



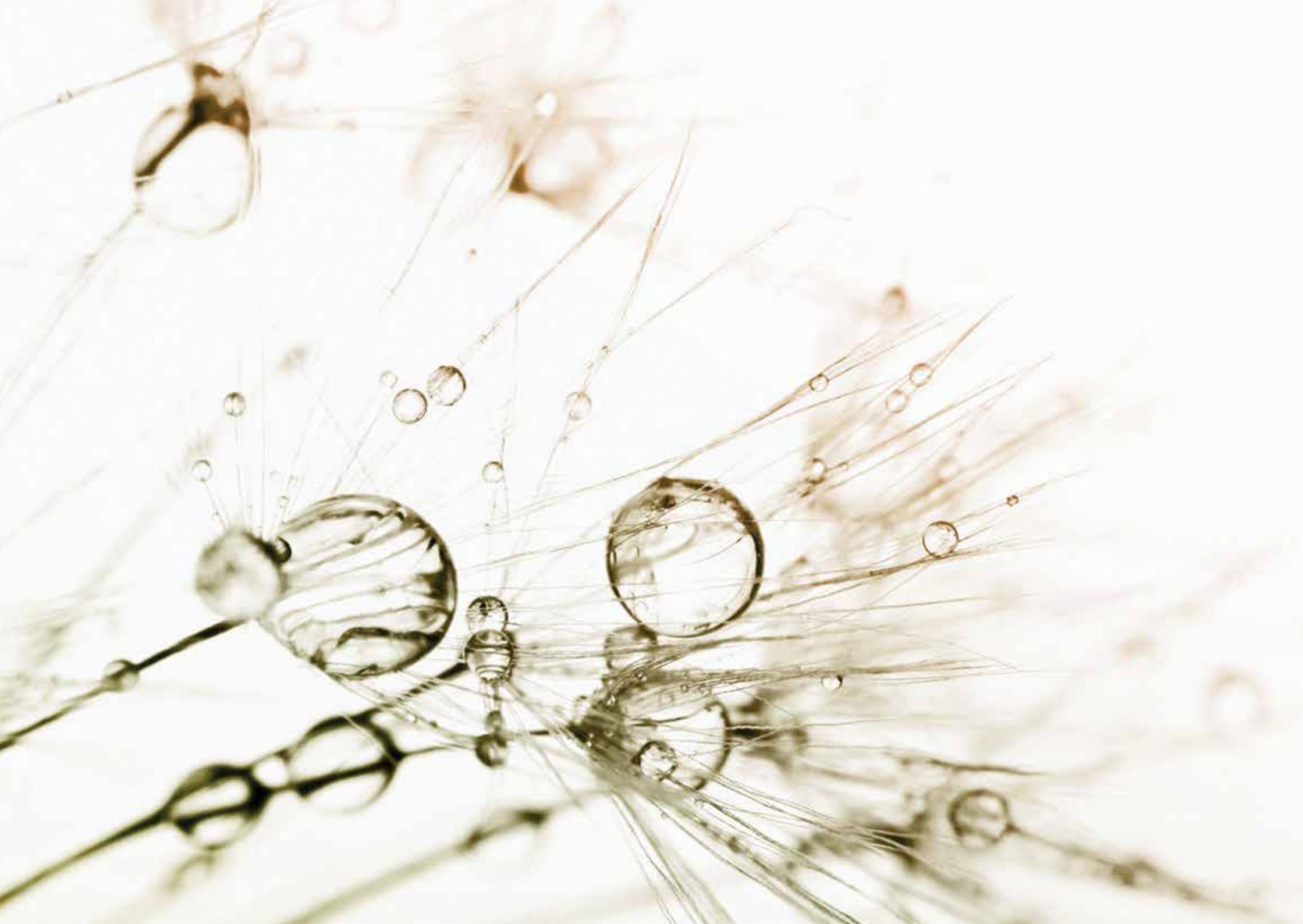
Government Pensions Administration Agency
2011 / 2012 Annual Report

2012



the gpaa

Department:
Government Pensions Administration Agency
REPUBLIC OF SOUTH AFRICA



SUBMISSION OF THE ANNUAL REPORT TO THE EXECUTIVE AUTHORITY

Mr Pravin Gordhan

The Minister of Finance,

I have the honour of submitting to you, in accordance with the Public Finance Management Act, 1999 (Act 1 of 1999), the Annual Report of the Government Pensions Administration Agency for the period 1 April 2011 to 31 March 2012.



Phenias Tjie

Chief Executive Officer
Government Pensions Administration Agency



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GENERAL INFORMATION

GENERAL INFORMATION

VISION

The **vision** of GPAA is: **to be the leading and preferred fund benefits administrator.**

The vision will be realised by the following factors as depicted in the diagram below:



VALUES

The GPAA's core values are:

VALUE	DESCRIPTION
Client focus	Focus on our clients shall be through consultation, setting service standards, increasing access, providing information, ensuring courtesy, transparency, redress and value-added services.
Commitment	We pledge to create an efficient and well-managed environment for the administration of benefits and funds.
Excellence	Our operational excellence is demonstrated by results that reflect sustained modernisation and improvement over time, improvement in all areas of importance, and performance at a level that is at, or superior to, "best in class" benefit and fund administrators.
Integrity	Our focus is on how we put our principles, values, and what we believe is right into action. "Integrity is putting your values into action"– Robin Siemens.
Interdependence	Our interdependence is the dynamic of being mutually and physically responsible to, and sharing a common set of principles with all our clients and stakeholders.
Professionalism	The expert skills, competence, and character displayed by the GPAA's human capital.
Transparency	Our observed degree of clarity, openness, measurability, and verifiability in law, regulations, financial management, agreements and/or practice.

TABLE 1.1 - GPAA'S VALUES

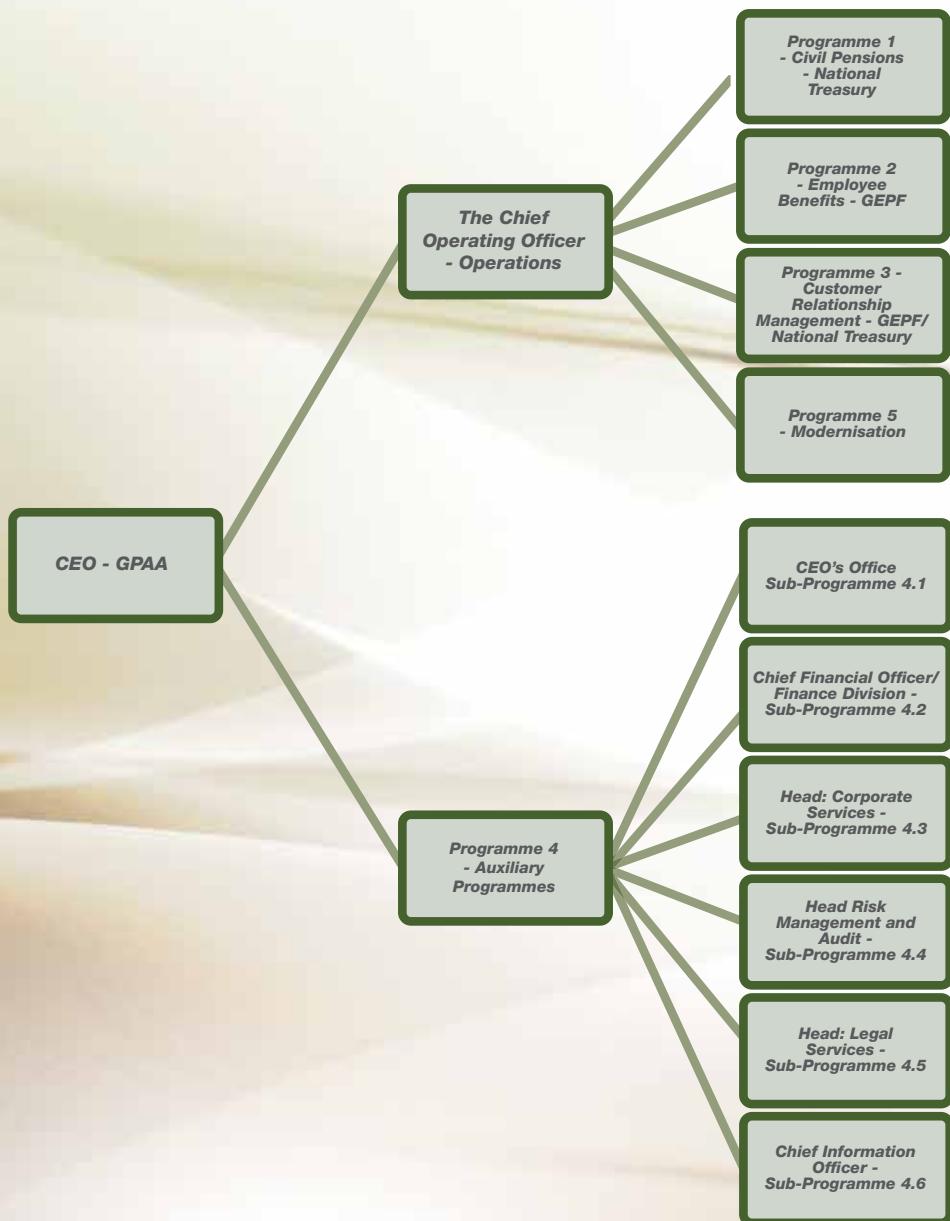
1.2 ORGANISATIONAL STRUCTURE

MISSION

To effectively and efficiently administer fund benefits on behalf of our clients and stakeholders.

