207)	(109,020,411)	(13,168,796)	11%
Other expenses	(209,107,764)	(223,597,609)	(224,133,769)	536,160	0%
Depreciation and amortisation	(30,716,246)	(30,716,246)	(30,232,759)	(483,487)	2%
Finance costs	-	-	(213,579)	213,579	100%
<b>Capital expenditure</b>	<b>(20,794,529)</b>	<b>(83,640,994)</b>	<b>(39,844,926)</b>	<b>(43,796,068)</b>	52%
Depreciation – non-cash flow item	30,716,246	30,716,246	30,232,759	483,487	2%
<b>Surplus for the period</b>	<b>-</b>	<b>30,000</b>	<b>44,972,610</b>	<b>(44,942,610)</b>	<b>-100%</b>

The 2016-2017 approved budget was prepared on a cash basis and the financial statements are presented on the accrual basis. The approved budget was for the period 1 April 2016 to 31 March 2017. The variances in line items between the approved budget and final budget were due to the following:

- Approved transfers effected during the financial year.
- The 30% variance on interest is mainly due to higher interest received than budgeted.
- 100% variance on other income mainly relates to profit on disposals of assets and monies received from debtors which were not budgeted for.
- 52% variance on capital expenditure is due to delayed procurement of capital assets. A request to roll over the funds has been submitted to National Treasury.
- 22% variance on funding from reserves was due to the underexpenditure in the 2016-2017 financial year. Less funds were required for the current year's operations.

# LEGAL AID SOUTH AFRICA ANNUAL FINANCIAL STATEMENTS

## for the year ended 31 March 2017

### ACCOUNTING POLICIES

#### 1. BASIS OF PREPARATION

The Annual Financial Statements have been prepared in accordance with the policies stipulated, which have been applied consistently in all material respects, unless otherwise indicated. However, where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the Annual Financial Statements and to comply with the statutory requirements of the Public Finance Management Act, Act 1 of 1999 (as amended by Act 29 of 1999) and the Treasury Regulations issued in terms of the Act.

The Annual Financial Statements have been prepared in accordance with the effective Standards of Generally Recognised Accounting Practice (GRAP), including any interpretations and directives issued by the Accounting Standards Board. The Annual Financial Statements have been prepared using the accrual basis of accounting.

The Annual Financial Statements have been prepared on the basis of the accounting policies applicable to a going concern. This basis assumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent liabilities and commitments will occur in the ordinary course of business.

Assets and liabilities and income and expenditure have been reported separately and have not been offset against one another.

The principal accounting policies of the entity, except where noted, are consistent in all material respects with those applied in the previous year. The Annual Financial Statements have been prepared on the historical cost basis and at fair value where applicable.

#### *Standards, amendments to standards and interpretations issued but not yet effective*

The following standards, amendments to standards and interpretations have been issued, but are not yet effective and have not been early adopted by the entity. Management has assessed the impact of these standards and interpretations on the operations of Legal Aid South Africa. The adoption of the standards would not have material changes on the presentation of the financial statements or prior year balance, but will improve the presentation of the financial statements. The standards and interpretations, where applicable, will be adopted in the year they become effective.

TITLE	NAME	NATURE	DATE EFFECTIVE	DATE APPLIED
GRAP 20	Related party disclosure	Disclosure	Not yet known	On effective date
GRAP 32	Service Concession Arrangements: Grantor	Disclosure	Not yet known	Not applicable to the organisation
GRAP 108	Statutory receivables	Disclosure	Not yet known	Not applicable to the organisation
GRAP 109	Accounting by principals and agents	Disclosure	Not yet known	Not applicable to the organisation

#### 1.1 Cash flow

The cash flow statement is prepared in accordance with the direct method.

Specific information has been presented separately on the statement of financial position such as:

- (i) Receivables from exchange transactions
- (ii) Trade and other payables from non-exchange transactions

# LEGAL AID SOUTH AFRICA ANNUAL FINANCIAL STATEMENTS

## for the year ended 31 March 2017

### 1.2 Budget note

Legal Aid SA prepares its annual budget on a cash basis in terms of the PFMA and National Treasury Medium Term Expenditure Framework guidelines issued yearly. The budget is approved by the Accounting Authority before the commencement of the new financial year. The statement of financial performance is prepared on an accrual basis.

### 1.3 Revenue recognition

Revenue is the gross inflow of economic benefits or service potential received during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

An exchange transaction is one that the entity receives assets or services or has liabilities extinguished and directly gives approximate equal value to another entity (primarily in the form of goods, services or use of assets) to the other party in exchange.

A non-exchange transaction is one that the entity receives or gives value to another entity without directly providing or receiving an approximate equal value in exchange.

Revenue is recognised when all the following criteria have been met:

- Probable inflow of economic benefits or service potential
- Fair value of the asset can be measured reliably

#### **Grant**

Revenue received from unconditional grants is recognised in the period when received or receivable. The grant Legal Aid South Africa received is unconditional.

#### **Other income**

Legal Aid SA receives occasional income by way of a share in awards made to clients in civil matters as well as receiving cost awards and income from disposed assets sold to staff. Due to the nature of services as well as the prospect of appeals, Legal Aid South Africa only recognises this income as soon as it is awarded to them.

#### **Interest income**

Interest is recognised on a time proportion basis that takes into account the effective yield on cash and cash equivalents.

### 1.4 Significant judgments and estimates

In preparing the financial statements, management makes estimates and assumptions that affect the amounts presented in the financial statements and related disclosures. Use of available information and the application of judgment is inherent in the formation of estimates. Actual results in the future could differ from these estimates, which may be material to the Annual Financial Statements. Significant judgments and estimates include Judicare provision, provision for doubtful debts, employee benefits and useful lives and depreciation or amortisation methods and asset impairment.

#### **Provisions**

Provisions are recognised when Legal Aid SA has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. All the provisions of Legal Aid South Africa are short-term in nature and thus ignore the effects of discounting.

#### **Judicare provision**

Judicare provisions are recognised when Legal Aid SA has a present legal or constructive obligation as a result of past events, for which it is probable that an outflow of economic benefits will be required.

# LEGAL AID SOUTH AFRICA ANNUAL FINANCIAL STATEMENTS

## for the year ended 31 March 2017

### ***Critical accounting estimates on Judicare provision***

In the process of applying the Accounting Authority's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the Financial Statements:

- The calculation for this provision is based on a number of factors, which include previous experience in claims' patterns, claims' settling patterns, and trends in claims' frequency, to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

### ***Contingent liabilities***

Contingent liabilities are possible obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within control of the entity, or a present obligation that is not recognised because the outflow of economic benefits or service potential is not probable and/or a real present obligation that may not be recognised, either because the timing or the measurement is not known.

### **1.5 Impairment**

The carrying amounts of property, plant and equipment are reviewed for impairment when events or circumstances indicate that the carrying values may not be recoverable at each reporting date. If any such indicators exist, and where the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is written down to its recoverable amount through the statement of financial performance.

The organisation's property, plant and equipment, including intangible assets, are classified as non-cash generating assets, as they are not used to generate profit, but to provide legal services.

### ***Impairment of non-cash generating assets***

The non-cash generating assets are impaired when the carrying amount of the asset exceeds its recoverable service amount.

The non-cash generating assets are assessed half yearly during the year to determine if there is any indication that the assets are impaired. The entity determines the recoverable services amount where there is an indication of impairment of assets.

Intangible assets with an indefinite useful life are assessed for impairment at the end of the year.

In assessing whether there is any indication of impairment, the following indicators are considered:

- a) Cessation, or near cession of the demand or need for services provided by the asset.
- b) Significant long-term changes with an adverse effect on the entity have taken place during the period, or will take place in the near future, in the technological, legal or government policy environment in which the entity operates.
- c) Evidence is available of physical damage of an asset.
- d) Significant long-term changes with an adverse effect on the entity have taken place during the period, or are expected to take place in the near future, to the extent to which, or manner in which, an asset is used or is expected to be used. These changes include the asset becoming idle, plans to discontinue or restructure the operations to which an asset belongs, or plans to dispose of an asset before the previously expected date.
- e) Evidence is available from internal reporting that indicates that the service performance of an asset is, or will be, significantly worse than expected.

The impairment loss is recognised immediately in the statement of financial performance.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs of disposal and its value in use.

# LEGAL AID SOUTH AFRICA ANNUAL FINANCIAL STATEMENTS

## for the year ended 31 March 2017

### 1.6 Property, plant and equipment

The cost of an item of property, plant and equipment is recognised as an asset when

- It is probable that future economic benefits or services associated with the item will flow to the entity; and
- The cost or fair value of the item can be measured reliably.

On initial recognition, an item of property, plant and equipment is measured at cost, but those that are acquired through non-exchange transactions are initially measured at fair value.

Cost includes purchase price or cost incurred initially to acquire or construct an item of property, plant and equipment and discounts received on acquisition including service costs.

Recognition of cost in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Property, plant and equipment are subsequently carried at cost less accumulated depreciation and any impairment losses.

Property, plant and equipment items are derecognised once they are fully depreciated and sold, are obsolete or fully impaired.

Depreciation is calculated on the straight-line method to write off the cost of each asset to its residual value over its estimated useful life. The property, plant and equipment is depreciated from the time when an item of property, plant and equipment is ready for use. The depreciation rates applicable to each category of property, plant and equipment are as follows:

	%	Estimated useful life
Land	0%	Infinite
Buildings	4%	25 years
Building improvements	20%	5 to 15 years
Motor vehicles	16.67%	6 to 9 years
Furniture and equipment	20%	5 to 15 years
Leasehold improvements	Lease term	Lease term
Fittings and fixtures	10%	5 to 15 years
Computer equipment	25%	5 to 10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. The residual values of property, plant and equipment were reassessed at year-end.

The following considerations are taken into account in assessing the useful lives of assets:

- Expected usage of the asset.
- Expected physical wear and tear, which depends on the operational factors of the asset.
- Technical obsolescence arising from changes in the market demand or service output of the asset.
- Legal or similar limits on the use of the asset, such as the expiry dates of related leases.

The residual values are determined by considering the expected market demand of the asset at the end of its lifespan and the market value of a similar asset that had reached its lifespan.

Subsequent expenditure incurred on items of property, plant and equipment is only capitalised to the extent that such expenditure enhances the value or previous capacity of those assets.

Repairs and maintenance not deemed to enhance the economic benefits or service potential of items of property, plant and equipment are charged to income during the period in which they are incurred.

# LEGAL AID SOUTH AFRICA ANNUAL FINANCIAL STATEMENTS

## for the year ended 31 March 2017

### **Depreciation**

Depreciation is recognised in surplus and deficit on a straight-line basis over the estimated useful life of each part of an item of property, plant and equipment. Land is not depreciated as it is deemed to have an indefinite useful life.

When significant components of an item of equipment have useful lives or residual values, they are accounted for as separate items (major components) of equipment.

Leasehold improvements relate to refurbishments and partitioning of buildings that are leased. These are depreciated over the lease period.

Gains and deficits on disposal of property, plant and equipment are determined by reference to their carrying amount and are taken into account in determining operating surplus.

### **1.7 Intangible assets**

Intangible assets consist of computer software.

The cost of an item of intangible asset is recognised as an asset when

- It is probable that future economic benefits or services associated with the item will flow to the entity; and
- The cost or fair value of the item can be measured reliably.

Intangible asset items are derecognised once they are fully amortised and replaced by new computer software or are obsolete and no longer supported by the service providers.

On initial recognition, an item of intangible asset is measured at cost or fair value if acquired through a non-exchange transaction.

Cost includes the purchase price, developmental costs incurred in preparing the intangible asset to be ready for use and discounts received on acquisition including service costs. Intangible assets are carried at cost less accumulated depreciation and any impairment losses.

Subsequent expenditure incurred on an item of intangible asset is only capitalised to the extent that such expenditure meets the recognition criteria. Where the expenditure is material or more than the initial cost of the asset, the costs are capitalised as a new asset and the initial asset is derecognised.

Intangible assets are amortised on a straight-line basis over the useful lives of the assets. The intangible assets are amortised from the time when they are ready for use.

The assets are generally amortised over two to 10 years. Assets that will be used for an indefinite period are not depreciated.

The assets' useful lives are reviewed, and adjusted if appropriate, at each reporting date. The residual values of intangible assets are reassessed at year-end.

The assets classified as indefinite are evaluated at year-end to assess for impairment and whether they are still considered to be indefinite. Where the assets cease to be classified as indefinite assets, they are amortised over the remainder of their useful lives. During the year under review there were no assets whose useful lives had changed.



# LEGAL AID SOUTH AFRICA ANNUAL FINANCIAL STATEMENTS

## for the year ended 31 March 2017

### 1.8 Leased assets

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards to ownership.

#### **Finance leases**

Finance leases are recognised as assets and liabilities in the Statement of Financial Position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. Finance lease payments are apportioned between the capital and the interest portions. The interest is expensed in the statement of financial performance. The lease assets are depreciated over the lease period. The present value of the minimum lease payments is calculated at the net present value based on the applicable prime rate at the reporting date.

#### **Operating leases**

Operating lease payments are straight lined and recognised as an expense over the period of the lease in the statement of financial performance. The operating lease commitments are disclosed in the notes to the Financial Statements.

### 1.9 Non-current assets held for sale

All assets that have been replaced in terms of the Asset Replacement Programme are classified as non-current assets held for sale. All non-current assets held for sale are measured at the lower of its carrying amount and fair value less costs to sell. These assets are recovered through sale to the entity's employees, scrapping or donations within 12 months from date of replacement. All non-current assets held for sale cease to depreciate from the date they are classified as non-current assets held for sale.

### 1.10 Taxation

No provision is made for taxation and value-added tax as Legal Aid South Africa is exempt in terms of section 10(1)(CA) of the Income Tax Act.

### 1.11 Financial instruments

Financial instruments are recognised on the statement of financial position when Legal Aid SA becomes party to the contractual provisions of the instrument. Financial instruments include cash and bank balances, receivables and trade payables. These financial instruments are generally carried at their estimated fair value, which is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable and willing parties in an arm's length transaction.

The change relates to classification of finance leases payable being classified as financial instruments. The finance leases are measured in accordance with GRAP 13.

#### **Financial assets**

Legal Aid South Africa's principal financial assets are trade receivables and bank and cash balances.

#### **Recognition**

Financial instruments are initially recognised using the trade date accounting method.

#### **Measurement**

Financial instruments are initially measured at fair value net of transaction costs when the entity is a party to a contractual arrangement. Subsequent to initial recognition, these instruments are measured as set out below.

Legal Aid SA's principal financial liabilities are trade payables.

#### **Trade and other receivables**

Trade and other receivables at initial recognition are measured at fair value, and are subsequently measured at the amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in surplus or deficit when there is objective evidence that the asset is impaired.

Receivables included in the Statement of Financial Position arise from staff overpayments that are recoverable.