The GPAA is headed by a Chief Executive Officer. It executes its functions through five programmes:

- Chief Executive Officer (Accounting Officer) – GPAA
- The Chief Operating Officer – Operations
 - Programmes 1,2,3 and 5
- Programme 4 – Auxiliary Divisions
 - The CEO –The CEO's Office – Sub-Programme 4.1
 - The Chief Financial Officer – Finance Division – Sub-Programme 4.2
 - The Head: Corporate Services – Sub-Programme 4.3
 - The Head: Risk Management and Audit – Sub-Programme 4.4
 - The Head: Legal Services – Sub-Programme 4.5
 - The Chief Information Officer – Sub-Programme 4.6



1.3 LEGISLATIVE MANDATE

The Government Pensions Administration Agency (GPAA) was born when the Government Employees Pension Fund (GEPF) was separated from its pension administration component. The GPAA is a government component, established in terms of section 7A (4) of the Public Service Act (1994) effective 1 April 2010.

The GPAA reports to the Minister of Finance, as its Executive Authority, and its mandate is to administer funds and schemes on behalf of GEPF and National Treasury. The GPAA's mandate is derived from the overall mandate of GEPF and National Treasury's Programme 7 – which are its primary clients. The GPAA thus fulfils an agency role for these two clients.

The establishment of the GPAA is an alignment of pensions administration in government to an industry practice where pension funds are administered by administrators outside the funds. This development is an important policy shift that will promote good governance.

The funds and schemes currently administered by the GPAA are as follows:

- The Government Employees Pension Fund (GEPF) in terms of the Government Employees Pension (GEP) Law of 1996 on behalf of GEPF's Board of Trustees.
- The Temporary Employees Pension Fund (TEPF) in terms of the Temporary Employees Pension Fund (TEPF) Act 75 of 1979 on behalf of National Treasury's Programme 7.
- The Associated Institutions Pension Fund (AIPF) in terms of the AIPF Act 41 of 1963 on behalf of National Treasury's Programme 7.
- Post-retirement Medical Subsidies as provided for and regulated by Public Service Co-ordinating Bargaining Council (PSCBC) resolutions on behalf of National Treasury's Programme 7.
- Military Pensions in terms of the Military Pensions Act 84 of 1976 on behalf of National Treasury's Programme 7.
- Injury on Duty payments in terms of the Compensation for Occupational Injuries and Diseases Act 130 of 1993 on behalf of National Treasury's Programme 7.
- Special Pensions in terms of the Special Pensions Act 69 of 1996 on behalf of National Treasury's Programme 7.

The GPAA's financial affairs are governed by the Public Finance Management Act (PFMA), while its human resources fall under the ambit of the Public Service Act (PSA).

1.4 MINISTER'S STATEMENT

The Government Pensions Administration Agency (GPAA) plays an important role in the management of the pension affairs of current and former public servants as well as the special pensioners. This is a unique role which can be best played by government itself to ensure that the men and women who dedicate their lives to serve their fellow citizens receive the necessary service and support.



GPAA's mandate – to give civil servants and pensioners peace of mind about their retirement benefits and during situations of need – imposes a huge responsibility on the agency. In this regard, the GPAA has since its formation in 2010 been implementing a modernisation programme to improve the quality of services to members and their beneficiaries.

This programme is gaining momentum and is beginning to deliver benefits to members:

- Drawing on the expertise of the SA Revenue Service (SARS), GPAA has done away with the need for retirees to visit a Commissioner of Oaths every year to verify that they are still alive;
- GPAA has improved the service it offers the members of pension funds under administration through initiatives such as the electronic submission of retirement documentation and the use of mobile units to reach previously underserviced parts of the country; and
- The number of calls to its call centre has dropped sharply.

However, much more remains to be done to ensure that GPAA is a world-class pension funds administrator whose service is of the quality and standard that retiring government employees and members of other pension funds under administration are entitled to.

A handwritten signature in black ink, appearing to read "Pravin Gordhan".

Pravin Gordhan
Minister of Finance

1.5 THE CHIEF EXECUTIVE OFFICER'S OVERVIEW

The Government Pensions Administration Agency (GPAA) plays a critical role in the livelihood of current and former civil servants in that it administers their pension affairs on behalf of the Government Employees Pension Fund (GEPF) and National Treasury. This is an important mandate in which the GPAA cannot fail. It is against this background that the GPAA strives to offer quality service to the clients it serves at all times.



For the medium term, and particularly the reporting period, i.e. the 2011/2012 financial year, we set out critical objectives towards which our focus was directed in order to improve the quality of service and the service experience by our clients and these are:

- Increase the level of client satisfaction through operational excellence;
- Enhance service delivery through enabling technology and well-documented processes in such a way that the results can be measured, monitored, and evaluated within a specific time-frame;
- To have an efficient corporate governance and financial management framework that will build and maintain effective relationships with members, pensioners and participating employers; and
- Develop core skills and human capabilities to deliver professional and efficient administration services.

Realising these objectives will enable us to consequently deliver quality service throughout the country where members, pensioners and stakeholders are.

We are mindful that satisfying the members' and pensioners' needs is a mammoth task as they are spread throughout the country, including deep rural areas. To ensure that the GPAA is in a position to respond and address the above, we have adopted the Modernisation Programme whose overall purpose is to improve service delivery in all facets of our business. The programme is in its second year and has started to yield positive results in terms of service delivery.

Notable success is the establishment of provincial offices which offer training and education to both employers and members on their respective roles and responsibilities to assist the GPAA to administer its business effectively. The provincial offices are providing access to service to pensioners and stakeholders in their localities. For the year under review, members were trained by our provincial office personnel, visits to employers were undertaken to train and educate them and in turn the offices were visited by members, pensioners and beneficiaries.

The other critical milestone the programme has delivered is the automatic life verification of pensioners living in South Africa through the electronic interface with the Department of Home Affairs. This has brought huge relief to pensioners who were required to submit Life Certificates to confirm

their existence annually. This automatic life verification does not, however, cater for pensioners living overseas.

Other areas of focus for the year under review include the retiring member campaign to ensure that those who are due for retirement are informed in advance and preparatory work starts early enough to enable employer departments to submit their documents in time, preferably three months in advance.

Another important project that the programme has started to implement gradually is the exit process automation. At year-end we had already started preparing a pilot of the automation of an employer interface, which aims to automate the electronic submission of exit benefit claims by employer departments.