# LEGAL AID SOUTH AFRICA ANNUAL FINANCIAL STATEMENTS

## for the year ended 31 March 2017

Receivables outstanding at year end are carried in the Statement of Financial Position at amortised cost.

- An estimate of doubtful debts is made based on a review of all outstanding individual amounts at statement of position date. Provision for doubtful debts is made for trade receivables outstanding for 365 days and any other debts deemed doubtful.

The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the receivable's original effective interest rate (i.e. the effective interest rate computed at initial recognition).

The carrying amount of the receivable is reduced through the use of a provision for doubtful debts account. The amount of the loss is recognised in surplus or deficit.

The Accounting Authority writes off irrecoverable debts in accordance with Treasury Regulations 11.4.1(a) and (b) after having taken the necessary steps to recover the debt.

Legal Aid South Africa has short-term payables and receivables and interest is not charged due to terms granted being consistent with the public sector terms.

### **Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and deposits held on call with banks.

Cash and cash equivalents are initially recorded at fair value and subsequently at amortised costs.

Deposits held on call and investments in money market instruments are classified as financial assets held at amortised cost originated by Legal Aid SA and carried at amortised cost. Due to the short-term nature of these instruments, the amortised cost approximates its fair value.

### **Trade and other payables**

Trade and other payables are initially measured at fair value and subsequently measured at amortised cost, using the effective interest rate method.

Trade and other payables are classified as financial liabilities at amortised cost.

### **Derecognition of financial instruments**

Financial assets are derecognised when the entity loses control of the contractual rights that comprise the financial assets. Legal Aid South Africa loses such control if right to benefits specified in the contract are realised, the rights expire or the organisation surrenders those rights.

Financial liabilities are derecognised when the obligation is discharged, cancelled or expires.

## **1.12 Employee benefits**

### **a) Short-term employee benefits**

The cost of short-term employee benefits (those payable within 12 months after the service is rendered, such as paid vacation leave, sick leave, bonuses and non-monetary benefits such as medical care) is recognised in the period in which the service is rendered, and is not discounted.

The expected cost of compensation absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected bonus payments are recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

# LEGAL AID SOUTH AFRICA ANNUAL FINANCIAL STATEMENTS

## for the year ended 31 March 2017

Employee entitlements to annual leave are recognised when they accrue to the employees. An accrual, based on total employment cost, is raised for the estimated liabilities as a result of services rendered by employees up to the reporting date.

### **b) Defined-benefit plans**

Legal Aid South Africa contributes to a defined-benefit pension scheme, which requires contributions to be made to a separately administered fund.

### **Existing employees**

Past service costs, experience adjustments, the effects of changes in actuarial assumptions and the effects of plan amendments in respect of existing employees in a defined-benefit plan are recognised as an expense or as income systematically over the expected average remaining working lives of those employees (except in the case of certain plan amendments where the use of a shorter-time year is necessary to reflect the receipt of economic benefits by the enterprise).

### **Plan terminations, curtailments and settlements**

When it is probable that a defined-benefit plan will be terminated or that there will be a curtailment or settlement of the retirement benefits payable under that plan:

- (i) the resulting increase in the retirement benefit cost is recognised as an expense immediately, and
- (ii) any resulting gain is recognised as income in the year in which the termination, curtailment or settlement occurs.

### **c) Post-retirement medical benefit**

The defined-benefit obligation, the related current cost and, where applicable, past service costs, are determined by using the Projected Unit Credit Method. A portion of the actuarial gains and losses is recognised as income or expense in the year it occurs.

Unvested past service costs are recognised as an expense on the straight-line basis over the average year until the benefits become vested, while vested past service costs are recognised as an expense in the Statement of Financial Performance.

### **1.13 Materiality**

Section 55(2) of the PFMA specifies components of the Financial Statements that have to take into account tolerance levels in terms of financial, non-financial and disclosure of specific information such that it enables the Executive Authority to effectively perform their fiduciary duties. Legal Aid SA has an approved framework of acceptable levels of materiality and significance.

### **1.14 Services received in kind**

Services received in kind consist primarily of attendance by certain Legal Aid South Africa members to Accounting Authority and committee meetings without remuneration due to their full-time employment in the public sector. Legal Aid SA cannot reliably determine a fair value for this benefit, and as a result does not recognise the value of these services received in the Statement of Financial Performance.

### **1.15 Irregular or fruitless and wasteful expenditure**

Irregular expenditure means expenditure, other than unauthorised expenditure, incurred in contravention of, or that is not in accordance with, the requirements of any applicable legislation, from the definition in the PFMA. Fruitless and wasteful expenditure means expenditure that was made in vain and would have been avoided had reasonable care been exercised.

All expenditure relating to irregular, fruitless and wasteful expenditure is recognised as an expense in the Statement of Financial Performance in the period that the expenditure was incurred and additional disclosure as required by Treasury Regulations and the PFMA is made in the notes to the Financial Statements.

# LEGAL AID SOUTH AFRICA ANNUAL FINANCIAL STATEMENTS

## for the year ended 31 March 2017

### 1.16 Related parties

All parties that have the ability to control or exercise significant influence over Legal Aid South Africa in making financial and operating decisions are considered to be related parties of the organisation. Related parties include key management personnel and close members of the family of key management personnel.

A related-party transaction is a transfer of resources, services or obligations between the reporting entity and the related party, regardless of whether a price is charged. Related-party transactions exclude transactions with any other entity that is a related party solely because of its economic dependence on the reporting entity.

### 1.17 Client trust funds

These constitute amounts received from estates late and settlements reached in civil matters. These amounts are payable to recipients based on court settlement orders and/or heirs, legatees or other claimants in estate matters.

### 1.18 Deposits

These constitute amounts held by landlords for the various buildings leased by the entity, and travel agencies.

Deposits are initially recorded at fair value and subsequently at amortised cost.

### 1.19 Inventories

Inventories which consist of consumables are recognised as an asset if:

- a) It is probable the future economic benefits or service potential, associated benefits or service potential, associated with the item will flow to the entity.
- b) The cost of the inventories can be measured reliably.

The unit cost price of the last item acquired is applied to value the stock on hand.

### 1.20 Subsequent events

No material fact or circumstance has occurred between the financial position date and the date of this report.

### 1.21 Prepayments

The prepayments mainly comprise of the system-related costs, which are paid on an annual basis.

These prepayments are initially recognised at fair value and subsequently measured at amortised cost.

### 1.22 Change in accounting estimates

Change in estimates is an adjustment of the carrying amount of an asset or a liability, or the amount of the periodic consumption of an asset, that results from the assessment of the present status of, and expected future benefits and obligations associated with, assets and liabilities. Changes in accounting estimates result from new information or new developments and, accordingly, are not corrections of errors. The nature and amount of a change in an accounting estimate that has an effect in the current periods is disclosed in the notes.

# LEGAL AID SOUTH AFRICA ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2017

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS

### 2. PROPERTY, PLANT AND EQUIPMENT

	March 2017			March 2016		
	Cost R	Accumulated depreciation R	Carrying value R	Cost R	Accumulated depreciation R	Carrying value R
<b>Owned assets</b>						
Land	3,556,000	-	3,556,000	1,788,000	-	1,788,000
Buildings	31,628,289	7,485,120	24,143,169	21,981,000	6,447,760	15,533,240
Building improvements	15,299,718	6,343,809	8,955,909	15,378,243	5,537,017	9,841,226
Motor vehicles	75,465,280	16,535,643	58,929,637	73,776,613	17,106,140	56,670,474
Furniture and equipment	24,835,975	20,454,915	4,381,060	24,234,207	20,405,982	3,828,225
Fittings and fixtures	2,937,376	2,497,701	439,675	2,943,836	2,210,424	733,413
Leasehold improvements	18,491,311	7,801,062	10,690,249	34,252,819	22,853,368	11,399,451
Computer equipment	96,370,894	37,825,956	58,544,938	98,092,410	32,219,491	65,872,919
	268,584,843	98,944,206	169,640,637	272,447,129	106,780,182	165,666,949

The carrying amounts of property, plant and equipment can be reconciled as follows:

#### Reconciliation of property, plant and equipment – March 2017

	Carrying value at beginning of year R	Additions R	Disposals R	Depreciation	Carrying value at end of year R
<b>Owned assets</b>					
Land	1,788,000	1,768,000	-	-	3,556,000
Buildings	15,533,240	9,647,289	-	(1,037,360)	24,143,169
Building improvements	9,841,226	153,098	-	(1,038,415)	8,955,909
Motor vehicles	56,670,474	10,006,299	(1,723,049)	(6,024,086)	58,929,637
Furniture and equipment	3,828,225	1,373,726	(76,966)	(743,925)	4,381,060
Fittings and fixtures	733,413	-	-	(293,738)	439,675
Leasehold improvements	11,399,451	2,799,588	(67,726)	(3,441,064)	10,690,249
Computer equipment	65,872,919	8,476,613	(489,851)	(15,314,743)	58,544,938
	165,666,949	34,224,614	(2,357,592)	(27,893,332)	169,640,637

# LEGAL AID SOUTH AFRICA ANNUAL FINANCIAL STATEMENTS

## for the year ended 31 March 2017

### Land

The first land item is described as Erf 4410 Johannesburg Township Registration Division I.R., provision of Gauteng, Johannesburg Division, Gauteng Province. The land measures 1,490 square metres. It was transferred to Legal Aid South Africa on 4 September 2008. The land has been stated at the cost.

The second land item is described as Erf 408 Middelburg Registration Division I.R., provision of Mpumalanga, Middelburg Division, Mpumalanga Province. The land measures 966 square metres. It was transferred to Legal Aid South Africa on 8 March 2017. The land was re-evaluated by an independent valuator, Kgolofelo Property Services cc, on 15 August 2015 and the market value is R630,000 for initial recognition.

The third land item is described as Erf 1956 Lichtenburg Registration Division I.R., provision of North West, Lichtenburg Division, North West Province. The land measures approximately 1,086 square metres. It was transferred (sold) to Legal Aid South Africa on 19 May 2016. The land was re-evaluated by an independent valuator, Etienne E Pretorius, on 20 September 2016 and the market value is R543,000 for initial recognition.

The fourth land item is described as Erf 884 Johannesburg Registration Division I.R., provision of Gauteng, Johannesburg Division, Gauteng Province. The land measures approximately 595 square metres. It was transferred (sold) to Legal Aid South Africa on 29 July 2016. The land was re-evaluated by an independent valuator, Etienne E Pretorius, on 20 September 2016 and the market value is R595,000 for initial recognition.

### Buildings

The first building is described as Erf 4410 Johannesburg Township Registration Division I.R., provision of Gauteng, Johannesburg Division, Gauteng Province. It was transferred (sold) to Legal Aid South Africa on 4 September 2008. The estimated useful life of the building is 25 years and has been stated at the cost price of R21,981,000 in order to comply with GRAP 17. The building included building improvements made to Legal Aid House. The building was re-evaluated by an independent valuator, JO Schoonraad, on 23 September 2011 and the market value is R29,9 million. The square metres for the building were not yet available at the reporting date.

The second building is described as Erf 408 Middelburg Registration Division I.R., provision of Mpumalanga, Middelburg Division, Mpumalanga Province. It was transferred (sold) to Legal Aid South Africa on 8 March 2017. The estimated useful life of the building is 25 years and has been stated at the cost price of R5,250,554 in order to comply with GRAP 17. The square metres for the building were not yet available at the reporting date.

The third building is described as Erf 1956 Lichtenburg Registration Division I.R., provision of North West, Lichtenburg Division, North West Province. The single-level office building measures approximately 1,086 square metres. It was transferred (sold) to Legal Aid South Africa on 19 May 2016. The estimated useful life of the building is 25 years and has been stated at the cost price of R1,307,425 in order to comply with GRAP 17.

The fourth building is described as Erf 884 Ekurhuleni Metropolitan Registration Division I.R., provision of Gauteng, Johannesburg Division, Gauteng Province. The multi-level office building measures approximately 595 square metres. It was transferred (sold) to Legal Aid South Africa on 29 July 2016. The estimated useful life of the building is 25 years and has been stated at the cost price of R3,089,310 in order to comply with GRAP 17.

# LEGAL AID SOUTH AFRICA ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2017

## Reconciliation of property, plant and equipment – March 2016

	Carrying value at beginning of year R	Additions R	Disposals R	Depreciation R	Transfers	Carrying value at end of year R
<b>Owned assets</b>						
Land	1,788,000	-	-	-	-	1,788,000
Building	16,813,660	-	-	(1,280,420)	-	15,533,240
Building improvements	9,350,189	1,190,174	(2,486)	(696,651)	-	9,841,226
Motor vehicles	56,871,583	13,226,874	(1,752,876)	(11,675,107)	-	56,670,474
Furniture and equipment	2,099,150	2,739,041	(392,041)	(617,926)	-	3,828,225
Fittings and fixtures	1,027,150	-	-	(293,738)	-	733,413
Leasehold improvements	11,897,900	4,572,619	(628,036)	(4,443,033)	-	11,399,451
Computer equipment	48,493,031	23,872,824	(1,183,265)	(5,199,165)	(110,506)	65,872,919
	148,340,663	45,601,533	(3,958,703)	(24,206,039)	(110,506)	165,666,949

### Land

Land is described as Erf 4410 Johannesburg Township Registration Division I.R., provision of Gauteng, Johannesburg Division, Gauteng Province. The land measures 1,490 square metres. It was transferred to Legal Aid South Africa on 4 September 2008. The land has been stated at the cost.

### Building

This building is described as Erf 4410 Johannesburg Township Registration Division I.R., provision of Gauteng, Johannesburg Division, Gauteng Province. The multi-level office building measures approximately 1,490 square metres. It was transferred to Legal Aid South Africa on 4 September 2008. The estimated useful life of the building is 25 years and has been stated at the cost price of R21,981,000 in order to comply with GRAP 17. The building included building improvements made to Legal Aid House. The building was re-evaluated by an independent valuator, JO Schoonraad, on 23 September 2011 and the market value is R29,9 million.

## 2.1 Finance lease assets

	March 2017			March 2016		
	Cost R	Accumulated depreciation R	Carrying value R	Cost R	Accumulated depreciation R	Carrying value R
Photocopiers	2,275,865	1,176,610	1,099,255	9,926,258	7,716,340	2,209,918
	2,275,865	1,176,610	1,099,255	9,926,258	7,716,340	2,209,918



# LEGAL AID SOUTH AFRICA ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2017

## Reconciliation of property, plant and equipment – March 2017

### Finance-leased assets

	Carrying value at beginning of year R	Additions R	Disposals R	Depreciation R	Carrying value at end of year R
Photocopiers	2,209,918	64,887	-	(1,175,551)	1,099,255
	2,209,918	64,887	-	(1,175,551)	1,099,255

## Reconciliation of property, plant and equipment – March 2016

### Finance-leased assets

	Carrying value at beginning of year R	Additions R	Disposals R	Depreciation R	Carrying value at end of year R
Photocopiers	4,444,775	209,431	-	(2,444,288)	2,209,918
	4,444,775	209,431	-	(2,444,288)	2,209,918

## 3. INTANGIBLE ASSETS

	March 2017			March 2016		
	Cost R	Accumulated amortisation R	Carrying value R	Cost R	Accumulated amortisation R	Carrying value R
Computer software	7,327,482	1,642,539	5,684,942	6,166,495	2,398,307	3,768,188

## Reconciliation of intangible assets – March 2017

The carrying amounts of intangible assets can be reconciled as follows:

	Carrying value at beginning of year R	Additions* R	Disposals R	Amortisation R	Carrying value at end of year R
Computer software	3,768,188	5,620,315	(2,539,684)	(1,163,876)	5,684,942

\*Included in additions is an amount of R5,592,095 for software still under development.

# LEGAL AID SOUTH AFRICA ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2017

## Reconciliation of intangible assets – March 2016

	Carrying value at beginning of year R	Additions R	Disposals R	Amortisation R	Carrying value at end of year R
Computer software	3,989,078	2,096,847	(729,441)	(1,588,296)	3,768,188

## 4. NON-CURRENT ASSETS HELD FOR SALE

	March 2017 R	March 2016 R
Assets related to computer hardware	-	110,506

Legal Aid SA had a number of computer hardware items which were identified for sale within the 12 months after the financial year end.

## 5. TRADE AND OTHER RECEIVABLES – EXCHANGE TRANSACTIONS

	March 2017 R	March 2016 R
Trade receivables	9,361,654	5,313,464
Provision for doubtful debts	(2,847,037)	(561,660)
Other receivables	106,194	114,996
	6,620,810	4,866,800

### 5.1 Reconciliation of doubtful debt provision

	March 2017 R	March 2016 R
Balance at the beginning of the period	561,660	1,205,262
Bad debts written off	(92,256)	(216,755)
Increase/(decrease) in provision for doubtful debts	2,377,633	(426,848)
	2,847,037	561,660

# LEGAL AID SOUTH AFRICA ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2017

## 6. PREPAYMENTS

	March 2017 R	March 2016 R
Prepayments	24,568,320	8,364,910
	24,568,320	8,364,910
<b>Reconciliation of prepayments</b>		
Operating expenditure	3,992,165	2,830,175
Capital expenditure	20,576,155	5,534,735
	24,568,320	8,364,910

Prepayments relate mainly to payments in advance for software licences and office buildings bought in Welkom, Witbank and Krugersdorp, but not yet registered with the Deeds Office.

## 7. CLIENT TRUST FUNDS

	March 2017 R	March 2016 R
Client trust funds	38,248,204	28,467,840
	38,248,204	28,467,840

These constitute amounts received from estate lates and settlements reached in civil matters. These amounts are payable to recipients based on court settlement orders.

The corresponding liability for the client trust asset. Refer to note 14a.

## 8. DEPOSITS

	March 2017 R	March 2016 R
These constitute mainly amounts paid to landlords as security for rent repayment	1,661,652	1,697,715
The total deposit above is classified as follows:		
Later than 1 year and not later than 5 years	1,421,179	1,454,537
Not later than 1 year	240,472	243,177
	1,661,651	1,697,715

# LEGAL AID SOUTH AFRICA ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2017

## 8.1 Deposit reconciliation

	March 2017 R	March 2016 R
Opening balance	1,697,715	1,751,291
Recoveries	(42,900)	(89,534)
Deposits expensed	(3,706)	(35,343)
Deposits moved to debtors	-	-
Deposits written off	-	-
New deposits for the year	10,542	71,300
Closing balance	1,661,651	1,697,715

## 9. INVENTORIES

	March 2017 R	March 2016 R
Stationery on hand	1,664,789	1,540,046
	1,664,789	1,540,046

Inventories relate to stationery on hand that will be consumed during the normal operation of the entity. There was no amount of inventory that was written off or reversed or pledged as a security.

### 9.1 Reconciliation for inventory

#### Stationery – March 2017

	Carrying value at beginning of year R	Additions during the year R	Inventories expensed revised/ written off R	Carrying value at end of year R
Stationery on hand	1,540,046	1,664,789	(1,540,046)	1,664,789

#### Stationery – March 2016

	Carrying value at beginning of year R	Additions during the year R	Inventories expensed revised/ written off R	Carrying value at end of year R
Stationery on hand	1,392,502	1,540,046	(1,392,502)	1,540,046

# LEGAL AID SOUTH AFRICA ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2017

## 10. NOTES TO CASH FLOW STATEMENT

### a) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and balances with banks and investments in money market instruments. Cash and cash equivalents included in the Cash Flow Statement comprise the following statement of amounts indicating the financial position:

	March 2017 R	March 2016 R
Funds held with the Corporation for Public Deposits	239,676,128	368,623,056
Bank balance and cash on hand	6,295,575	4,995,749
	<u>245,971,703</u>	<u>373,618,805</u>

### b) Property, plant and equipment

During the year, Legal Aid South Africa acquired property, plant and equipment of R39,903,915 by means of grants allocated by the national government.

### c) Cash generated by operating activities

Reconciliation of net cash flows from operating activities to surplus.

	March 2017 R	March 2016 R
Net deficit	(88,288,604)	(42,103,667)
<b>Non-cash flow movement</b>		
Depreciation	29,068,883	26,650,327
Amortisation	1,163,876	1,588,296
Increase in provision	(21,155,642)	13,100,986
(Decrease)/increase in payables	5,668,829	(6,672,214)
Decrease in inventories	(124,744)	(147,544)
Gains/loss on sale of property plant and equipment	1,034,026	(1,212,803)
Debts written off	92,256	216,755
(Increase)/decrease in receivables	(18,013,611)	(10,659,930)
	<u>(90,554,732)</u>	<u>(19,239,795)</u>

# LEGAL AID SOUTH AFRICA ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2017

## 11. FINANCE LEASES

### Interest-bearing borrowings

	March 2017 R	March 2016 R
Non-current portion of finance leases	-	600,848
Current portion of finance-lease liability	616,757	1,172,222
Total lease liability	616,757	1,773,070

The interest-bearing borrowings are secured by photocopier machines (see Note 2). The liabilities are repayable in equal monthly instalments on the first day of the month at prime interest rates, respectively.

Legal Aid SA entered into a finance-lease arrangement with different lessors in respect of photocopier machines. The periods of the lease agreements range from 36 months to 60 months respectively with the liability repayable in equal monthly instalments, at prime interest rates.

### Reconciliation of minimum lease payments with their present values

	March 2017			March 2016		
	Up to 1 year R	2-5 years R	Total R	Up to 1 year R	2-5 years R	Total R
Minimum lease payments	641,353	-	641,353	1,284,433	622,524	1,906,957
Finance charges	24,596	-	24,596	112,211	21,676	133,887
Fair value adjustment	-	-	-	-	-	-
Present value	616,757	-	616,757	1,172,222	600,848	1,773,070

### Finance-lease cash flow reconciliation

	March 2017	March 2016	Net Cash Flow
Finance-lease assets	1,099,254	2,209,917	1,110,664
Finance-lease liability	(616,757)	(1,773,070)	(1,156,313)
Depreciation on finance leases	(1,175,551)	(2,444,288)	(1,268,737)
	(693,056)	(2,007,442)	(1,314,388)

### 11.1 Finance costs

	March 2017 R	March 2016 R
Finance-lease obligation	213,579	383,105

Finance costs relate to finance charges for photocopier and fax finance leases.

# LEGAL AID SOUTH AFRICA ANNUAL FINANCIAL STATEMENTS

## for the year ended 31 March 2017

### 12. EMPLOYEE BENEFITS

#### Pensions

##### Defined-benefit retirement plan

Legal Aid South Africa contributes to a defined-benefit retirement plan for the benefit of all employees. The plan is governed by the Pension Funds Act, 1956 (Act No. 24 of 1956). The assets of the plan are administered by trustees in a fund independent of Legal Aid SA. The fund is administered under the control of the national government. The National Treasury stands as guarantor for any shortfall that the fund may experience. For this reason, no provision is made in the books of Legal Aid South Africa for any shortfall or surplus that may arise. The disclosure for this plan is done in accordance with the defined-contribution plan due to the following reasons: Legal Aid SA is not the only member of the pension fund and the liability exposure and the assets cannot be separated from the other members' liabilities and assets.

#### Medical

Legal Aid South Africa contributes to a medical aid scheme for certain retired employees. The liability for future contributions to the scheme in respect of three retirees was actuarially valued at year end. The scheme is valued every three years.

The latest actuarial valuation was carried out as at 31 March 2016. The principal assumptions adopted by the actuary are that discount rates will be 10.15% and investment returns will average 7.71%. Medical costs trend rates are 9.21% above CPI. The actuarial value of the promised benefits is R1,096,704 (2016: R1,133,067), which has been recognised as a liability in the past.

Legal Aid SA provided for the payment of medical aid for retired employees. This practice has ceased. However, a contractual obligation exists for certain employees who retired with this condition. It is anticipated that these amounts will be paid out over the remaining lives of these pensioners.

#### Post-retirement benefit

##### Post-retirement benefit – March 2017

	March 2017 R	March 2016 R
Post-retirement medical aid benefits	1,096,704	1,133,067
	1,096,704	1,133,067
	March 2017 R	March 2016 R
Liability at the beginning of the year	1,133,067	1,398,000
Interest cost	103,643	107,917
Actuarial (losses)/gains	-	(227,793)
Contribution payments	(140,006)	(145,057)
	1,096,704	1,133,067

R1,096,704 (2016: R1,133,067) of cash resources have been set aside for the purpose of meeting future post-retirement benefits.



# LEGAL AID SOUTH AFRICA ANNUAL FINANCIAL STATEMENTS

## for the year ended 31 March 2017

### Method used

It is assumed that the healthcare costs trend has a significant effect on the amounts recognised in surplus or deficit. A one percentage point change in assumed healthcare cost trend rates would have the following effects:

	March 2017		March 2016	
	(1%) R	1% R	(1%) R	1% R
Defined-benefit obligation	(10,967)	10,967	(11,331)	11,331

## 13. PROVISIONS

### March 2017

	Carrying value at beginning of year R	Used during the year R	Additional/ reversal provisions R	Carrying value at end of year R
Judicare*	96,683,581	(96,055,523)	72,430,060	73,058,118
Provision for incentive payments	43,954,205	(49,673,644)	52,133,998	46,414,559
Provision for workmen's compensation	1,023,413	(965,484)	1,146,773	1,204,702
Corporate litigation	1,730,076	(1,730,076)	1,594,618	1,594,618
	143,391,275	(148,424,727)	127,305,449	122,271,996

\* The Judicare figure used for the year includes used and reversed provisions.

### March 2016

	Carrying value at beginning of year R	Used during the year R	Additional provisions R	Carrying value at end of year R
Judicare*	85,614,649	(87,957,207)	99,026,139	96,683,581
Provision for incentive payments	42,790,567	(44,902,950)	46,066,588	43,954,205
Provision for workmen's compensation	851,640	(851,640)	1,023,413	1,023,413
Corporate litigation	768,500	(768,500)	1,730,076	1,730,076
	130,025,357	(134,480,298)	147,846,216	143,391,275

\* The Judicare figure used for the year includes used and reversed provisions.

# LEGAL AID SOUTH AFRICA ANNUAL FINANCIAL STATEMENTS

## for the year ended 31 March 2017

### *Judicare*

Legal Aid South Africa instructs independent legal practitioners where it believes that the interests of the client are best handled in this manner. These practitioners are paid according to a tariff set by Legal Aid SA from time to time. A consequence of the nature of court cases is that while an estimate can be made of the cost of cases based on historical experience, the actual payments may vary. In addition, the length of time taken to complete cases often varies; in general payment is only made on completion.

Gross claims incurred comprise all claims arising from events that have occurred in the period and for which Legal Aid South Africa is responsible, whether or not reported by the end of the period.

Net claims incurred comprise:

- claims submitted and accrued for services rendered during the period net of recoveries, and
- claims for services rendered during the previous period not included in the outstanding claims provision for that period, net of recoveries.

### *Outstanding claims provision*

The method used varies by the period being considered and observed historical claims development. To the extent that this method is used, historical claims development information assumes that the historical claims development pattern will occur again in the future. There are reasons why this may not be the case, which, in so far as they can be identified, have been allowed for by modifying the method. Such reasons include:

- economic, legal, political and social trends (resulting in different to expected levels of inflation and/or minimum legal benefits to be provided);
- changes in the nature of the cases; and
- random fluctuation, including the impact of large cases.

### **Changes in assumptions and sensitivities to changes in key variables**

All assumptions are based on actual claims experience in determining the outstanding claims provision. Due to the nature of the provision, no material change is expected in any assumptions made.

Legal Aid SA believes that the liability for claims reported in the statement of financial position is adequate. However, it recognises that the process of estimation is based upon variable factors and assumptions that could differ when claims arise. A retrospective review of actual claims experience is performed monthly to determine the accuracy of the outstanding claims provision. Due to this, the impact of a change in the key variables is not considered to be significant and no further sensitivity analysis is provided.

### *Bonuses*

Employees who are members of the pension fund are entitled to structure their package in such a way that they receive a thirteenth cheque. The duty to pay this amount accrues monthly. The full amount of accrual is paid out each period when it falls due. In addition an incentive payment is payable to employees during August each year based on their personal performance as well as that of the organisation as a whole.

### **Litigation**

Legal Aid South Africa, by the nature of its activities, has at any time a number of legal matters in process. The cost of these as well as the possible effect of any outcome is provided for in the year in which the cause of action arises. No certainty exists as to the timing of when these amounts will be paid.

# LEGAL AID SOUTH AFRICA ANNUAL FINANCIAL STATEMENTS

## for the year ended 31 March 2017

### Workmen's compensation

In terms of the Compensation for Occupational Injuries and Diseases Act of 1993 (COIDA), Legal Aid SA is required to pay to the compensation fund an annual contribution based on a percentage determined by the commissioner of annual earnings paid to employees for the year up to a maximum of R377,097 per employee, of the total basic salary bill of the organisation. The final contribution amount is payable once the compensation fund has assessed the organisation's return of earnings. The cost of the contribution is provided for based on historical information and injury and disease cases reported to the compensation fund during the financial year.

### 14. TRADE AND OTHER PAYABLES

	March 2017 R	March 2016 R
Trade payables	128,538	75,877
Leave pay benefits	32,219,023	26,594,567
Bonus pay benefits (13th cheque)	28,533,921	24,678,914
Accruals	3,999,218	9,058,224
Sundry creditors*	18,071,472	16,797,086
	<b>82,952,171</b>	<b>77,204,668</b>

\* The sundry amount includes accruals for goods received that were not receipted on the system by year-end. This represents invoices not paid as at year-end.