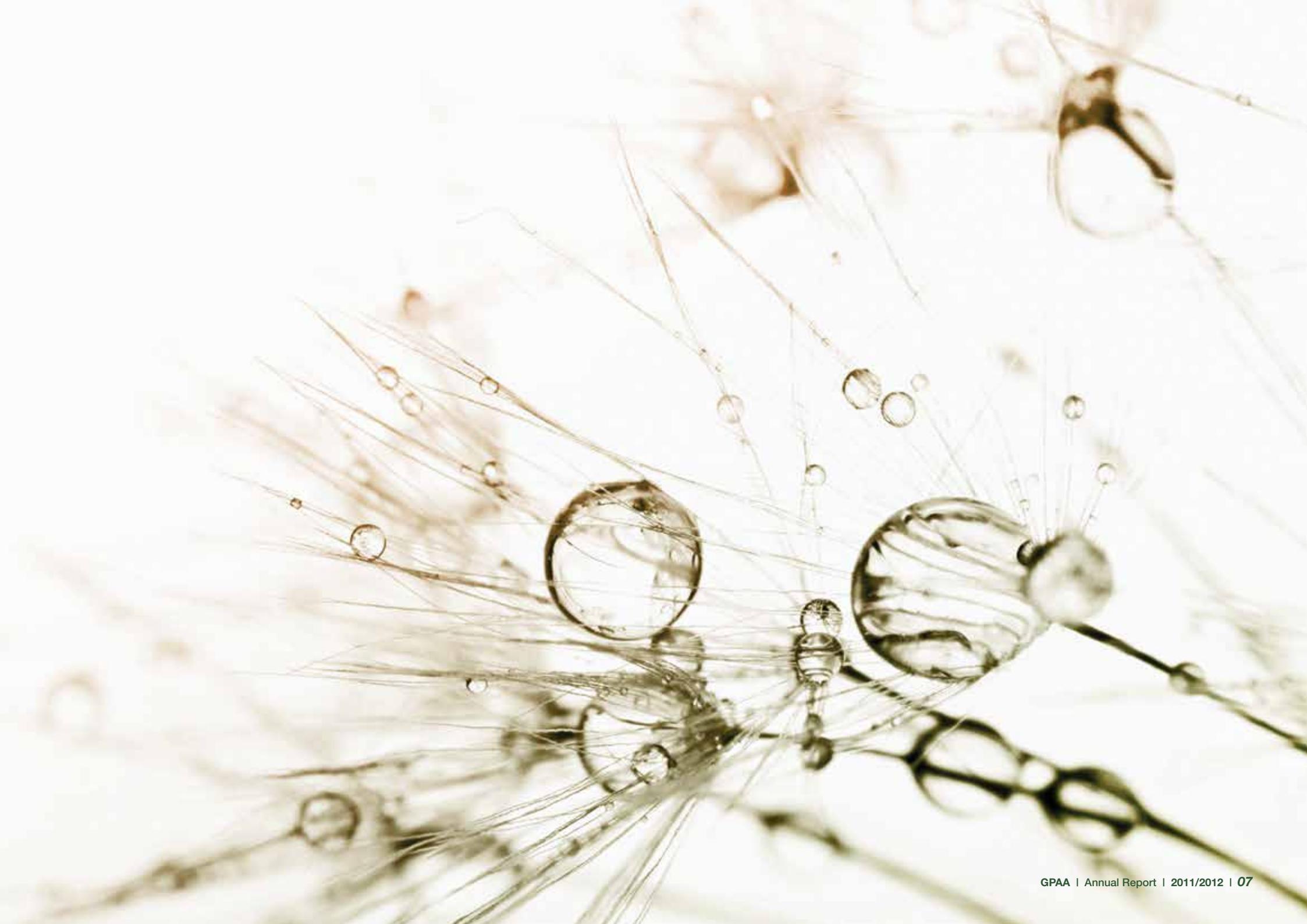
Other areas where performance has significantly improved is the reduction of benefit payment backlogs. At the end of the financial year there were less than 3,000 benefit payment backlogs. We do acknowledge that there are still pockets of challenges in the timely payment of exit benefits but are satisfied that significant progress has been made to address this challenge and, working together with employer departments, we can do even better. The challenge that requires serious attention going forward is the growing unclaimed benefit account. Plans are afoot to start tracing the beneficiaries of these unclaimed benefits so that they can benefit from their pensions.

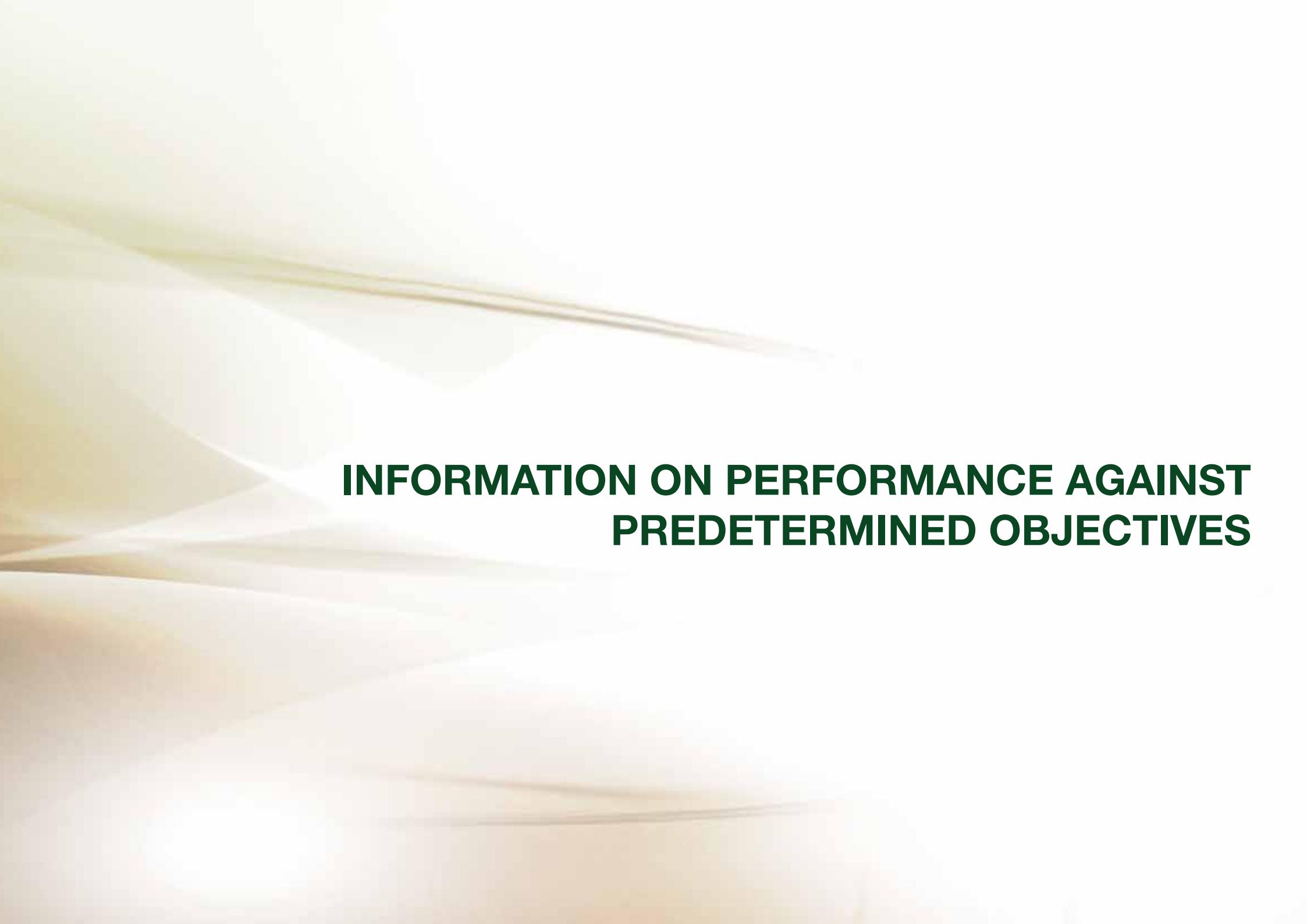
Our success lies in our partnership with employer departments to ensure that exit documents are correctly completed and submitted timeously. To this end, there has been remarkable co-operation but there is still room for improvement.

Finally, I believe that our members will benefit immensely from the Modernisation Programme once fully implemented.

A handwritten signature in black ink, appearing to read "Tjie".

Phenias Tjie
CEO





INFORMATION ON PERFORMANCE AGAINST PREDETERMINED OBJECTIVES

INFORMATION ON PERFORMANCE AGAINST PREDETERMINED OBJECTIVES

PREAMBLE

The GPAA was established in terms of section 7A (4) of the Public Service Act effective 1 April 2010.

It provides agency services to the Government Employees Pension Fund (GEPF) and National Treasury. The GPAA receives its funding from GEPF (93%) and National Treasury (7%). Due to the nature of its business and reporting requirements, exceptions in terms of financial and annual reporting (compared to the requirements of a government department) have been granted for 12 months as follows:

- The GPAA reports its annual financial statements according to Generally Recognised Accounting Practice (GRAP) applicable to public entities, instead of on a modified cash basis as is applicable to government departments.

2.1.1 BUDGETED FUNDS

The GPAA's total budget for the 2011/2012 financial year was R604 million. The budget was allocated to the following categories of expenditure:

- Compensation: 46%
- Goods and Services: 40%
- Capital Expenditure: 5%
- Modernisation Programme (SDIP): 8%

2.1.2 AIM OF VOTE

The aim of the budget vote is to provide administration services to both the National Treasury (Programme 7) and GEPF. The voted funds also allowed business units to implement service delivery improvements during the year under review in terms of service level agreements.

2.1.3 SUMMARY OF PROGRAMMES

Programme 1: Administration of National Treasury funds and schemes collectively provided for under Programme 7 of the National Treasury. This provides for the payment of non-contributory pensions to the beneficiaries of various public sector bodies in terms of different statutes, collective bargaining agreements and other commitments. Military Pensions (MP), Post-Retirement Medical Subsidy and Injury on Duty (IOD) payments are benefits administered under this programme. Military Pensions and IOD payments provide for the payment of military pension benefits and medical claims arising from treatment for disability, medical assistance devices and other related expenses, in terms of statutory commitments.

Programme 2: Administration of GEPF in terms of the Government Employees Pension (GEP) Law. The activities involved in this programme are: member admissions, contribution collection, member/pensioner/beneficiary maintenance, and benefit processing. Benefit processing covers benefit application, processing of all relevant forms and documentation, and finalising the benefit from the Fund.