#### 14.1 Maturity analysis

	< 1 Year	1-2 Years	2-5 Years	5+ Years	Total
<b>Year 2017</b>					
Trade and other payables	78,461,914	4,490,257	-	-	82,952,171
<b>Year 2016</b>					
Trade and other payables	74,190,200	3,014,468	-	-	77,204,668

#### 14a. Clients trust

	March 2017 R	March 2016 R
Client trust fund	38,169,530	28,467,840

These constitute amounts received from estate lates and settlements reached in civil matters. These amounts are payable to recipients based on court settlement orders.

The corresponding asset for the client trust liability. Refer to Note 7.

# LEGAL AID SOUTH AFRICA ANNUAL FINANCIAL STATEMENTS

## for the year ended 31 March 2017

### Client trust reconciliation

	March 2017 R	March 2016 R
Client trust asset	38,248,204	28,467,840
Less: money transferred to trust erroneously	(26,160)	-
Less: section 3d payments not paid over to Board	(52,514)	-
Client trust liability	38,169,530	28,467,840

### 15. REVENUE

Gross revenue comprises grants from the National Revenue Fund. These funds are provided to Legal Aid South Africa to enable it to meet the government's responsibility to provide legal services to those who cannot afford it.

	March 2017 R	March 2016 R
<b>Unconditional government grant</b>		
Baseline allocation	1,577,171,000	1,522,986,000
Juta's sponsorship for International Legal Aid Group (ILAG) conference	30,000	-
Grant for furniture at Polokwane High Court	-	549,412
	1,577,201,000	1,523,535,412

### 16. INTEREST INCOME

	March 2017 R	March 2016 R
Interest income consists mainly of income received from funds invested with the Corporation for Public Deposits	27,978,104	29,303,057

#### 16.1 Other income

#### Other income comprises

	March 2017 R	March 2016 R
Commission and legal fees received/recovered	366,349	415,357
Profit on disposal of assets	-	1,212,803
*Sundry income	934,197	1,767,199
	1,300,546	3,395,360

\* Sundry income relates to monies received from debtors for recoveries made for bursaries and internships.

# LEGAL AID SOUTH AFRICA ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2017

## 17. ADMINISTRATIVE EXPENSES

	March 2017 R	March 2016 R
Co-operation Agreements	10,953,711	9,544,425
Impact litigation	1,286,747	2,904,318
Judicare	91,216,692	129,639,922
Civil disbursements	5,563,260	7,030,257
	109,020,411	149,118,922

### 17.1 Other expenses

Other expenses are made up of the following material expenses:

	March 2017 R	March 2016 R
Advertising	5,161,672	4,311,666
Audit fees	3,815,230	3,065,967
Board fees	587,311	865,966
Cleaning services	6,941,689	6,246,804
Communication	2,557,877	1,955,861
Computer software licences	14,857,502	12,276,267
Document exchange	990,781	950,753
Education and training	4,167,941	6,650,222
Insurance – group life	20,174,956	18,398,577
Insurance – short term	5,501,904	2,287,346
IT support	1,327,574	1,127,197
Leadership programme	453,904	1,262,096
Library and publication	3,532,438	3,436,284
Maintenance building	647,715	2,075,611
Maintenance office	2,282,928	2,410,293
Management fees	490,340	659,600
Municipal services	12,619,017	12,182,373
Office rental	41,602,197	40,270,733
Office rental – Satellite Offices	7,150,395	6,502,786
Postage and courier	945,685	1,176,459
Printing and stationery	5,870,754	5,686,378
Recruitment	879,725	1,230,621
Refreshments	913,811	886,325
Security costs	2,144,152	2,261,924
Signage and branding	927,449	634,769
Storage costs	798,685	958,707
Subscriptions and membership fees	4,460,004	4,031,810
Skills development	167,484	174,758
Software maintenance	661,246	681,548
Telephone and faxes	13,529,324	12,406,808

# LEGAL AID SOUTH AFRICA ANNUAL FINANCIAL STATEMENTS

## for the year ended 31 March 2017

	March 2017 R	March 2016 R
Tools and equipment	1,267,431	2,009,521
Travel and subsistence	6,491,323	8,295,918
Travelling and sub-circuit court	340,749	280,954
Vehicle fuel	9,986,199	10,056,616
Vehicle maintenance	3,261,211	3,179,848
Vehicle tracking	2,173,173	1,792,386
Wide Area Network	14,834,172	13,868,049
Workmen's compensation	1,146,773	1,023,413
Workshops	216,379	1,760,898
Computers – disaster recovery	20,456	1,665,219
Education and training LDD	1,011,543	2,224,838
Legal fees	1,738,103	4,159,286
Other expenses, not material individually	15,484,567	7,067,443
	224,133,769	214,450,901

Other expenses include bank charges, public relations, bursaries, etc.

### 18. RECONCILIATION OF ACTUAL AMOUNT IN THE CASH FLOW STATEMENT AND COMPARATIVE STATEMENT

The budget is approved on a cash basis by functional classifications. The approved budget covers the period from 1 April 2016 to 31 March 2017.

The budget and accounting basis differs. The Financial Statements are prepared on the accrual basis using a classification on the nature of expenses in the Statement of Financial Performance.

A reconciliation between the actual amounts on a comparable basis as presented in the statement of comparison of budget and actual amounts in the Cash Flow Statement for the period ended 31 March 2017 is presented below. The Financial Statements are prepared on an accrual basis and the budget is prepared on a cash basis, which creates a basis difference.

		Operating activities R	Financing activities R	Investing activities R
<b>Actual amount on comparable basis as presented in the budget and actual comparative statement</b>	SCBA	(58,085,846)	-	(39,844,926)
Basis difference	SFP	(32,468,886)	(1,221,200)	3,973,756
Actual amount in the cash flow statement	CFS	(90,554,732)	(1,221,200)	(35,871,170)
Deficit for the year		88,288,605		

The budget was prepared on a cash basis for the 2016-2017 financial year.

The statement of profit and loss and other comprehensive income includes both accruals and non-cash items.

# LEGAL AID SOUTH AFRICA ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2017

## 19. DIRECTORS' EMOLUMENTS

### 19.1 Directors – non-executive\*

– For services as directors

Name	Comments	March 2017 R	March 2016 R
Judge President D Mlambo*	Non beneficial	-	-
Adv. P du Rand*	Non beneficial	-	-
Judge M Makume*	Non beneficial	-	-
Mr J Maree		-	76,752
Ms E Memka (Memka & Ass. paid)		-	47,712
Ms N Mgadza*		61,129	71,568
Prof. Y Vawda*		57,642	88,784
Ms M Naidoo*		71,608	86,552
Ms T Mhlungu*		73,506	73,096
Ms A Rhoda	(Remuneration Social and Ethics Committee member)	26,635	63,048
Mr M Notyesi		-	39,192
Adv. K Pillay		-	46,052
Ms B Mxakwe		-	46,008
Mr W Scholtz	(Board Exco and Audit Committee member)	26,199	51,120
Mr N Mvundlela*		64,622	69,864
Mr CJ Janse van Rensburg		-	1,616
Mr M Leseilane*		71,831	11,928
Mr L Mtshali	(Legal Services Committee member)	28,164	1,704
Ms A Chowan*		57,855	11,928
Ms E Emdon	(Legal Services Committee member)	22,925	-
Mr R Theunissen	(Audit Committee member)	25,081	-
		587,195	786,924

# LEGAL AID SOUTH AFRICA ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2017

## 19.2 Executive management's remuneration

– For services as Executives

Name	Basic salary	Bonus and incentives	Expenses/ allowances	Other	March 2017 R	March 2016 R
					Total	Total
Ms V Vedalankar – Chief Executive Officer	1,184,953	285,351	998,694	33,591	2,502,589	2,424,189
Mr J Makokoane – Chief Operations Officer	1,013,128	241,293	677,915	41,143	1,973,478	1,891,232
Ms R Hlabatau – Chief Financial Officer	1,032,758	267,100	238,308	160,978	1,699,144	1,628,344
Ms A Clark – Human Resources Executive	720,497	145,255	496,365	21,188	1,383,306	1,301,641
Mr P Hundermark – Chief Legal Executive	1,108,371	306,503	255,257	171,737	1,841,867	1,643,423
Adv. B Nair – National Operations Executive	1,159,001	332,294	278,763	166,765	1,936,823	1,831,570
Mr M Phasha – Communications Executive	-	-	-	-	-	785,755
Ms M Mahape-Marimo – Communications Executive*	566,389	-	237,028	22,674	826,092	-
Mr T Mtati – Legal Executive	770,386	208,524	361,607	126,516	1,467,032	1,391,252
Mr V Mdaka – Regional Operations Executive KZN	878,149	219,223	217,905	139,014	1,454,291	1,353,787
Mr H Bambiso – Regional Operations Executive EC	803,101	200,629	201,351	128,345	1,333,427	1,258,891
Ms C Robertson – Regional Operations Executive WC/NC	770,386	214,604	465,607	22,515	1,473,113	1,395,540
Adv. W Lambley – Regional Operations Executive Gauteng	770,386	151,777	551,010	22,515	1,495,688	1,401,189
Mr T Makamedi – Regional Operations Executive FS/NW	878,149	216,452	213,924	139,014	1,447,539	1,398,587
Mr A Mbatyoti – Information Services Executive	-	-	-	-	-	217,321
Ms M Kgabi – Regional Operations Executive L/MP	791,231	194,852	235,956	114,490	1,336,529	1,289,761
Mr S Mamotheti – Internal Audit Executive	678,838	134,862	458,101	32,247	1,304,048	1,111,467
Ms M Monwa – Information Systems Executive	661,409	180,157	402,450	19,613	1,263,629	433,075
	13,787,132	3,298,874	6,290,242	1,362,346	24,738,594	22,757,024

\* Executives for part of the financial year.



# LEGAL AID SOUTH AFRICA ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2017

## 20. CATEGORIES OF FINANCIAL INSTRUMENTS

	Category	March 2017 R	March 2016 R
<b>Financial assets</b>			
Cash and cash equivalents	Cash	245,971,703	373,618,805
Deposits	Financial instruments at amortised cost	1,661,651	1,697,715
Client trust account	Financial instruments at amortised cost	38,248,204	28,467,840
Trade and other receivables	Financial instruments at amortised cost	6,620,810	4,866,800
<b>Financial liabilities</b>			
Trade and other payables	Financial instruments at amortised cost	82,952,171	77,204,668
Finance lease obligation	Financial instruments at amortised cost	616,757	1,172,222

### 20.1 Risk management

#### Sensitivity analysis risk

Legal Aid SA's major source of revenue is a government grant and to a lesser extent, interest income depending on cash equivalents held. A major expense is salaries, which are fixed for the period under review.

### 20.2 Sensitivity analysis

Below are the recalculated financial assets and liabilities showing the effect of:

- A one percentage point decrease or increase in the current account interest rate.
- A one percentage point decrease or increase in trade and other payable accounts interest rate.
- A one percentage point decrease or increase in trade and other receivable accounts interest rate.

#### Method used

It is assumed that the deceased estates funds and the rental deposit interest rate trend have a significant effect on the amounts recognised in surplus or deficit. A one percentage point change in assumed deceased estate fund and rental deposit interest rates would have the following effects:

	March 2017		March 2016	
	(1%) R	1% R	(1%) R	1% R
Cash and cash equivalents	(2,459,717)	2,459,717	(3,736,188)	4,371,662
Deposits	(16,617)	16,617	(16,977)	17,513
Client trust account	(382,482)	382,482	(284,678)	292,081

#### 1. Market risk

Legal Aid South Africa is required by regulation to invest its short-term funds in the CPD, which is a subsidiary of the South African Reserve Bank. It accepts all deposits from the public sector and invests the funds in short-term money market instruments, special treasury bills and cash. Since the CPD's funds may be withdrawn on short notice a pre-requisite is that investments are made mainly in short-term assets and the CPD Board does not invest in any assets with a maturity of one and three years and at least 60% of all funds are invested in assets with a maturity of less than one month.

As all the short-term funds of Legal Aid SA are invested in short-term bank deposits the issue of market risk does not arise or is normal.

# LEGAL AID SOUTH AFRICA ANNUAL FINANCIAL STATEMENTS

## for the year ended 31 March 2017

### 2. Liquidity risk

Liquidity risk is the risk that the organisation would not have sufficient funds available or may encounter difficulties in raising funds to meet its future commitments. This risk is regarded as low considering Legal Aid South Africa's current funding structures and management of available cash resources.

	March 2017 R	March 2016 R
<b>Receivables past due</b>		
<3 months	532,829	737,828
3-6 months	54,667	3,602,213
6 months-1 year	136,166	449
1+years	5,897,149	526,310
	6,620,810	4,866,800

		< 1 Year	1-2 Years	2-5 Years	5+ Years	Total
<b>Payables past due date</b>						
Trade and other payables	Year 2017	78,461,914	4,490,257	-	-	82,952,171
Client trust funds	Year 2017	38,169,530	-	-	-	38,169,530
Finance-lease obligation	Year 2017	616,757	-	-	-	616,757
Trade and other payables	Year 2016	74,190,200	3,014,368	-	-	77,204,568
Client trust funds	Year 2016	28,467,840	-	-	-	28,467,840
Finance-lease obligation	Year 2016	1,172,222	600,848	-	-	1,773,070

### 3. Interest rate risk

The organisation is exposed to interest rate risk in respect of returns on investments with financial institutions and interest payable on finance leases contracted with outside parties. The organisation's income and operating cash flows are substantially independent of changes in market interest rates. The organisation has no significant interest-bearing assets other than liquid cash.

### 4. Credit risk

Credit risk arises mainly from receivables and cash and cash equivalents. Legal Aid SA's exposure to credit risk arises because of default of counterparties with maximum exposure equal to the carrying amount of these instruments. These risks are mitigated as follows:

	March 2017 R	March 2016 R
Receivables past due	5,897,149	526,310

- Cash and cash equivalents are placed with high-credit-quality financial institutions thus rendering the credit risk with regard to cash and cash equivalents limited.
- Transactions are entered into with reputable institutions approved by National Treasury.
- With regard to accounts receivables, credit risk is limited by the fact that the organisation does not issue loans or raise debtors in its day-to-day business.
- Legal Aid South Africa does not offer credit facilities either to employees or any other person, except where a debtor may be raised due to advances on travel and subsistence.

# LEGAL AID SOUTH AFRICA ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2017

## 21. COMMITMENTS

	March 2017 R	March 2016 R
Judicare commitments	64,726,996	85,105,252

R64,7 million (R85,1 million) committed expenditure related to the estimated value of instructions issued before year-end where no accounts have been received. Refer to Note 13 on Judicare provision.