Programme 3: Customer Relationship Management (CRM) is aimed at managing the relationships with all stakeholders – fund and scheme members as well as beneficiaries, third parties and employers – by providing high-quality and responsive client services based on the Batho Pele principles. The service channel operations, the Call and Walk-in Centres, ensure effective support of the interface between the GPAA and its client base through accepting, resolving and monitoring all service requests or queries made by clients. CRM also provides employer education and training through its regional and employer liaison sections. In addition, CRM oversees the document management process to support the GPAA's core process and business processes. This includes converting paper documents into electronic format and indexing, tracking and storing the documents.

Programme 4: Involves the organisation's auxiliary business units. These business units play a supporting role to the provision of primary services.

Sub-Programme 4.1 – The CEO's Office

The purpose of the CEO's Office, and the business units that fall within it, is to plan, direct and support the organisation to ensure that funds and schemes are administered according to the relevant legislation and service level agreements. This group of business units is therefore re-

sponsible for ensuring that the organisation is effectively managed in order to deliver services that meet or exceed the requirements of clients. Finally, the CEO's Office is responsible for the overall performance of the organisation.

Sub-Programme 4.2 – Finance

Finance manages the financial resources available to administer funds and schemes using best practice principles. In this regard, Finance ensures that financial policies are adhered to, financial recordkeeping is done according to an appropriate framework and sufficient cash flow levels are maintained for operational activities. It also prepares the financial statements for the organisation and for use by stakeholders.

Sub-Programme 4.3 – Corporate Services

The primary aim of Corporate Services is to support the GPAA in achieving its strategic goals, through the management, co-ordination and oversight of all management support and human resource services within the organisation. In working towards the realisation of these goals, Corporate Services ensures compliance with all legislative requirements for policy formulation and frameworks. It therefore works to provide a conducive environment for the employees of the organisation in order to promote optimum service delivery.

Sub-Programme 4.4 – Risk and Audit

Risk and Audit has three key responsibilities – to promote a fraud-free environment within the GPAA, to manage enterprise-wide risks and to provide an internal audit service within the organisation.

Sub-Programme 4.5 – Legal Services

The purpose of Legal Services is to provide an enterprise-wide legal service. As the GPAA is a service provider to both GEPF and National Treasury, Legal Services is responsible for providing legal support in all areas of operation for which the GPAA is responsible.

Sub-Programme 4.6 – Information and Communication Technology (ICT)

ICT directs and manages the organisation's ICT resources, including the data centre (servers and storage area network), wide and local area networks (WAN and LAN), applications, desktop equipment and databases. It therefore enables the organisation's operations and management as it provides the building blocks and the interoperability required to deliver on the GPAA's mandate.

ICT strives to provide leading-edge technology solutions and high-quality pension administration support services based on established best practice frameworks, models and standards. In this regard, it ensures the security and integrity of the organisation's ICT systems while maintaining a clear organisational chart that lays out the approved role-based access profiles for staff.

Programme 5: The programme is intended to execute the GPAA's Modernisation Transformation Roadmap. The Modernisation Programme is intended to elevate the GPAA's operational effectiveness and efficiency, stakeholder management and improved governance. It is envisaged that the

Modernisation Programme will extend over a five-year period commencing in 2011/12. The GPAA has partnered with the South African Revenue Service's (SARS) Enterprise Business Enablement Unit (EBE) to assist with the implementation of the Modernisation Programme.

2.1.4 KEY STRATEGIC OBJECTIVES: ACHIEVEMENTS

Activities of the financial year under review were guided by the medium-term strategy collectively called the Modernisation Programme.

The first year (2011/2012) was dedicated to the definition of a long-term modernisation strategy and the development of a competent modernisation delivery capability to support the GPAA's turnaround strategy. In the next two years (2012 to 2014), the GPAA will modernise its systems and improve its capability and accessibility.

For the period under review, the administration systems and processes used were still primarily manual. Primary processes like member and employer department interaction, as well as claim tracking, are still not automated. Pockets of optimisation across the benefit payment value chain were implemented during the 2011/2012 financial year.

Account on performance and extent of achievement will be made against the strategic objectives set by the GPAA for the medium term as follows:

OPERATIONAL EXCELLENCE

Benefit payments

Although the administration systems and processes were still primarily manual during the year under review, the GPAA managed to fulfil its mandate of paying benefits to the beneficiaries of the schemes under administration. The growth in number of beneficiaries paid across all schemes indicates the GPAA's commitment to meeting the service level agreements entered into with its two primary clients, GEPF and National Treasury's Programme 7.

GEPF commissioned a brand survey in 2011 to solicit a deeper understanding of its current brand reality among its key internal and external stakeholders. The outcome of the survey, published in June 2011, provided insight into member and pensioner perceptions relating to the GPAA's services rendered on behalf of GEPF.

The report indicated that more than 99% of the pensioners or beneficiaries interviewed receive their payouts regularly from the GPAA.

NUMBER OF BENEFIT PAYMENTS:

INDICATOR	2011/2012	2010/2011	
Number of beneficiaries paid due to withdrawal from GEPF	61,174	54,830	✓
Number of beneficiaries paid for funeral benefits	17,260	16,785	✓
Number of beneficiaries receiving the Post-retirement Medical Subsidy	79,000	74,728	✓
Number of beneficiaries receiving a Military Pension	5,274	5,685	✓
Number of beneficiaries receiving Injury on Duty payments	11,094	10,252	✓

TABLE 1.2 - NUMBER OF BENEFIT PAYMENTS

Benefit payment turnaround times

To meet GEPF and National Treasury Service Level Agreements (SLAs), the GPAA set minimum turnaround times to pay beneficiaries on receipt of duly completed documents from the employer departments. The GPAA's performance against the set targets is satisfactory.

BENEFIT PAYMENT TURNAROUND TIMES:

	TARGET	ACTUAL
GEPF – withdrawals from the Fund	30	38
Funeral benefits	4	4.7
Medical Benefit Administration	60	30
Injury on Duty	60	45
Military Pension	60	45

TABLE 1.3 - BENEFIT PAYMENT TURNAROUND TIMES

The speed and ease of dealing with benefit claims remains a focus area as it underpins client satisfaction. The upcoming Benefit Payment Automation (BPA) project of the Modernisation Programme will improve the claim processing turnaround times.

Reduction of benefit payment backlogs

The GPAA significantly reduced benefit payment backlogs for GEPF Post-retirement Medical Benefit in 2011/2012. This satisfactory performance is attributed to the team's accelerated focus to meet SLA requirements, and increase client satisfaction. The increase in Military Pension backlogs started during the 2010/2011 financial year and accelerated sharply in the 2011/2012 financial year. This increase is attributed to the extension of the Military Pension benefit to non-statutory force members who were previously excluded.

The GPAA secured the services of a Health Risk Management company, SOMA (Pty) Ltd, to assist with the medical assessment of new applications to ensure that benefits are paid to deserving applicants only.

	BASELINE 2010-2011	TARGET	ACTUAL 2011-2012	ACHIEVED
GEPF pensions	1,728	5% of baseline: 86	7% of baseline: 128	✓
Medical Benefit Administration	3,896	40% of baseline: 1,558	76% of baseline: 929	✓✓
Injury on Duty	436	40% of baseline: 174	445	✗
Military Pension	1,924	40% of baseline: 770	3,924	✗

✓ = achieved ✓✓= overachieved

TABLE 1.4 - REDUCTION OF BACKLOGS

Improvement of active member and pensioner experiences

Channel operations and query management

The GPAA's channel operations and query management capability is indispensable to realising customer satisfaction. GEPF's Brand Research Survey Report of 2011 recommended that the GPAA intensifies its customer service drive to enrich the member and pensioner experience.

Through the increased number of unconventional member education campaigns conducted in 2011/2012, the GPAA has enriched member, pensioner and beneficiary awareness of GEPF and National Treasury's product offerings, legislative amendments and the GPAA's channels. To this end, 21 community roadshows were conducted in seven provinces during the year under review.

Once empowered, members and potential beneficiaries contacted the GPAA in numbers, as is evidenced by the increase in channel interactions (as shown in the table below). The increased calls exceeded the current Call Centre capacity, resulting in a service level of 11% below target. The Walk-In Centres witnessed a 46% increase compared to the 2010/2011 amount. This is remarkable as it is in line with the GPAA's objective of servicing members in their local areas.

The 2011 GEPF brand research survey's "Walk-in Centre service assessment" indicates that 54.2% responded that the centres excelled and 26.5% responded that the service was good.

CHANNELS	2011/12	2010/11
Call Centre: Number of incoming calls	30	38
Call Centre: Service level percentage	4	4.7
Walk-in Centres: Number of interactions	60	30

TABLE 1.5 - CALL CENTRE AND WALK-IN CENTRE QUERY MANAGEMENT

As is shown in the above table, the query management targets were partly met for the year under review. The response time of 48 hours for 90% of the queries was exceeded as 96% of queries were responded to on first contact and resolved. However, the target of resolving 90% of the complaints within seven days was not met, as the GPAA managed to resolve only 76%.

Employer departments interface

The relationship between employer departments and the GPAA improved substantially in the year under review, with improved services by both parties. The improved collaboration resulted in the significant reduction of employer backlog cases from 3,013 in 2010/11 to 823 in 2011/2012. Approximately 81% of employer departments were serviced locally, 9% below the 90% target. This is attributed to the impact of Client Liaison Officers being deployed to employer departments, and the GPAA's commitment to educate and support employer departments.

For the year under review, the GPAA conducted 634 employer department HR training sessions (compared to 420 in 2010/11). In addition, 18 HR forums and 169 pre-retirement workshops were conducted to improve employer compliance to their responsibilities set out in the various scheme rules.

Modernisation Programme's e-Channel project, piloted in 2012 and planned for 2012/2013, will establish a foundation to automate the interface between the GPAA and employer departments and this relationship will be formalised.

This requirement was echoed by the sentiments expressed by some of the respondents in GEPF's Brand Survey Project for 2011. Some suggestions from respondents included:

- "Improve IT, it will make a difference."
- "Automate the employer and GEPF interface."

Governance

Governance is one of the key pillars of organisational health. To ensure that the GPAA adheres to norms and standards of good governance, policies to guide governance practices have been established and/or adopted.

The GPAA has adopted applicable legislation and policies to ensure that it operates within the realm of the law. Governance structures, such as Supply Chain Management, Risk and other related committees have been established to promote management efficacy.

Stakeholder and partner interaction

The GPAA's stakeholders are National Treasury, through the Director General of National Treasury, and GEPF through its Board of Trustees and its Principal Officer.

The relationship with both stakeholders is governed by an approved service level agreement. In addition, the relationship with GEPF is governed by an administration agreement for an initial period of five years. During the year under review, the GPAA met quarterly with its stakeholders to review its performance. In addition, these reports were tabled to the Board of Trustees and the National Treasury. A process of continuous improvement was in place to ensure that, during the financial year under review, the GPAA shows improvement in services rendered.

In the ensuing year the GPAA has, as part of its Modernisation Programme, identified the need for account managers whose sole responsibility will be to meet and service the stakeholders' needs. The account managers will be the direct interface between the GPAA and its stakeholders.

The partners who support the GPAA in the services it renders to its stakeholders include: employer departments, the Compensation Commission, the Department of Home Affairs, SARS, the Government Employees Medical Scheme (GEMS) and the Department of Military Veterans. The relationship between the GPAA and its partners is managed through the partners' direct request for services from GEPF or National Treasury.

The Department of Home Affairs provides direct support to manage personal particulars for GEPF's and National Treasury's clients. SARS has provided direct support with respect to the GPAA's modernisation activities.

Human capital management

The heartbeat of any organisation is generally determined by the state of its human capital. A good relationship between management and human capital goes a long way in bringing about labour peace, excellent morale and high productivity, and serving with pride and commitment.

A good and healthy working relationship between labour and management can be reflected by, among others things, a low absentee rate. The GPAA has, for instance, recorded an 83% attendance rate in the year under review as opposed to the previous year's 80%. This figure exceeded the target set out in the organisation's strategic plan. Labour/human resource reaction to the existing good labour relations is also reflected in the low turnover rate of employees, namely from the baseline of 5.62% to 5.89% for the year under review. The figure reflects a stable and somewhat satisfied labour force.

Another element contributing to the stability of the GPAA's employees lies in the area of training and development. A total of 188 bursaries were extended to our staff at a cost of R142 million and these have, directly or indirectly, influenced employees to build their future around the GPAA. These self-empowering educational and development programmes, e.g. two days' targeted training per employee, have earned the GPAA the loyalty and stability of its employees.

In addressing the historical employment imbalances and past discriminatory practices, the GPAA has developed and implemented a tailored Employment Equity Policy, which not only aims to appoint suitable candidates but also address historically inequitable employment practices without sacrificing talent, quality and good service.

Business support

ICT system uptime was maintained at 99.9% for the financial year under review, thus meeting the defined target. This figure is significant as the availability of secure and reliable ICT systems is critical to achieve organisational goals.

Planning at corporate, divisional and operational level is based on aligning all initiatives to the key

performance indicators through 20 elements of measure. The targets set at each level are aligned to the elements of measure. This Annual Report provides an assessment of progress made towards achievement of the set targets for the 2010/2011 financial year.

Progress against the 2011-2012 Modernisation Programme Roadmap

The period under review was dedicated to the definition of a long-term modernisation strategy, and the development of a competent modernisation delivery capability to support the GPAA turnaround strategy.

INITIATIVES	TARGETS	ACTUAL	COMMENTS
Process	Auto Life Verification (ALV)	<p>Implemented in October 2011</p> <p>Member life status is now verified automatically via third party data</p> <p>The monthly volume of Life Certificates printed reduced from an average of 35,000 to 400 per month</p> <p>This amounts to a cost saving of approximately R1.1m per annum</p>	<p>Pensioner customer satisfaction</p> <p>Will reduce Call Centre call volume once pensioners are well versed with the change</p>
	Improved member outreach and education	<p>Increased local footprint in rural areas through mobile offices in Limpopo: Burgersfort and Lephalale districts</p>	<p>Increase the ease and fairness of doing business with the GPAA by broadening the operating channels</p> <p>Mobile offices pilot successful – valuable input into the GPAA channel strategy</p>
	Retiring Member Campaign (RMC)	<p>Validate membership details of the people nearing retirement age</p> <p>Empower the retirees with options and process information</p> <p>Dedicated outbound team in collaboration with the Client Liaison Officers (CLOs)</p> <p>Increase the proportion of correct exit documentation submitted on time</p>	<p>Prior to the RMC, only employers were engaged</p> <p>RMC promotes member participation in its pension affairs</p>

INITIATIVES	TARGETS	ACTUAL	COMMENTS
	Exit Process Automation Business Process Management (BPM)	<p>High level design of Benefit Payment Automation (BPA) key processes completed</p> <p>e-Channel – automation of employer interface design and development completed</p>	<p>Benefit Payment Automation (BPA) key focus 2012-2014</p> <p>e-Channel First Phase includes the electronic submission of Z102 forms and supporting documentation from employers to the GPAA</p> <p>BPM partner secured: second quarter 2012-2013 to commence with key process standardisation</p>
Technical	<p>Finalise the GPAA's technical infrastructure</p> <p>Select a partner to deploy modernisation technical/process solution</p> <p>Implement a Management Information Systems (MIS) / Business Intelligence (BI) infrastructure</p> <p>Select workflow engine</p>	<p>Not achieved</p> <p>Considerable time was devoted to determining the appropriate procurement strategy and scoping the requirements</p>	<p>Technical architecture design to be finalised between September 2012 and 2013</p> <p>It will inform the required technology choices and support the new operating model</p> <p>Technical design acceptance and procurement: March 2013</p>
People	Programme 5 capacitation	<p>Appointment of programme manager: May 2011</p> <p>Formal MOU with SARS affording the GPAA's process engineering capability and future resources: August 2011</p> <p>Secondment of the GPAA's resources to the design, people and change management streams</p> <p>Targeted training interventions, such as the SARS Lean course, Six Sigma, BPM and business analysis, and change management were afforded to the seconded employees</p> <p>Development of placement protocol to regulate staff movements as a result of process improvements</p> <p>The document is awaiting formal adoption by organised labour</p>	<p>Human capital management partner 2012 - 2013</p> <p>People management transitional plan and new organisational structure</p> <p>Conducive working environment: facilities strategy and space planning</p> <p>Client Liaison Officers optimisation in line with the deployment of e-Channel</p>

INITIATIVES	TARGETS	ACTUAL	COMMENTS
	Effective communication and change management	<p>A Change Management Forum (CMF) was established comprising representatives from all business units and organised labour</p> <p>The CMF-dedicated email and telephone channel affords the staff a centralised point to raise all modernisation enquiries</p> <p>The modernisation launch was held at the Pretoria Show Grounds on 30 September 2011 where the modernisation blueprint was shared with all staff</p> <p>CEO and the modernisation team shared the modernisation blueprint with the 13 regional offices</p>	<p>The implementation of the adopted modernisation roadmap will require an ongoing change management intervention to harmonise the transition</p>

TABLE 1.6 - MODERNISATION PROGRAMME PROGRESS

2.1.5 OVERVIEW OF THE ORGANISATIONAL AND SERVICE DELIVERY ENVIRONMENTS FOR 2011/2012

The GPAA's strategic planning has been done in order to address the gaps experienced during the 2010/2011 financial year. The organisational environment is characterised by the following key factors that impact on its ability to be agile and responsive:

- Improved service delivery demands:

The GPAA's customers can be divided into two types, the older generation (predominantly pensioners) who depend on written material (paper) and the younger generation (predominantly active members) who rely on written electronic material. The organisation is currently poised to serve the older generation with more ease than the electronic generation, as its services are offered through two channels, namely its Call and Walk-in Centres. Both of these channels, however, serve as collection and information points. This is significant as the electronic generation demands change and growth in technology channels.