	March 2017 R	March 2016 R
Computer hardware and IT support	1,628,950	1,939,150
Computer software	9,926,506	17,437,168
Computer maintenance	2,500,000	-
Conferences – ILAG	51,832	-
Impact litigation	7,547,800	2,998,477
Advertising	625,586	1,695,355
Signage and branding	-	196,215
Land and building	11,025,756	43,218,798
Furniture and equipment	-	268,585
Leasehold improvements	3,387,475	493,722
Tools and equipment	20,349	54,805
Education and training	227,991	-
Motor vehicles	458,281	619,363
Communications	187,410	728,587
Professional services	25,400	1,135,326
Legal services	1,117,400	-
Printing and stationery	137,045	115,577
Sponsorship	50,000	-
	38,917,781	70,901,128

Legal Aid SA placed orders with suppliers before year end and the goods and services were not received on 31 March 2017.

# LEGAL AID SOUTH AFRICA ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2017

## Operating lease commitments

Operating lease – Legal Aid South Africa as lessee

The future minimum lease payments under non-cancellable operating leases are as follows:

	March 2017 R	March 2016 R
Not later than 1 year	40,734,400	44,097,291
Later than 1 year and not later than 5 years	49,570,453	70,694,775
	90,304,853	114,792,065

## 22. CONTINGENT LIABILITIES

	March 2017 R	March 2016 R
<b>22.1 Corporate litigation</b>	270,000	750,000
Corporate litigation is constituted of three categories namely professional negligence, disputes in Judicare claims and general litigation.		
<b>22.1.1 Professional negligence</b>		
There are four claims relating to professional negligence in which clients alleged failure to prosecute claims timeously or non-prosecution of claims resulting in prescription. All claims are being defended.	270,000	100,000
<b>22.1.2 Judicare claims</b>		
This is a matter in which judgment was granted in favour of the claimant, however a referee must be appointed to determine the quantum of the claim. Based on the bills/claims submitted, there is a likelihood that an amount of R650,000 may be a reasonable amount. The bills will be taxed based on the High Court tariffs, as our tariff scales in terms of the Legal Aid Guide are not applicable in relation to this claim.	-	650,000
<b>22.2 Surplus fund linked to rollover fund and retained income</b>	38,917,781	70,901,128

# LEGAL AID SOUTH AFRICA ANNUAL FINANCIAL STATEMENTS

## for the year ended 31 March 2017

In the 2016-2017 financial year, Legal Aid SA had a deficit of R88,3 million; the deficit can be attributed to the R92 million budget cut that the organisation had in the 2016-2017 financial year. Legal Aid South Africa funded the budget cut from its own cash reserves making sure that service delivery was not hampered. The funding for the budget cut was not included under revenue in the statement of financial performance leading to the deficit. The R38,9 million is linked to rollover funding requested as per Note 22.3 below.

In the 2015-2016 financial year, Legal Aid SA had a deficit of R42 million; the deficit can be attributed to the R62 million budget cut that the organisation had in the 2015-2016 financial year. Legal Aid South Africa funded the budget cut from its own cash reserves making sure that service delivery was not hampered. The funding for the budget cut was not included under revenue in the statement of financial performance leading to the deficit. The R70,9 million is linked to rollover funding requested as per Note 22.3 below.

### 22.3 Rollover funding

	March 2017 R	March 2016 R
Computer hardware and IT support	1,628,950	1,939,150
Computer software	9,926,506	17,437,168
Computer maintenance	2,500,000	-
Conferences – ILAG	51,832	-
Impact litigation	7,547,800	2,998,477
Advertising	625,586	1,695,355
Signage and branding	-	196,215
Land and building	11,025,756	43,218,798
Furniture and equipment	-	268,585
Leasehold improvements	3,387,475	493,722
Tools and equipment	20,349	54,805
Education and training	227,991	-
Motor vehicles	458,281	619,363
Communications	187,410	728,587
Professional services	25,400	1,135,326
Legal services	1,117,400	-
Printing and stationery	137,045	115,577
Sponsorship	50,000	-
	<b>38,917,781</b>	<b>70,901,128</b>

Legal Aid SA applied to National Treasury to roll over the funds and the request has been approved.

# LEGAL AID SOUTH AFRICA ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2017

## 23. BAD DEBTS WRITTEN OFF

	March 2017 R	March 2016 R
Bad debts written off	92,256	216,755

## 24. FRUITLESS AND WASTEFUL EXPENDITURE AND IRREGULAR EXPENDITURE

### 24.1 Fruitless and wasteful expenditure

	R	R	R
	Amount of fruitless and wasteful expenditure reported	Amount of fruitless and wasteful expenditure recovered/ condoned	Amount of fruitless and wasteful expenditure not recovered
In eight (8) instances interest was charged on late payment of invoices.	701	701	-
In eleven (11) instances, Justice Centres were charged penalties for late payment of vehicle licence.	1,059	846	213
In one (1) instance penalties were charged for late renewal of TV licence.	27	27	-
In one (1) instance where registered mail was sent to the wrong sheriff.	60	60	-
In one (1) instance, a Justice Centre paid Nashua after contract had expired and services were received.	885	885	-
			-
Total 22	2,732	2,518	213

### Financial misconduct related to fruitless and wasteful expenditure

Twenty-two (22) incidences of financial misconduct which relate to fruitless and wasteful expenditure were reported for the year under review.

### Steps taken

In all 22 instances employees were given counselling. In 20 instances monies were recovered, one condoned and one instance to be recovered subsequent to year-end.

# LEGAL AID SOUTH AFRICA ANNUAL FINANCIAL STATEMENTS

## for the year ended 31 March 2017

### 24.2 Irregular expenditure

	March 2017 R	March 2016 R
Opening balance	2,092,281	2,774,196
Irregular expenditure – office rental	1,087,703	2,515,925
Irregular expenditure – other goods and services	1,058,372	803,854
	4,238,357	6,093,976
Less: amounts condoned	140,641	4,001,695
	4,097,716	2,092,281
Less: amounts recoverable (not condoned)	-	-
Less: amounts not recoverable (not condoned)	-	-
Irregular expenditure awaiting condonation	4,097,716	2,092,281

#### 24.2.1 Irregular expenditure – office rental

In five (5) instances payments were made to suppliers for office rentals with no tax clearance certificate.

In two (2) instances payments were made to suppliers for office rentals with no signed contract. The contracts were not signed due to the supplier not complying with the relevant Supply Chain Management Policy. There was no alternative office accommodation.

#### 24.2.2 Irregular expenditure – other goods and services

In six (6) instances the bidder with the highest quote was awarded business without deviation.

In six (6) instances procurement of goods was not supported by three quotations and there was no approved deviation or motivation.

In three (3) instances suppliers were paid on a month-to-month basis without a contract.

In two (2) instances the 80/20 point system was not done or was done incorrectly.

In seven (7) instances suppliers were awarded business without completing the necessary SBD forms.

Nine (9) instances relate to non-compliance with Supply Chain Management Policy.

(These include contracts not signed by authorised employees and splitting of quotations.)

Total 33

	March 2017 R	March 2016 R
	727,512	-
	360,191	-
	1,087,703	-
	91,892	-
	172,959	-
	82,068	-
	72,379	-
	166,375	-
	472,699	-
	2,146,074	-

#### Financial misconduct related to irregular expenditure

Thirty-three (33) incidents of financial misconduct which relates to irregular expenditure were reported for the year under review.

#### Steps taken

Five instances were condoned and 28 requests for condonation will be submitted.

# LEGAL AID SOUTH AFRICA ANNUAL FINANCIAL STATEMENTS

## for the year ended 31 March 2017

### Other instances related to irregular expenditure

Seven (7) incidents which relates to irregular expenditure were reported for the year under review.

### Steps taken

In all seven instances requests for condonation will be submitted. No action was taken because the matters relate to office rentals with no tax clearance certificate and signed contract due to outstanding documents required from the suppliers; no employees were responsible for this irregular expenditure.

### 2017

1. When Legal Aid South Africa entered into the lease contract with the landlords of Soshanguve JC, Botshabelo JC, Ga-Rankuwa JC, Bulwer SO and Piet Retief SO they had valid tax clearance certificates, which expired during the lease period and they could not be renewed timeously.

### 2016

1. When Legal Aid SA entered into the lease contract with the landlords of Hartwater SO, Soshanguve JC, Botshabelo JC, Ga-Rankuwa JC, Butterworth JC, Mahikeng JC, Mount Frere SO and Vryheid JC they had valid tax clearance certificates, which expired during the lease period and they could not be renewed timeously.
2. Procurement of leasehold improvements for Tembisa JC were subdivided into lesser amounts and then procured through quotation processes and not through tender process.

### 24.2.3 Irregular expenditure – payment of higher fees to Audit Committee members

During 2014, it was discovered that payment of higher fees to Audit Committee members was approved by the Board in February 2003 and not the Minister of Justice and Correctional Services as per paragraph 8.1 of the Legal Aid SA Board Charter and National Treasury Regulations section 20.2.2.

Approval to pay higher fees to Audit Committee members who are members of SAICA was subsequently obtained from the Minister of Justice and Correctional Services with effect from 1 May 2015.

	March 2017 R	March 2016 R
Current year	-	-
Prior year	-	748,414
Total	-	748,414
<b>Analysis of expenditure condoned as per age classification</b>		
Opening balance	-	748,414
Add: irregular expenditure (current year)	-	-
Less: amounts not condoned and not recoverable	-	(748,414)
Total	-	-

The Minister of Justice and Correctional Services as the Executive Authority has authorised, in terms of paragraph 24(d) of the National Treasury guideline on irregular expenditure, that the irregular expenditure be written off as not condoned and not recoverable.



# LEGAL AID SOUTH AFRICA ANNUAL FINANCIAL STATEMENTS

## for the year ended 31 March 2017

It is accordingly confirmed by the Accounting Officer and the Board that:

- i. Expert services were received from Audit Committee members during the period 2003-2014, which contributed to the strong governance culture of Legal Aid South Africa and consecutive unqualified audits reports from the Auditor-General; thus the State received value from the higher fees paid to Audit Committee members;
- ii. The non-compliance has been addressed and in 2015 permission was obtained from the Executive Authority to pay higher fees to Audit Committee members who are members of SAICA;
- iii. The Internal Control Framework and Compliance Policy of Legal Aid SA ensure that transactions are regularly reviewed to manage and prevent any non-compliance in the future.

### 24.3 *Financial misconduct related to non-compliance with Legal Aid SA financial policies and procedures*

Ten (10) incidents of financial misconduct were reported for the year under review. In all instances there was transgression of Legal Aid South Africa's financial policies and procedures.

#### **Steps taken**

In the ten instances, five were given written warnings, four verbal warnings and one resigned.

### **25. FRAUD**

Two (2) incidents of fraud were reported in the year under review: the Judicare practitioners inflated their travels claims.

#### **Steps taken**

In the two instances money will be recovered from the practitioners.

### **26. RELATED-PARTY DISCLOSURES**

All the parties that have the ability to control or exercise significant influence over Legal Aid SA in making financial and operating decisions were considered to be related parties of the organisations. Legal Aid South Africa operates under the umbrella of the Department of Justice and Constitutional Development and the relevant Executive Authority is the Minister of Justice and Correctional Services. The following entities are considered to be related parties due to common control:

National Prosecuting Authority  
Special Investigating Unit  
South African Human Rights Commission  
Public Protector  
Guardian's Fund  
President's Fund  
South African Board of Sheriffs  
Criminal Asset Recovery Account  
Council of Debt Collectors  
South African Law Reform Commission

The Polokwane Justice Centre is making use of the High Court building, which is occupied by the Department of Justice, effective 1 January 2016, however no rental is charged for the office space allocated.

Remuneration paid to senior management as defined. Refer to Note 19.2 above.

LEGAL AID SOUTH AFRICA ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2017

27. EX GRATIA PAYMENT

	March 2017 R	March 2016 R
Payment made as an act of grace following loss of property	-	80,000

The Board approved the *ex gratia* payment to Mr Calvin Mathebula after his house was burned down by the community accusing him of supporting the demarcation board regarding Vuwani Municipality in Limpopo.

***Legal Aid SA provides legal information and education to empower the public on their rights and responsibilities, enabling access to justice for all***

Our country provides many social welfare services to persons that fall within a specified category, but these services are not accessible unless people appear as South African citizens on the records of the Department of Home Affairs. The history of our country resulted in many persons either not being registered or having incorrect details registered with the Department of Home Affairs. An Eastern Cape homeless psychiatric patient living with bipolar disorder found himself in such a vulnerable position. He did not have an identity document. As such, he was not regarded as a South African citizen, but rather as a stateless person and was deprived of various rights. He could not apply for housing, a government grant, vote nor be employed. Legal Aid SA's Port Elizabeth Justice Centre intervened and successfully brought an application to the High Court that ensured that the Department of Home Affairs restored his identity to confirm his citizenship. Our client was issued with an identity document in January 2017 and the Port Elizabeth Justice Centre will remain involved in this matter to ensure that he can exercise his rights and access the services to which he is constitutionally entitled.

# **PART G:**

## COMPANY INFORMATION AND CONTACT DETAILS

# COMPANY INFORMATION AND CONTACT DETAILS

## 1. NATIONAL OFFICE

29 De Beer Street  
Braamfontein  
Johannesburg  
2017  
South Africa

Private Bag X76  
Braamfontein  
2017

Docex 117, Johannesburg

Tel: +27 11 877 2000  
Fax: +27 11 877 2222  
Legal Aid Advice Line: 0800 110 110  
Please Call Me number: 079 835 7179  
Legal Aid SA Ethics Hotline: 0800 153 728  
Website: [www.legal-aid.co.za](http://www.legal-aid.co.za)

Name	Designation	Email Address
Judge President Dunstan Mlambo	Board Chairperson	
Ms Vidhu Vedalankar	Chief Executive Officer	VidhuV@legal-aid.co.za
Mr Jerry Makokoane	Chief Operations Officer	JerryM@legal-aid.co.za
Adv. Brian Nair	National Operations Executive	BrianN@legal-aid.co.za
Mr Patrick Hundermark	Chief Legal Executive	PatrickH@legal-aid.co.za
Mr Sethopo Mamotheti	Internal Audit Executive	SethopoM@legal-aid.co.za
Ms Rebecca Hlabatau	Chief Financial Officer	RebeccaH@legal-aid.co.za
Mr Thembile Mtati	Legal Executive	ThembileM@legal-aid.co.za
Ms Amanda Clark	Human Resources Executive	AmandaCl@legal-aid.co.za
Ms Mmantsha Monwa	Information Systems Executive	MmantshaM@legal-aid.co.za
Ms Malebogo Hope Mahape-Marimo	Communications Executive	MalebogoM@legal-aid.co.za

# COMPANY INFORMATION AND CONTACT DETAILS

## 2. REGIONAL MANAGEMENT

### EASTERN CAPE REGION



*From left:* Ms Wongiwe Makhenyane (Grahamstown JCE), Mr Mandla Mngaza (Butterworth JCE), Dr Henry Lerm (Uitenhage JCE), Ms Lynette Franklin (Port Elizabeth JCE), Mr Hope Bambiso (ROE), Ms Netarie Verwey (Aliwal North JCE), Ms Yolundi Ngxola-Tshona (Queenstown JCE), Mr Grant Rudlin (Graaff-Reinet JCE), Ms Linda Magaxeni (King Williams Town JCE). *Insets, from top:* Ms Tobeka Maqwati (East London JCE) and Ms Nolitha Jali (Mthatha JCE).

### FREE STATE/NORTH WEST REGION



*Back row, from left:* Mr Machini Motloung (Bloemfontein JCE), Mr Cuma Siyo (Botshabelo JCE), Ms Dimakatso Mkhari (Lichtenburg JCE), Mr Moima Phakedi (Potchefstroom JCE), Mr Wouter de Villiers (Bethlehem JCE), Mr Puseletso Mokoena (Phuthaditjhaba JCE), Ms Charmain Smit (Rustenburg JCE), Mr Aubrey Kunene (Vryburg JCE), Mr Tshotlego Makamedi (FSNW ROE). *Front row, from left:* Ms Stefani de Villiers (Welkom JCE), Ms Melinda de Kock (Klerksdorp JCE), Ms Victoria Mophulane (Mahikeng JCE), Ms Anele Tshapa (Kroonstad JCE). *Vacant:* Ga-Rankuwa JCE.

## COMPANY INFORMATION AND CONTACT DETAILS

### GAUTENG REGION



*From left: Ms Nomawethu Mtebele (Tembisa JCE), Ms Nokuphiwa Nguqu (Benoni JCE), Ms Ncikazi Moahloli (Johannesburg JCE), Mr Thami Manaba (Vereeniging JCE), Ms Flavia Isola (Pretoria JCE), Advocate Wilna Lambley (Gauteng ROE), Mr Michael Ramaphosa (Soshanguve JCE), Ms Nelisa Soji (Alexandra JCE), Ms Aysha Ismail (Germiston JCE), Mr Mmeli Motsepe (Soweto JCE), Mr Stephen Mofokeng (Krugersdorp JCE).*

### KWAZULU-NATAL REGION



*Back row, from left: Mr Mandla Ntobela (Umlazi JCE), Mr Sthembiso Khumalo (Ladysmith JCE), Mr Vela Mdaka (ROE), Mr Bhekizenzo Mthethwa (Verulam JCE), Ms Fathima Buckus (Newcastle JCE). Seated, from left: Ms Lungile Magoso (Empangeni JCE), Mr Sibuko Mashaba (Vryheid JCE), Mr Vis Nair (Pinetown JCE). Insets, from top: Ms Nomsa Nkosi (Durban JCE) and Mr Roger Jasson (Port Shepstone JCE). Vacant: Pietermaritzburg JCE.*



# COMPANY INFORMATION AND CONTACT DETAILS

## LIMPOPO/MPUMALANGA REGION



**Back row, from left:** Mr Thabo Ledwaba (Polokwane JCE), Mr Thomas Madzaga (Thohoyandou JCE), Mr Ernest Mogashoa (Middelburg JCE), Mr Evans Mabitsela (Witbank JCE), Mr Elton Makhadi (Makhado JCE), Ms Jacqueline Maimela (Modimolle JCE).  
**Front row, from left:** Mr Matthew Shongwe (Ermelo JCE); Ms Mpho Kgabi (LMP ROE), Mr Siphon Ndhlovu (Nelspruit JCE), Ms Tsakani Maluleke-Sihlangu (Tzaneen JCE).

## WESTERN CAPE/NORTHERN CAPE REGION



**Back row, from left:** Mr Shawn Flowers (Stellenbosch JCE), Mr Nelis du Plessis (Caledon JCE), Mr Elroy Mc Helm (Malmesbury JCE), Mr Cobus Esterhuizen (Cape Town JCE). **Middle row, from left:** Ms Zukiswa Mavuso (George JCE), Ms Silindile Hlatshwayo (Upington JCE), Ms Liezel du Toit (Colesburg JCE), Ms Fawzia Essop Baccus (Worcester JCE), Ms Ronelle Arendse (Bellville JCE).  
**Front row, from left:** Mr Mark Gaffley (Athlone JCE), Ms Cordelia Robertson (WCNC ROE), Mr Joseph Bosealetse (Kimberley JCE).  
**Inset:** Mr Janus Roothman (Vredendal JCE).

# COMPANY INFORMATION AND CONTACT DETAILS

## 3. REGIONS

Table 22: Office Contact Details

No.	Justice Centre	Justice Centre Executive	Postal Address	Physical Address	Telephone Number	Fax Number
<b>EASTERN CAPE REGION</b>						
<b>EASTERN CAPE PROVINCE</b>						
1	<b>Aliwal North</b>	Ms Netarie Verwey	PO Box 153 Aliwal North 9750  Docex 4 Aliwal North	67 Somerset Street Aliwal North 9750	051 633 2579	051 634 2662
2	<b>Butterworth</b>	Mr Mandla Mngaza	PO Box 553 Butterworth 4960  Docex 1 Butterworth	ECDC Building 24 High Street Butterworth 4960	047 491 0006	086 530 4119
3	<b>East London</b>	Ms Tobeka Maqwati	PO Box 7570 East London 5200  Docex 57 East London	33 Fleet Street (Commissioner Street entrance) East London 5200	043 704 4700	043 722 3503
4	<b>Graaff-Reinet</b>	Mr Grant Rudlin	PO Box 326 Graaff-Reinet 6280  Docex 3 Graaff-Reinet	64 Church Street Graaff-Reinet 6280	049 807 2500	049 892 6033
5	<b>Grahamstown</b>	Ms Wongiwe Makhenyane	PO Box 105 Grahamstown 6140  Docex 18 Grahamstown	69 High Street Grahamstown 6140	046 622 9350	046 622 8873
6	<b>King Williams Town</b>	Ms Linda Magaxeni	PO Box 2323 King Williams Town 5600  Docex 4 King Williams Town	Old Mutual Building 2nd Floor Cnr Cathcart & Maclean Streets King Williams Town 5601	043 604 6600	043 642 4885
7	<b>Mthatha</b>	Ms Noliitha Jali	PO Box 536 Mthatha 5099  Docex 13 Mthatha	PRD Building 98 Sutherland Street Mthatha 5099	047 501 4600	047 531 4144
8	<b>Port Elizabeth</b>	Ms Lynette Franklin	PO Box 27989 Greenacres 6057  Docex 127 Port Elizabeth	1 Uitenhage Road North End Port Elizabeth 6001	041 408 2800	041 487 3335



# COMPANY INFORMATION AND CONTACT DETAILS

No.	Justice Centre	Justice Centre Executive	Postal Address	Physical Address	Telephone Number	Fax Number
9	<b>Queenstown</b>	Ms Yolundi Ngxola-Tshona	PO Box 1398 Queenstown 5320  Docex 28 Queenstown	Jeantel Building Erf 5273 No. 2-4 Shepstone Road Queenstown 5319	045 807 3500	045 838 4620
10	<b>Uitenhage</b>	Dr Henry Lerm	PO Box 459 Uitenhage 6230  Docex 6 Uitenhage	32-36 Baird Street Uitenhage 6230	041 991 1811	041 991 1814
<b>Eastern Cape Regional Office</b>		Mr Hope Bambiso ROE	PO Box 63799 Greenacres Port Elizabeth 6056  Docex 131 Newton Park	5 Mangold Street Newtown Park Port Elizabeth 6001	041 363 8863	041 363 1216
<b>FREE STATE/NORTH WEST REGION</b>						
<b>FREE STATE PROVINCE</b>						
1	<b>Bethlehem</b>	Mr Wouter de Villiers	PO Box 1324 Bethlehem 9700  Docex 15 Bethlehem	24 Cnr Commissioner & Naude Streets Bethlehem 9700	058 303 6824	058 303 6823
2	<b>Bloemfontein</b>	Mr Machini Motloun	PO Box 9899 Bloemfontein 9300  Docex 45 Bloemfontein	Southern Plaza Building 1st Floor 41 Charlotte Maxeke Street Bloemfontein 9301	051 447 9915	051 447 2106
3	<b>Botshabelo</b>	Mr Cuma Siyo	PO Box 6141 Botshabelo 9781  Docex 001 Botshabelo	Suite No. 5 Varese Centre Botshabelo 9781	051 534 4917	051 534 4930
4	<b>Kroonstad</b>	Ms Anele Tshapa	PO Box 2229 Kroonstad 9500  Docex 12 Kroonstad	99 Murray Street Kroonstad 9501	056 216 4800	056 212 4522
5	<b>Phuthaditjhaba</b>	Mr Puseletso Mokoena	Private Bag X831 Witsieshoek 9870  Docex 46 Harrismith	FDC Office Block E Cnr Motloun & Setai Streets Phuthaditjhaba 9866	058 713 5000	058 713 5002

## COMPANY INFORMATION AND CONTACT DETAILS

No.	Justice Centre	Justice Centre Executive	Postal Address	Physical Address	Telephone Number	Fax Number
6	<b>Welkom</b>	Ms Stefani de Villiers	PO Box 335 Welkom 9460  Docex 1 Welkom	Archiquant Building 8 Heerent Street Welkom 9460	057 357 2847	057 357 1948
<b>NORTH WEST PROVINCE</b>						
7	<b>Ga-Rankuwa</b>	Acting JCE Mr Lungelo Mdletshe	PO Box 23 Ga-Rankuwa North 0209  Docex 3 Akasia	Shop No. 58A Ga-Rankuwa City Centre Ga-Rankuwa 0208	012 700 0595	012 700 1908
8	<b>Klerksdorp</b>	Ms Melinda de Kock	PO Box 2793 Klerksdorp 2570  Docex 9 Klerksdorp	19 Bram Fischer Street Klerksdorp 2570	018 464 3022	018 462 8607
9	<b>Lichtenburg</b>	Ms Dimakatso Mkhari	PO Box 1208 Lichtenburg 2740  Docex 7 Lichtenburg	25 Bantjes Street Lichtenburg 2740	018 632 7600	018 632 7609
10	<b>Mahikeng</b>	Ms Victoria Maelisa Mophulane	Private Bag X2125 Mahikeng 2745  Docex 8 Mahikeng	3794 IEC Building Protea Office Park Sekame Road Mahikeng 2745	018 381 1096	018 381 5094
11	<b>Potchefstroom</b>	Mr Moima Phakedi	PO Box 1447 Potchefstroom 2520  Docex 23 Potchefstroom	Royal Building 2nd Floor 44 Dr James Moroka Street Potchefstroom 2531	018 293 0045	018 297 7425
12	<b>Rustenburg</b>	Ms Charmain Smit	PO Box 2090 Rustenburg 0300  Docex 31 Rustenburg	Albach Building 122 Beyers Naude Drive Rustenburg 0299	014 592 3185/6	014 565 3187
13	<b>Vryburg</b>	Mr Aubrey Kunene	PO Box 652 Vryburg 8601  Docex 7 Vryburg	71 Vry Street Vryburg 8601	053 927 0095	053 927 0119

# COMPANY INFORMATION AND CONTACT DETAILS

No.	Justice Centre	Justice Centre Executive	Postal Address	Physical Address	Telephone Number	Fax Number
<b>Free State/North West Regional Office</b>		Mr Tshotlego Makamedi ROE	PO Box 12798 Brandwag Bloemfontein 9300  Docex 125 Bloemfontein	PHG Building 163 Nelson Mandela Drive Bloemfontein 9301	051 412 8040	051 447 2386
<b>GAUTENG REGION</b>						
<b>GAUTENG PROVINCE</b>						
1	<b>Alexandra</b>	Ms Nelisa Soji	PO Box 1192 Bramley 2018  Docex 5 Glenhazel	650 Louis Botha Avenue Bramley Johannesburg 2018	011 786 8170	011 786 0862
2	<b>Benoni</b>	Ms Nokuphiwa Nguqu	PO Box 2972 Benoni 1500  Docex 12 Benoni	Bedford Court Building 23 Tom Jones Street Benoni 1501	011 845 4311	011 421 1082
3	<b>Germiston</b>	Ms Aysha Ismail	PO Box 4302 Germiston South 1401  Docex 23 Germiston	United House 2nd and 3rd Floor 175 Meyer Street (Cnr Meyer & Library Streets) Germiston 1401	011 842 7300	011 825 7987/ 011 872 1534
4	<b>Johannesburg</b>	Ms Ncikazi Moahloli	PO Box 62378 Marshalltown 2107  Docex 259 Johannesburg	70 Fox Street Marshalltown Johannesburg 2000	011 870 1480	011 838 6658
5	<b>Krugersdorp</b>	Mr Stephen Mofokeng	PO Box 660 Krugersdorp 1740  Docex 19 Krugersdorp	ABSA Building 3rd Floor Cnr Kruger & Human Streets Krugersdorp 1739	011 660 2335	011 660 2050
6	<b>Pretoria</b>	Ms Flavia Isola	PO Box 1281 Pretoria 0001  Docex 350 Pretoria	FNB Building 2nd Floor 206 Church Street Pretoria 0001	012 401 9200	012 324 1950
7	<b>Soshanguve</b>	Mr Michael Ramaphosa	PO Box 401 Soshanguve 152  Docex 5 Pretoria North	Medicos Centre Stand No. 2093 Block H Soshanguve 0152	012 797 2721	012 797 2573

# COMPANY INFORMATION AND CONTACT DETAILS

No.	Justice Centre	Justice Centre Executive	Postal Address	Physical Address	Telephone Number	Fax Number
8	<b>Soweto</b>	Mr Mmeli Motsepe	PO Box 392 Pimville 1808  Docex 115 Johannesburg	Office 403 & 411A Maponya Mall Chris Hani Road Klipspruit 1809	011 938 3547	011 983 8220
9	<b>Tembisa</b>	Ms Nomawethu Mtebele	PO Box 1725 Tembisa 1620  Docex 30 Kempton Park	Shop 42 Tembisa MegaMart Mall Botswana Road (Olifantsfontein Road) Tswelopelo Section Tembisa	011 316 0164	011 316 0198
10	<b>Vereeniging</b>	Mr Thami Manaba	PO Box 3948 Vereeniging 1930  Docex 25 Vereeniging	8 Jasmine Mansions 28 Senator Marks Avenue Vereeniging 1938	016 421 3527	016 421 4287
<b>Gauteng Regional Office</b>		Adv. Wilna Lambley ROE	PO Box 16237 Lyttelton 157  Docex 134 Pretoria	Selborne Centre 2nd Floor 144 Cantonments Road Lyttelton Pretoria 0157	012 664 2921	012 664 6920
<b>KWAZULU-NATAL REGION</b>						
<b>KWAZULU-NATAL PROVINCE</b>						
1	<b>Durban</b>	Ms Nomsa Nkosi	PO Box 4397 Durban 4000  Docex 214 Durban	Suite 401 Salisbury House 4th Floor 332 Smith Street Durban 4001	031 304 0100	031 304 3564
2	<b>Empangeni</b>	Ms Lungile Magoso	PO Box 38 Empangeni 3880  Docex 18 Empangeni	Mazuli House 7 Maxwell Street Empangeni 3008	035 792 4949	035 792 4954
3	<b>Ladysmith</b>	Mr Sthembiso Khumalo	PO Box 1181 Ladysmith 3370  Docex 9 Ladysmith	PBS Building 371 Murchison Street Cnr Murchison & Eggerton Streets (opposite Anderson Motors) Ladysmith 3370	036 638 2500	036 637 5036