- Legislative changes:

Legislative amendments have a direct impact on the processes and procedures involved in administering the funds and schemes managed by the GPAA, as well as the service provision to clients. The business of the GPAA is further impacted by agreements reached in the Public Services Co-ordinating Bargaining Council (PSCBC). Part of the role of the GPAA is to provide input and participate in law, fund and scheme rule amendments that enable the GPAA to plan better to implement these amendments and change the legislative environment.

- Governance and compliance:

In order to function at the best possible levels, the GPAA follows best practice corporate governance principles. Over and above the governance measures put in place to keep on par with private sector pension administrators, the GPAA, as a government component, is required to follow all applicable legislative and government management policies, such as the Public Finance Management Act (PFMA) and Public Services Act (PSA). With regards to fund and scheme requirements by secondary clients (such as employer departments), the GPAA relies on voluntary compliance. To this end, the compliance culture of the employer departments is not yet optimal. More time will be spent with employer departments to improve this situation.

- Organisational maturity:

The GPAA is a fairly newly established government component whose role is to provide administration services to funds and schemes. It has a captive market which is prescribed by legislation. Effective service delivery is constrained by out-dated technology, paper-based processes and staffing focused on repetitive bulk processing activities rather than on value-adding activities. In order to meet its service delivery obligations, the GPAA is implementing a transformation initiative that will align the organisation's structure, working environment and processes to the needs of its clients.

2.1.6 KEY POLICY DEVELOPMENTS AND LEGISLATIVE CHANGES

During the 2011/2012 financial year the Government Employees Pension (GEP) Law, 1996, and certain rules were amended. The amendment to the GEP Law related primarily to the introduction of the clean break principle into GEPF in order to align it with private sector pension funds in respect of divorce matters.

To this end, a new Section 24A was inserted into the GEP Law, which will, in future, allow former spouses of members of GEPF, who are entitled to a portion of the member's pension interest, to be paid shortly after divorce. The amendment to implement and operationalise the clean break principle, required to the rules of GEPF, will become effective in the 2012/2013 financial year.

In the past, the portion of a member's pension benefit payable to a former spouse as part of a divorce settlement was only paid when the member spouse left the Fund. With the new rule amendment, former spouses will now be able to receive their share of the pension interest soon after the divorce has been completed, either in cash or as a transfer to the pension fund of their choice.

GEPF's rules were also amended in July 2011 to give effect to Cabinet's resolution of 2010 to revise the Non-Statutory Forces (NSF) dispensation. The NSF dispensation was initially introduced to allow for parity in pension benefits between the integrated Statutory Forces (SF) and the NSF. However, the original dispensation contained conditions that created disparity between former SF and NSF members' pension benefits.



The revised dispensation and amended rules of GEPF now allow for the following:

- Abolishing the need for former NSF members to contribute to funding NSF recognition;
- Recognising the full period of NSF service for members who qualify, irrespective of the number of years of service; and
- Allowing former NSF members whose service is recognised to retain the Special Pension benefits they were entitled to up to the date of exiting GEPF.

In the PSCBC it was resolved that members of GEPF should be provided with an option to purchase additional pensionable service in GEPF that is cost neutral to both GEPF and the employer. As a result the rules of GEPF relating to Purchase of Service were amended to allow for a new formula to be implemented where members apply to purchase service of a period which is not pensionable service. The new formula became effective on 1 July 2011.

The systems and procedures of the GPAA had to be adjusted to allow for, and support, the aforementioned legislative changes, and to improve the services it offers active members, pensioners and beneficiaries.



DEPARTMENTAL REVENUE, EXPENDITURE AND OTHER SPECIFIC TOPICS

DEPARTMENTAL REVENUE, EXPENDITURE AND OTHER SPECIFIC TOPICS

3.1.1 DEPARTMENTAL EXPENDITURE

The GPAA receives 93% of its revenue from GEPF and 7% from National Treasury.

3.1.2 EXPENDITURE ANALYSIS

DESCRIPTION	YEAR-TO-DATE 2011/12			
	Budget	Expenditure	Variance	%
ECONOMIC CLASSIFICATION	R'000	R'000	R'000	%
COMPENSATION OF EMPLOYEES	279,259	272,334	6,925	2%
GOODS AND SERVICES	244,441	196,485	47,956	20%
Advertising and promotion	13,844	15,862	-2,019	-15%*
Audit fees	2,750	3,171	-421.5	-15%
Computer services	75,681	79,143	-3,463	-5%
Consulting and professional services	31,156	17,611	13,545	43%*
Leases	11,492	8,253	3,239	28%
Personnel agency fees	7,365	2,607	4758	65%*
Repairs, cleaning and maintenance	23,050	8,075	14,975	65%*
Stationery, consumables, printing and publications	22,714	11,775	10,939	48%*
Telecommunications	23,216	24,485	-1,269	-5%
Travel and subsistence	10,584	9,741	843	8%*
Training and workshops	11,296	10,283	1013	9%*
Other expenses	11,295	5,479	5,816	51%*
CAPITAL EXPENDITURE	31,300	6,488	24,812	79%
SUB-TOTAL	554,999	475,307	79,692	14%
Modernisation Programme	49,003	6,764	42,239	86%
TOTAL	604,002	482,071	121,931	20%

*Actual expenditure line items do not agree to the Statement of Financial Performance due to Modernisation Programme expenditure shown separately on the expenditure analysis.

TABLE 1.7 - GPAA EXPENDITURE

3.1.3 OVERALL PERFORMANCE

Expenditure for the year under review was 86% (R475.3 million) against the projected budget of R555 million excluding the Modernisation Programme, 80% (R482.1 million) of the projected budget of R604 million, including the Modernisation Programme.

3.2 CAPITAL INVESTMENT, MAINTENANCE AND ASSET MANAGEMENT PLANS

3.2.1 ASSET MANAGEMENT PLAN

The GPAA has an Asset Unit that falls under the Administration Finance section. This section of the organisation is responsible for:

- Receiving assets with the asset owner;
- Registering them into the asset register;
- Maintaining the asset register;
- Verifying assets at least twice per annum;
- Disposing of assets via the Assets Committee; and
- Performing capital budgeting.

Through this process the GPAA is able to effectively manage its assets.

3.2.2 MAINTENANCE

DESCRIPTION	VALUE
Maintenance of office equipment	1,132,117
Maintenance and repairs to audio visual equipment	2,229
Maintenance and repairs to telecommunication equipment	198,563
Maintenance of computer software	51,456,571
Maintenance of computer equipment	575,047
Maintenance of buildings	4,641,587
TOTAL	58,006,114

TABLE 1.8 - MAINTENANCE

3.2.3 MAINTENANCE ANALYSIS

During the year under review, office equipment was maintained for approximately 1,000 staff members at Head Office and the 13 regional offices. Along with this, biometric and security system scanners were installed and maintained on a separate secure computer network.

The cost of vehicle repairs on the 14 GPAA vehicles was relatively low for the period due to the existence of maintenance plans on the latest models.

3.2.4 HEAD OFFICE BUILDING

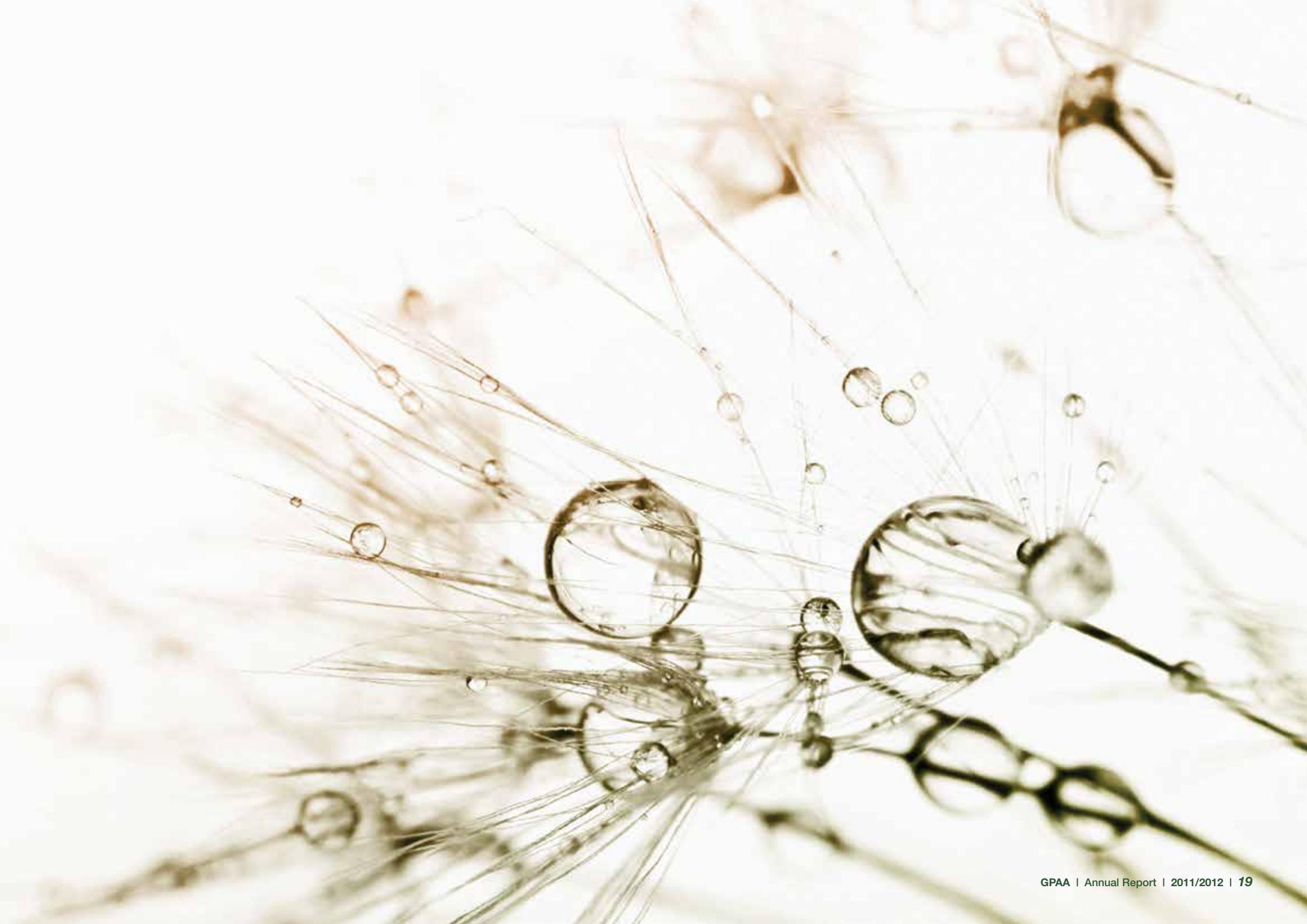
Despite the strides made in the human capital arena, the building housing the GPAA's staff has been a sore point for management and staff. The ageing state of the building, apart from being declared a heritage building, has become a challenge to management and a source of frustration for staff. Erected several decades ago for a purpose other than pension administration, the building has become a challenge in terms of office space, maintenance, high cost of repairs (pipes, plumbing, drainage system, etc.) and a lack of adequate and appropriate ablution facilities.

The infrastructure challenges relate specifically to the following:

- Insufficient parking facilities: With a stabilised staff environment and the GPAA's attraction of middle- to higher-class graduates, who generally do not use public transport, the parking shortage has grown from a shortage of just 20 bays in 2009 to 150 in 2011, an amount expected to reach 180 by the end of 2012.
- Remote location of the building poses a serious challenge to clients, especially the elderly and disabled pensioners.
- The general state of the building is a health hazard and, in particular, is in violation and contravention of the following legislation:
 - The Government Immovable Assets Management Act 19 of 2007
 - The Occupational Health and Safety Act 85 of 1993
 - The Public Finance and Management Act
 - Space Planning Norms of Standards – Notice 1665 of 2005

In mitigation of the risks posed by the state of disrepair of the building, management focused on clients' needs by renovating customer-facing areas such as the Walk-in Centre and upgrading the security area to ensure the comfort and safety of members, pensioners, beneficiaries and staff.

In pursuance of these efforts, management continued to look at other solutions to the ever-growing challenges posed by the Head Office building, such as leasing, constructing a new building or even re-distributing non-core staff to other buildings.



THE GPAA'S CORPORATE PERFORMANCE

THE GPAA'S CORPORATE PERFORMANCE

THE GPAA'S CORPORATE SCORECARD

The Corporate Performance Report includes four of the GPAA's programmes, namely:

- Programme 1 – Civil Pensions – National Treasury
- Programme 2 – Employee Benefits – GEPF
- Programme 3 – Customer Relationship Management – GEPF/National Treasury
- Programme 4 – Auxiliary Sub-Programmes

The performance of the Modernisation Programme is incorporated into the programme scorecards, as the Modernisation Programme was not integrated as a separate programme in the strategy for the year under review.

Performance is related to the five goals, the key performance area and corporate-specific indicators measured against an annual target versus the actual performance as tabulated.

FIVE GPAA STRATEGIC GOALS	GPAA OBJECTIVES	KEY PERFORMANCE INDICATORS (KPIs)	ELEMENTS OF THE KEY PERFORMANCE INDICATOR USED FOR MEASURING (indicator/measure)	EXPECTED RESULTS (outputs, outcomes, impacts)	BASELINE 2010/11	ACTUAL ACHIEVEMENT AGAINST TARGET		UNDER/ OVERACHIEVEMENT COMMENT
						TARGET	ACHIEVEMENT	
1 SATISFIED CLIENTS	Objective 1 To increase the level of client satisfaction through operational excellence	A Customer Satisfaction Index Rating	1) Timous and accurate payments of exit benefits	a) Paid exit benefits within 60 days of the exit date	544 days	Within 60 days	599 days inclusive of cases older than 365 days	Delays by employers in submitting exit documents and the time taken to correct and return duly completed documents (some cases are older than 365 days – 1,006) Various initiatives the GPAA has embarked on to continually liaise with various stakeholders
			2) Improvement of active members' experience through service channel accessibility and responsiveness	b) Paid exit benefits within 45 days upon receipt of correctly completed documents	49 days	Within 45 days	38 days	
				c) Response to clients	80% of queries resolved on first contact	<48 hours	96% of queries resolved on first contact, i.e. within 48 hours	The majority of queries were responded to and resolved in less than 48 hours
				d) Complaint resolved	90% of complaints resolved within seven days	Seven working days	74% of complaints resolved within seven working days	The majority of complaints were resolved within seven working days due to various initiatives

FIVE GPAA STRATEGIC GOALS	GPAA OBJECTIVES	KEY PERFORMANCE INDICATORS (KPIs)	ELEMENTS OF THE KEY PERFORMANCE INDICATOR USED FOR MEASURING (Indicator/measure)	EXPECTED RESULTS (outputs, outcomes, impacts)	BASELINE 2010/11	ACTUAL ACHIEVEMENT AGAINST TARGET		UNDER/ OVERACHIEVEMENT COMMENT
						TARGET	ACHIEVEMENT	
2 REALISING ENABLING TECHNOLOGY	Objective 2 To enhance service delivery through enabling technology and well-documented processes in such a way that the results can be measured, monitored, and evaluated within a specific timeframe	B Capability Index Rating		e) Employers serviced at local contact point/ office	97% of all employers visited	90% serviced in their region	81% of employers serviced in their regions	Inadequate capacity at regional offices
				f) Members serviced at local contact point/ office	5%	90% serviced in their region	43% serviced in their regions	The GPAA allowed clients to be serviced at various contact centres other than their "own" local contact point
				g) Call Centre response	92%	90% service on customer demand/ on service level	79% service on customer demand/ on service level	Call Centre technology is outdated and does not cope with the demands of the clients
				3) Reducing backlogs	h) Paid backlog cases (less than 60 days)	1,728	Reduce backlog cases (>60 days) to 5% of baseline – to 86 cases	Reduced backlogs to 128 cases (7% of baseline)
				4) Review of key processes	i) Modernisation Programme – design stream	No baseline	End-to-end exit benefit review	Business Process Management (BPM) tender successfully advertised (awaiting evaluation)
				5) Deploy applicable technology to automate key processes	j) Modernisation Programme – technology stream	No baseline	Determine technological options to enable the new model	Service provider appointment delayed
				6) Institute Modernisation delivery capability	k) Modernisation Programme – people stream	No baseline	Reallocate resources to value-adding processes	Resources were allocated to various projects according to need throughout the financial year
				7) Strategic management	l) Key business goals – corporate scorecard	No baseline	Alignment with business-as-usual and the modernisation output	The GPAA prioritised modernisation through strategic management