# COMPANY INFORMATION AND CONTACT DETAILS

No.	Justice Centre	Justice Centre Executive	Postal Address	Physical Address	Telephone Number	Fax Number
4	Newcastle	Ms Fathima Buckus	PO Box 1850 Newcastle 2940  Docex 7 Newcastle	65 Scott Street Newcastle 2940	034 328 7100	034 312 3426
5	Pietermaritzburg	Mr Raguvhu Madzhiye	Suite 173 Postnet X9118 Pietermaritzburg 3200  Docex 64 Pietermaritzburg	183 Church Street Pietermaritzburg 3201	033 394 2190	033 342 2576
6	Pinetown	Mr Vis Nair	PO Box 1006 Pinetown 3600  Docex 162 Durban	ABSA Building 1st Floor 1 Church Road Pinetown 3600	031 719 2700	031 701 5880
7	Port Shepstone	Mr Roger Jasson	PO Box 50148 Port Shepstone 4240  Docex 5 Port Shepstone	MB Centre 2nd Floor 49 Aiken Street (opposite ABSA Bank) Port Shepstone 4240	039 688 9600	039 682 5908
8	Umlazi	Mr Mandla Ntobela	PO Box 36265 Ntokozweni 4089  Docex 1 Umlazi	V1332 Ithala Industrial Park Cnr Mangosuthu Highway & Road 1902 Umlazi 4031	031 918 8100	031 906 1477
9	Verulam	Mr Bhekizenzo Mthethwa	PO Box 183 Verulam 4340  Docex 380 Durban	Suite 1 Ayesha Razak Centre 1st Floor 23 Groom Street Verulam 4340	032 533 2654	032 533 2651
10	Vryheid	Mr Sibuko Mashaba	PO Box 852 Vryheid 3100  Docex 5 Vryheid	ABSA Building Ground Floor Suite 199A Church Street Vryheid 3100	034 989 8300	034 989 8311
KwaZulu-Natal Regional Office		Mr Vela Mdaka ROE	PO Box 2489 Pinetown 3600  Docex 261 Durban	Charter House 7th Floor Cnr Crompton & Union Streets Pinetown 3600	031 717 8450	031 702 1960

# COMPANY INFORMATION AND CONTACT DETAILS

No.	Justice Centre	Justice Centre Executive	Postal Address	Physical Address	Telephone Number	Fax Number
<b>LIMPOPO/MPUMALANGA REGION</b>						
<b>LIMPOPO PROVINCE</b>						
1	<b>Makhado</b>	Mr Elton Makhadi	PO Box 4591 Louis Trichardt 0920  Docex 8 Louis Trichardt	Noor Gardens Cnr Krogh & Devenish Streets Louis Trichardt 0920	015 519 1100	015 519 1103
2	<b>Modimolle</b>	Ms Jacqueline Maimela	PO Box 4373 Modimolle 0510  Docex 8 Modimolle	Shop 8 Nyl Sake Sentrum Nelson Mandela Drive Modimolle 0510	014 717 4977	014 717 4980
3	<b>Polokwane</b>	Mr Thabo Ledwaba	PO Box 1314 Polokwane 0700  Docex 24 Polokwane	Polokwane High Court 3rd Floor Cnr Bodenstein & Biccard Streets Polokwane 0700	015 291 2429	015 295 4386
4	<b>Thohoyandou</b>	Mr Thomas Madzaga	PO Box 3550 Thohoyandou 0950  Docex 3 Thohoyandou	Shop 2 Metropolitan Complex Thohoyandou 0950	015 962 6206	015 962 6383
5	<b>Tzaneen</b>	Ms Tsakani Maluleke-Sihlangu	PO Box 2365 Tzaneen 0850  Docex 16 Tzaneen	Office 220-237 Tzaneen Crossing Mall 2nd Floor Cnr Lydenburg & Skurving Streets Tzaneen 0850	015 307 3129	015 307 3113
<b>MPUMALANGA PROVINCE</b>						
6	<b>Ermelo</b>	Mr Matthew Shongwe	PO Box 656 Ermelo 2350  Docex 9 Ermelo	14 Joubert Street Ermelo 2350	017 819 7291	017 819 7270
7	<b>Middelburg</b>	Mr Ernest Mogashoa	PO Box 827 Middelburg 1050  Docex 3 Middelburg	Room 102D Wonderpark Spar Building 1st Floor Cnr Walter Sisulu & Dr Beyers Naude Streets Middelburg 1050	013 243 5964	013 282 1235

# COMPANY INFORMATION AND CONTACT DETAILS

No.	Justice Centre	Justice Centre Executive	Postal Address	Physical Address	Telephone Number	Fax Number
8	<b>Nelspruit</b>	Mr Sipho Ndhlovu	PO Box 5103 Nelspruit 1200  Docex 31 Nelspruit	Room 806 8th floor Nedbank Building 30 Brown Street Nelspruit 1200	013 753 2154	013 755 1540
9	<b>Witbank</b>	Mr Evans Mabitsela	PO Box 4373 Emalahleni 1035  Docex 51 Witbank	Room 701 Vusani Building 7th Floor Arras Street Emalahleni 1035	013 656 5290	013 656 5291
<b>Limpopo/Mpumalanga Regional Office</b>		Ms Mpho Kgabi ROE	PO Box 11237 Bendor Park 0713  Docex 56 Polokwane	No. 3 Cormar Park Building Rhodes Drift Avenue Bendor Polokwane 0700	015 296 0117	015 296 0102
<b>WESTERN CAPE/NORTHERN CAPE REGION</b>						
<b>WESTERN CAPE PROVINCE</b>						
1	<b>Athlone</b>	Mr Mark Gaffley	PO Box 166 Athlone 7760  Docex 9 Athlone	Melofin Centre 2nd Floor Klipfontein Road Athlone 7764	021 697 5252	021 697 5316
2	<b>Bellville</b>	Ms Ronelle Arendse	Docex 70 Bellville	Van Der Stel Building 68 Durban Road Cnr Voortrekker & Durban Streets Bellville 7535	021 949 3062	021 949 2534
3	<b>Cape Town</b>	Mr Cobus Esterhuizen	PO Box 516 Cape Town 8001  Docex 19 Cape Town	South African Reserve Bank Building 2nd Floor 60 St Georges Mall Cape Town 8001	021 426 4126	021 426 5766
4	<b>George</b>	Ms Zukiswa Mavuso	Docex 27 George	Tommy Joubert Building Cnr Craddock & Courtenay Streets George 6530	044 802 8600	044 874 0779
5	<b>Caledon</b>	Mr Nelis du Plessis	Docex 3 Caledon	22 Church Street Caledon 7230	028 212 1815	028 212 1826

## COMPANY INFORMATION AND CONTACT DETAILS

No.	Justice Centre	Justice Centre Executive	Postal Address	Physical Address	Telephone Number	Fax Number
6	<b>Malmesbury</b>	Mr Elroy Mc Helm	Docex 6 Malmesbury	The Lionel Frank Building 1st Floor 47 Voortrekker Road Malmesbury 7300	022 482 1784	022 482 4449
7	<b>Stellenbosch</b>	Mr Shawn Flowers	PO Box 534 Stellenbosch 7600  Docex 38 Stellenbosch	Office 201 Eikestad Mall 2nd Floor Bird Street Stellenbosch 7600	021 882 9221	021 882 9237
8	<b>Vredendal</b>	Mr Janus Roothman	Docex 3 Vredendal	9 Dorp Street Vredendal 8160	027 201 1030	027 213 2627
9	<b>Worcester</b>	Ms Fawzia Essop Baccus	Docex 1 Worcester	WC Building 1st Floor Cnr High & Stockenström Streets Worcester 6850	023 348 4040	023 348 4051
<b>NORTHERN CAPE PROVINCE</b>						
10	<b>Colesburg</b>	Ms Liezel du Toit	Docex 4 Colesburg	8 Campbell Street Colesburg 9795	051 753 2281	051 753 2284
11	<b>Kimberley</b>	Mr Joseph Bosealetse	PO Box 846 Kimberley 8300  Docex 4 Kimberley	Pretmax Building 4 Sydney Street Kimberley 8301	053 832 2348	053 832 2356
12	<b>Upington</b>	Ms Silindile Hlatshwayo	Postnet 100 Private Bag X5879 Upington 8800  Docex 12 Upington	11 Lutz Street Upington 8800	054 337 9200	054 337 9210
<b>Western Cape/Northern Cape Regional Office</b>		Ms Cordelia Robertson ROE	Docex 23 Stellenbosch	Shiraz House 2nd Floor Trumali Road Brandwacht Office Park Stellenbosch 7600	021 861 3000	021 886 8657



# COMPANY INFORMATION AND CONTACT DETAILS

No.	Justice Centre	No.	Satellite Office	Postal Address	Physical Address	Telephone Number	Fax Number
<b>SATELLITE OFFICES</b>							
<b>GAUTENG PROVINCE</b>							
1	<b>Benoni</b>	1	<b>Nigel</b>	PO Box 2972 Benoni 1500  Docex 12 Benoni	Kruger and Okes 23 Kingsway Street Nigel 1491	011 814 5159	011 814 5259
2	<b>Soweto</b>	2	<b>Westonaria</b>	None	Shop 3 Elizabeth Centre President Steyn Street Westonaria 1779	011 753 2604	011 753 2629
3	<b>Vereeniging</b>	3	<b>Heidelberg</b>	PO Box 3948 Vereeniging 1930  Docex 25 Vereeniging	Eslin Building Portion 4 24 Uekerman Street Heidelberg 1441	016 341 4430	016 341 4430
		4	<b>Frankfort</b>	PO Box 3948 Vereeniging 1930  Docex 25 Vereeniging	55 JJ Hadebe Street Frankfort 9830	058 813 1624	058 813 2171
<b>LIMPOPO PROVINCE</b>							
4	<b>Makhado</b>	5	<b>Musina</b>	PO Box 4591 Louis Trichardt 0920	Stand No. 2110 Nkhata Crescent Street Nancefield Extension 5 Musina 0900	015 533 1691	015 533 1692
5	<b>Modimolle</b>	6	<b>Lephalale</b>	PO Box 17 Lephalale 0555	Stamax Building 1st Floor 2 Booysen Street Lephalale 0555	014 763 1433	014 763 1437
6	<b>Polokwane</b>	7	<b>Mokopane</b>	PO Box 1314 Polokwane 0700  Docex 24 Polokwane	58 Rabe Street Rayveen Complex Mokopane 0626	015 491 4461	015 491 4759
		8	<b>Lebowa-kgomo</b>	PO Box 1314 Polokwane 0700  Docex 24 Polokwane	Old Mutual Building 1st Floor Lebowakgomo 0737	015 633 7636	015 633 7704
		9	<b>Bochum</b>	PO Box 1314 Polokwane 0700  Docex 24 Polokwane	Shalas Complex Block B2 Main Street Senwabarwana 0790	015 505 9031 /2	015 505 9030

# COMPANY INFORMATION AND CONTACT DETAILS

No.	Justice Centre	No.	Satellite Office	Postal Address	Physical Address	Telephone Number	Fax Number
7	Tzaneen	10	Giyani	PO Box 2365 Tzaneen 0850	Old Mutual Building Ground Floor Giyani Main Road Giyani 0826	015 812 3065	015 812 3697
		11	Phalaborwa	PO Box 2365 Tzaneen 0850	Shop No. 4 32 Wildevey Street Phalaborwa 1390	015 781 0960	015 781 0976
KWAZULU-NATAL PROVINCE							
8	Empangeni	12	Ingwavuma	PO Box 38 Empangeni 3880	Shop No. 4 Kosibay Hot Chicken Complex Skhemelele 3968	035 591 0950	035 591 0907
		13	Mkuze	PO Box 38 Empangeni 3880	Shop 22F Mkuze Plaza Old Main Road Mkuze 3974	035 573 1655	035 576 1656
9	Ladysmith	14	Estcourt	PO Box 1010 Estcourt 3310	Shop No. 1 127 Albert Street Estcourt 3310	036 352 1997	036 352 1998
10	Newcastle	15	Dundee	PO Box 1850 Newcastle 2940	Unit 13 56 Smith Street Dundee 3000	034 212 4460	034 212 4351
11	Pieter-maritzburg	16	Greytown	Suite 173 Postnet X9118 Pietermaritzburg 3200	Shop No. 1 40 Bell Street Greytown 3250	033 417 2146	033 417 2146
		17	Bulwer	Suite 173 Postnet X9118 Pietermaritzburg 3200	Stavcom Building Shop 5 Main Road Bulwer 3244	039 832 0515 /6	039 832 0518
12	Port Shepstone	18	Kokstad	PO Box 50148 Port Shepstone 4240	29 Barker Street Kokstad 4700	039 727 5081	039 727 5082
		19	Ixopo	PO Box 33 Ixopo 3276	Shop No. 3 Ixopo Bottlestore Building Margaret Street Ixopo 3276	039 834 2962	039 834 2967
13	Umlazi	20	Umzinto	PO Box 186 Umzinto 4200	Office A11 Hypersingh Centre Cnr Court & Textile Roads Umzinto 4200	039 974 4591	039 974 4591

# COMPANY INFORMATION AND CONTACT DETAILS

No.	Justice Centre	No.	Satellite Office	Postal Address	Physical Address	Telephone Number	Fax Number
14	Verulam	21	Stanger	PO Box 183 Verulam 4340	Suite 1 Stanger Mall 55 King Shaka Street Stanger 4450	032 551 3740	032 551 3957
15	Vryheid	22	Ulundi	PO Box 852 Vryheid 3100	Fairbreeze Office Park Princess Magogo Street Ulundi 3838	035 870 0832	035 870 3108
<b>MPUMALANGA PROVINCE</b>							
16	Ermelo	23	Piet Retief	PO Box 809 Piet Retief 2380	14 Kruger Street Piet Retief 2380	017 826 4567	017 826 2725
		24	Eerstenhoek	PO Box 112 Elukwatini 1192	Stand Number 88 Nhlazatshe G Elukwatini 1192	017 883 7931	017 883 0118
		25	Standerton	PO Box 1321 Ermelo 2430	Time Square Building Office No. 7 48 Charl Cilliers Street Standerton 2429	017 712 5928	017 712 5963
17	Middelburg	26	Groblersdal	PO Box 827 Middelburg 1050	Eldoland Building 7 Voortrekker Street Groblersdal 0470	013 262 4770 /4769	013 262 4768
		27	Siyabuswa	PO Box 827 Middelburg 1050	1664 A Maqhawe Street Siyabuswa 0472	013 973 3963	013 973 3461
18	Nelspruit	28	Burgersfort	PO Box 1146 Lydenburg 1120	Suite 2 Umshanti Building Ground Floor 83 Aloe Street Aloe Ridge West Burgersfort 1150	013 231 7058	No fax available
		29	Bushbuck- ridge	PO Box 2357 Bushbuckridge 1280	Protea Building R40 Road Bushbuckridge 1280	013 799 1832	013 799 1835
		30	Tonga	PO Box 1021 Kwalugedlane 1341	Stand 77 Tonga View N/A	082 725 0729	017 634 8532
19	Witbank	31	Secunda	PO Box 7630 Secunda 2302  Docex 8	Old Mutual Building 2nd Floor Horwood Street Secunda Complex Secunda 2302	017 634 8532	017 634 6571
		32	Kwa- Mhlanga	PO Box 4373 Witbank 1035	Erf 538/7 Kwa-Mhlanga Bankview 1022	013 947 3379	013 947 3498

# COMPANY INFORMATION AND CONTACT DETAILS

No.	Justice Centre	No.	Satellite Office	Postal Address	Physical Address	Telephone Number	Fax Number
<b>EASTERN CAPE PROVINCE</b>							
20	<b>Aliwal North</b>	33	<b>Sterkspruit</b>	PO Box 153 Aliwal North 9750  Docex 4 Aliwal North	Site 99 Main Street Sterkspruit 9762	051 611 0348	051 611 0349
21	<b>Graaff-Reinet</b>	34	<b>Somerset East/Oos</b>	PO Box 448 Somerset East 5850  Docex 3 Graaff-Reinet	12 Visser Centre Nojoli Street Somerset East 5850	042 243 0610	042 243 3048
		35	<b>Cradock</b>	PO Box 584 Cradock 5880  Docex 3 Graaff-Reinet	Market Square Adderley Street Cradock 5880	048 881 4867	048 881 2275
22	<b>Grahamstown</b>	36	<b>Fort Beaufort</b>	PO Box 487 Fort Beaufort 5720  Docex 18 Grahamstown	No. 38A Durban Street Fort Beaufort 5720	046 645 2270	046 645 1318
23	<b>King Williams Town</b>	37	<b>Stutterheim</b>	PO Box 2323 King Williams Town 5600  Docex 4 King Williams Town	75 Hill Street Stutterheim 4930	043 683 2973	043 683 1093
24	<b>Mthatha</b>	38	<b>Lusikisiki</b>	PO Box 536 Mthatha 5099  Docex 13 Mthatha	Embassy Building Office No. 9 & 10 AMCA Road Lusikisiki 4820	039 253 1442	039 253 1442
		39	<b>Bizana</b>	PO Box 536 Mthatha 5099 Docex 13 Mthatha	159 Main Street Bizana 4800	039 251 0098	039 251 0098
		40	<b>Mount Frere</b>	PO Box 536 Mthatha 5099 Docex 13 Mthatha	Erf 339 Hospital Road Mount Frere 4870	039 255 1473	039 255 1473
25	<b>Port Elizabeth</b>	41	<b>Humansdorp</b>	PO Box 393 Humansdorp 6300  Docex 127 Port Elizabeth	Tredalux Building 23 Main Street (at the rear) Humansdorp 6300	042 295 2794	042 295 2768

# COMPANY INFORMATION AND CONTACT DETAILS

No.	Justice Centre	No.	Satellite Office	Postal Address	Physical Address	Telephone Number	Fax Number
26	Queenstown	42	Elliot	PO Box 1398 Queenstown 5320  Docex 28 Queenstown	18 Market Street Elliot 5460	045 931 1984	045 931 1986
27	Uitenhage	43	Kirkwood	PO Box 459 Uitenhage 6230  Docex 6 Uitenhage	32B John Street Kirkwood 6120	042 230 0713	042 230 0679
<b>WESTERN CAPE PROVINCE</b>							
28	Athlone	44	Mitchells Plain	PO Box 1566 Athlone 7760  Docex 9 Athlone	Mitchells Plain Court Mitchells Plain 7785	021 370 4220	No fax available
30	Caledon	45	Swellendam	Docex 3 Caledon	67 Voortrekker Street Swellendam 6470	028 514 3026	028 514 2674
31	George	46	Beaufort West	Docex 27 George	102 Bird Street Beaufort West 6970	023 415 1689	023 414 3162
		47	Riversdale	Docex 27 George	17 Heidelberg Road Riversdale 6670	028 713 4620	028 713 4621
		48	Oudtshoorn	Docex 27 George	Room 302, 303 & 304 Allied Building Kerk Street Oudtshoorn 6625	044 279 2255	044 279 2558
32	Malmesbury	49	Atlantis	Docex 6 Malmesbury	Drosdy Centre Wesfleur Circle Atlantis 7349	021 572 8522	022 482 4449
		50	Vredenburg	Docex 6 Malmesbury	Standard Bank Building 1st Floor Main Street Vredenburg 7380	022 713 1006	022 713 1007
33	Vredendal	51	Calvinia	Docex 3 Vredendal	20 Hantam Street Calvinia 8190	027 341 2240	027 341 2264
		52	Springbok	Docex 3 Vredendal	Portion of Old Royal Food Cnr of Riebeck & Loop Streets Springbok 8240	027 718 2449	027 718 2453

# COMPANY INFORMATION AND CONTACT DETAILS

No.	Justice Centre	No.	Satellite Office	Postal Address	Physical Address	Telephone Number	Fax Number
NORTHERN CAPE PROVINCE							
34	Colesburg	53	De Aar	47 Church Street De Aar 7000  Docex 4 Colesburg	47 Church Street De Aar 7000	053 631 1950	053 631 1321
		54	Victoria West	14 Church Street Victoria West 7070  Docex 4 Colesburg	14 Church Street Victoria West 7070	053 621 0039	053 621 0037
35	Kimberley	55	Hartswater	PO Box 846 Kimberley 8300  Docex 4 Kimberley	21 Tom Naude Street Hartswater 8570	053 474 0341	053 474 0312
36	Upington	56	Kuruman	Private Bag X5879 Upington 8800  Docex 12 Upington	3 Federale Mynbou Street Kuruman 8460	053 712 3782	053 712 3783
		57	Prieska	PO Box 422 Prieska 8940  Docex 12 Upington	29 Loots Boulevard Prieska 8940	053 353 1184	No fax available
		58	Postmasburg	22 Boe Street Postmasburg 8420  Docex 12 Upington	22 Boe Street Postmasburg 8420	053 313 3642	053 313 3642
NORTH WEST PROVINCE							
37	Klerksdorp	59	Wolmaran- stad	12 Kruger Street Kruger Mall Wolmaranstad 2630	12 Kruger Street Kruger Mall Wolmaranstad 2630	018 596 2775	018 596 1004
38	Lichtenburg	60	Delareyville	PO Box 918 Delareyville 2770	49 Government Street Delareyville 2770	053 948 1182	053 948 1092
39	Potchefstroom	61	Carletonville	PO Box 1447 Potchefstroom 2520	49 A van Zyl & Smit Streets Oberholzer 2502	018 787 2346	018 787 2346

## COMPANY INFORMATION AND CONTACT DETAILS

No.	Justice Centre	No.	Satellite Office	Postal Address	Physical Address	Telephone Number	Fax Number
<b>FREE STATE PROVINCE</b>							
40	<b>Botshabelo</b>	62	<b>Ladybrand</b>	PO Box 6141 Botshabelo 9781	Office 2 23 Piet Retief Street Terblanche 9745	051 924 0350	051 924 0360
41	<b>Bethlehem</b>	63	<b>Ficksburg</b>	None	15 Erwee Street Ficksburg 9730	051 933 3061	051 933 4086
42	<b>Phutha- ditjhaba</b>	64	<b>Vrede</b>	PO Box 716 Vrede 9835	18 Ras Street Vrede 9835	058 913 3521	058 913 3579

### ***Legal Aid SA is a leader in protecting and defending the rights of children***

Children are one of the most vulnerable groups in society as they mostly rely on someone to recognise that they are in a vulnerable position and/or need assistance. The civil section of our Grahamstown Justice Centre conducted a Civil Clinic at a children's home in Alexandria. While there, the practitioner discovered that many of the children had been abandoned, some were orphaned and they had no birth certificates. Eight of these children were also excluded from a local public school on the basis that they had no birth certificates. These children have been living in the home for years without them having a legal guardian or foster parent appointed. Legal Aid SA intervened and assisted the owner of the home in lodging applications for foster care. We were appointed in terms of section 55 of the Children's Act to represent the orphaned children and moved an urgent *ex parte* application for an order instructing the public school to allow the children access to the school. An order was also made for the children to be placed in the temporary safe care of four foster mothers. Legal Aid SA will now continue to ensure that the children in this home have access to services they are entitled to in order to protect their rights.

## ***Legal Aid SA funds precedent-setting matters that promote the rights of communities in impact litigation matters***

In another landmark decision for 2016, Legal Aid SA funded the Legal Resources Centre (LRC), which represented a group of former gold miners who were employed at the President Steyn Gold Mine in the Free State. Our clients – residing in the Free State, Eastern Cape and Lesotho – contracted silicosis, a lung disease that cannot be treated once contracted, which predisposes the sufferer to tuberculosis. Silicosis is an irreversible, incurable and painful lung disease caused by exposure to silica dust. It is a latent disease, which means that the onset of symptoms and disability can arise several years after exposure. It is also a progressive disease, meaning that its symptoms worsen over time, even after exposure to crystalline silica dust has stopped. Ongoing medical monitoring and treatment is required to manage and limit the harmful impact of the disease and its complications.

The LRC with the support of our Impact Litigation Unit, working together with Richard Spoor Attorneys and Abraham Kiewitz Attorneys, instituted a certification application in the High Court of South Africa (Gauteng Local Division, Johannesburg) against 32 gold mines who employed workers, but failed to take measures aimed at eliminating or reducing mineworkers' exposure to respirable silica dust.

The case was heard before the High Court from 12 to 23 October 2015, where it was argued that the 30 named South African gold mining companies that owned or operated 82 different gold mines from 1965 to the present, knew of the dangers posed to miners by silica dust for more than a century. The LRC further argued that the mining companies are guilty of 12 specific forms of neglect and endangerment, including wilfully ignoring and/or failing to execute almost all of the steps mandated in regulations and legislation designed to protect miners from silica dust.

The South Gauteng High Court accepted the bifurcated class action process proposed by the applicants on 13 May 2016: the first stage of the class action will decide the common issues; the second stage will decide issues relevant to the individual claims. Affected miners will have an opportunity to opt out of the class action should they wish to pursue claims for damages separately. The High Court thereby certified the first such opt-out class action in South African history for sick workers, allowing gold miners suffering from silicosis and tuberculosis to proceed with their claims against 30 gold producers, including AngloGold Ashanti, Harmony Gold, Gold Fields, Anglo American and African Rainbow Minerals. The certification of the class action as well as the transmissibility of general damages claims is currently on appeal to the SCA.

The silicosis lawsuit will set a precedent for holding the gold mining industry accountable to the mineworkers they employed who have since contracted silicosis and tuberculosis. The class action includes tens of thousands of people – all gold mineworkers suffering from silicosis or tuberculosis and the dependents of deceased miners who ultimately died after contracting the oft fatal disease.

It is essential to understand that the mining companies could have prevented what has often been referred to as an epidemic had they taken effective measures to prevent the exposure of miners to harmful quantities of dust, which the court papers claim they had both the knowledge and resources to do; and that the mining industry has been able to profit, for decades, at the expense of employees' health. The miners are predominantly from South Africa and several other surrounding countries historically known for supplying migratory labour to the mining industry. The mines failed to take reasonable care to ensure that the mineworkers' workplaces were safe, which entitles the deceased mineworkers and the families of the deceased mineworkers to damages in delict at common law.

To date, few class actions have been brought in South Africa and none filed for sick workers. This decision, if the appeal is successfully opposed, will be historic and will allow for the largest ever class action lawsuit in the country, as well as on the continent, to proceed. The class certification will be a victory for access to justice and equality of arms in South Africa. Furthermore, the entitlement for miners to transmit their compensation to their estate is of great significance, ensuring that mining companies are held liable for the working conditions that sometimes lead to the premature death of miners.

Legal Aid SA will continue to play a crucial role by providing support for the successful litigation so that the rights of access to court by the mineworkers is realised.



## NOTES

## PRESS RELEASE

### **LEGAL AID SOUTH AFRICA LAWYER SAVES CHILD FROM NEGLECT**

On the morning of 2 June 2016, a Legal Aid South Africa High Court Unit Legal Practitioner, Michelle Henderson, was at the Grahamstown Children's Court when she spotted a young boy in nothing but a short-sleeved top and a nappy; inadequate clothing for the winter weather. Disturbed by this sight, both as a mother and an experienced child civil legal practitioner, Henderson approached the boy, who was with a woman she presumed to be his mother. The woman told her she was at the Children's Court for a criminal matter involving the father of the boy. Henderson asked the woman, who was smelling of alcohol, why the child was not wearing any warm clothing in the cold. She said it was in her bag. When the woman picked the child up Henderson noticed scars on his head and body and that he was filthy – all tell-tale signs of abuse and neglect. She alerted a social worker, but when they went outside to speak with the woman, her and the child were gone.

After looking for them for half an hour, Henderson and the social worker found them wandering on a road leading to one of Grahamstown's townships. They informed the woman that the child had to be taken to safety and that she could choose to accompany them, which she did. The child was taken to the Legal Aid South Africa Grahamstown Justice Centre and a supervisor from the Department of Social Development effected an urgent removal, which was confirmed by the court the following day. Child Welfare in Grahamstown now has 90 days to investigate the case and formally place the child in foster care. Until then, he has been placed in the care of his paternal grandmother.

"Our employees give expression to our values, one of them being *Ubuntu*. We are proud that they go to such great lengths to ensure that human rights enshrined in the Constitution for every South African are protected", says Regional Legal Manager Vusi Dayimani.

Although Henderson has left Legal Aid South Africa's Children's Civil Unit to work in the High Court Unit, children's matters are still close to her heart. "What is disheartening in all of this is that this child is a year old, meaning he has had to endure 12 months of his innocent life living in very unfavourable circumstances", she says.

As Youth Month draws to an end, Legal Aid South Africa further reiterates its commitment to protecting and defending the rights of children as enshrined in the Constitution, Children's Act and Child Justice Act. The organisation maintains strong links with various stakeholders within the justice cluster to ensure that cases involving children are expedited.

Legal Aid South Africa's Eastern Cape Regional Office provides legal representation through its ten Justice Centres situated throughout the province. Each of these offices is staffed with qualified civil and criminal legal professionals, who can handle children's matters. The public is urged to visit these offices or call the toll-free Legal Aid Advice Line on 0800 110 110 to obtain legal advice and representation in children's matters.



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