FIVE GPAA STRATEGIC GOALS	GPAA OBJECTIVES	KEY PERFORMANCE INDICATORS (KPIs)	ELEMENTS OF THE KEY PERFORMANCE INDICATOR USED FOR MEASURING (Indicator/measure)	EXPECTED RESULTS (outputs, outcomes, impacts)	BASELINE 2010/11	ACTUAL ACHIEVEMENT AGAINST TARGET		UNDER/ OVERACHIEVEMENT COMMENT
						TARGET	ACHIEVEMENT	
3 MUTUALLY BENEFICIAL RELATIONSHIPS WITH STAKEHOLDERS	Objective 3 To have an efficient corporate governance and financial management framework	C Customer Satisfaction Index Rating	8) External audit rating	m) Compliant organisation	Unqualified external audit with no matters of emphasis	Unqualified external audit with no matters of emphasis	Unqualified audit opinion	Achieved due to prioritising compliance in the organisation
			9) Internal audit rating	n) Positive internal audit rating	No baseline	Positive internal audit rating	Positive internal audit rating	Achieved due to diligence paid to risk-related internal controls
			10) Stakeholder complaints resolution turnaround time	o) Response to stakeholders	No baseline	<48 hours	Public Protector and Ministerial enquiries responded to within 48 hours	Achieved due to dedicated resources allocated to stakeholder complaints
			11) Performance against Service Level Agreements (SLA)	p) Partnership with stakeholders	No baseline	90% implemented SLAs with employers	Not yet signed	SLAs not signed due to external dependencies
			12) Timely submission of Annual Report	q) Approved Annual Report	No baseline	Delivered by 30 September	Annual Report submitted on time	The GPAA tries hard to comply with governance deadlines
			13) Budget	r) Quarterly variance reports	17% variance	+/-2% variance	27% variance	Moratorium on filling funded vacant positions Modernisation projects are planned to be implemented in the 2012/2013 financial year and so is the budget
			14) Performance against SLA	s) Compliance with Fund service levels	Approximately 90% achievement of SLA	80% achievement of GEPF SLA	67% achievement of SLA	Some service levels need attention and discussions are underway to ensure all requirements are achieved
				t) Compliance with National Treasury service levels	Approximately 95% achievement of SLA	80% achievement of National Treasury SLA	96% achievement of SLA	The targets were exceeded due to priority given to service areas

FIVE GPAA STRATEGIC GOALS	GPAA OBJECTIVES	KEY PERFORMANCE INDICATORS (KPIs)	ELEMENTS OF THE KEY PERFORMANCE INDICATOR USED FOR MEASURING (Indicator/measure)	EXPECTED RESULTS (outputs, outcomes, impacts)	BASELINE 2010/11	ACTUAL ACHIEVEMENT AGAINST TARGET		UNDER/ OVERACHIEVEMENT COMMENT
						TARGET	ACHIEVEMENT	
4 STRATEGIC PARTNERSHIPS WITH EMPLOYER COMMUNITIES			15) Enterprise-wide risk rating (Risk Register -Top 18)	u) Mitigated risk	No baseline	80% risk mitigated and managed	83% of the risks were managed There were 35 action plans of which 14 (40%) were implemented, 16 (46%) were partly implemented and five (14%) were not implemented The following enterprise-wide risks were fully mitigated: 1. Inappropriate form of entity to deliver on the mandate 2. Inability to meet 100% of SLA requirements 3. Reliance on outsourced service providers 4. Overlaps between parallel processes between the GPAA, GEPF and National Treasury's Programme 7 5. Fraud and corruption 6. Resistance to change	Although some of the risks were managed, only 14% of the planned actions could not be implemented due to various (including external) dependencies, as well as the nature of the actions (some of which are projects) taking place over an extended period of time
5 ADMINISTRATIVE OBLIGATIONS MET WITH SPEED, EASE AND ACCURACY	Objective 4 To develop core skills and human capabilities to deliver professional and efficient administration services	D Employee Satisfaction Index Rating	16) Offering targeted training	v) Competent Staff Training days per person per annum as per personal development plan	2.5 days' training per employee	Five days specialised training per annum per employee (training days per person per annum as per personal development plan)	2.2 days' training per employee	The target has not been achieved due to the need to balance training and productivity

FIVE GPAA STRATEGIC GOALS	GPAA OBJECTIVES	KEY PERFORMANCE INDICATORS (KPIs)	ELEMENTS OF THE KEY PERFORMANCE INDICATOR USED FOR MEASURING (Indicator/measure)	EXPECTED RESULTS (outputs, outcomes, impacts)	BASELINE 2010/11	ACTUAL ACHIEVEMENT AGAINST TARGET		UNDER/ OVERACHIEVEMENT COMMENT
						TARGET	ACHIEVEMENT	
			17) Transform the organisational culture	w) Change management and communication	No baseline	Appoint lacking SMS members	Key SMS positions identified and filling approved by the minister	The appointment of senior managers could not be done without identifying key areas, which was finalised at the end of the financial year
			18) Building and maintaining a conducive working environment	x) Appropriate organisational structure	No baseline	Stable work environment Improve office accommodation	Task team appointed to investigate and propose new and separate office space options to EXCO	Achieved due to prioritisation of this area The task team was appointed in March 2012
			19) Conducting employee wellness programmes	y) Mandatory wellness calendar events	No baseline	Wellness surveys and analysis informing calendar events	Various wellness initiatives conducted	Achieved

TABLE 2.1 - GPAA'S CORPORATE SCORECARD

MEASURABLE OBJECTIVES AND MEDIUM-TERM OUTPUT TARGETS

4.2.1 GPAA PROGRAMME 1: CIVIL AND MILITARY PENSIONS, CONTRIBUTIONS TO FUNDS AND OTHER BENEFITS

4.2 PROGRAMME PERFORMANCE

Operations

Operations manages four of the five of the GPAA's programmes, namely:

- Programme 1: Civil and Military Pensions, contributions to funds and other benefits;
- Programme 2: Employee Benefits – Government Employees Pension Fund (GEPF);
- Programme 3: Customer Relationship Management (CRM);
- Programme 5: Modernisation.

Purpose:

Operations manages member admission, contribution collection, member maintenance and exit payments. These key processes ensure the accurate and timely payment of benefits to members and beneficiaries and high-quality, responsive client services. In order to meet client expectations, the GPAA operates through a network of regional offices in all provinces, including regional and satellite office networks.

Measurable objectives:

- To ensure accurate and timely benefit payments to members and beneficiaries;
- To provide high-quality responsive client services.

FIVE GPAA STRATEGIC GOALS	GPAA OBJECTIVES	KEY PERFORMANCE INDICATORS (KPIs)	ELEMENTS OF THE KEY PERFORMANCE INDICATOR USED FOR MEASURING (indicator/measure)	EXPECTED RESULTS (outputs, outcomes, impacts)	BASELINE 2010/11	ACTUAL ACHIEVEMENT AGAINST TARGET		UNDER/ OVERACHIEVEMENT COMMENT
						TARGET	ACHIEVEMENT	
1 SATISFIED CLIENTS	Objective 1 To increase the level of client satisfaction through operational excellence	A Customer Satisfaction Index Rating	1) Timely and accurate payments of pension benefits	a) Paid exit benefits within 60 days of the exit date b) Paid exit benefits within 45 days upon receipt of correctly completed documents	Medical Benefits Administration (MBA): Paid subsidy benefits within 30 days from the date correct subsidy claim was received	Pay subsidy cases within 60 days after exit	30 days	Improved turnaround time by 100% overachievement
						Military Pensions (MP): Pensions: 60 days; new medical board cases: six months; reviewed cases: three months	Pay pension cases within 60 days after exit	
						Injury on Duty (IOD): Awards paid within 45 days	Pay awards cases within 60 days after exit	

FIVE GPAA STRATEGIC GOALS	GPAA OBJECTIVES	KEY PERFORMANCE INDICATORS (KPIs)	ELEMENTS OF THE KEY PERFORMANCE INDICATOR USED FOR MEASURING (indicator/measure)	EXPECTED RESULTS (outputs, outcomes, impacts)	BASELINE 2010/11	ACTUAL ACHIEVEMENT AGAINST TARGET		UNDER/ OVERACHIEVEMENT COMMENT
						TARGET	ACHIEVEMENT	
				Special Pensions (SP) – Funeral Benefits: within Programme 7 only applicable to special pensions Approved cases paid within 60 days Secondary benefits paid within 60 days		Pay exit cases within 60 days after exit Pay exit cases within 60 days after exit Pay exit cases within 60 days after exit	100% of funeral benefits paid within 48 hours 84% of benefits paid within 60 days from approval date 85% payments made within 60 days with exception of funeral benefits	Overachievement on payment of funeral benefits Achieved Achieved
						< 48 hours Two-day turnaround time Response within three days < 48 hours	<Two days Maintaining the three-day response time with ongoing efforts Client queries are acknowledged and responded to within three working days, with ongoing efforts	Maintained targeted performance requirement Maintaining the three-day response time with ongoing efforts Improved performance and overachieved
			2) Improvement of active members' experience through service channel accessibility and responsiveness	c) Response to clients	MBA: <Two days MP: <Two days IOD: Response to clients within three days SP: Two working days		On average two working days Three-day turnaround time Response within three days Within three working days	Maintaining the three-day resolution of complaints with ongoing effort Client complaints are acknowledged and resolved within three days, with ongoing efforts
				d) Complaint resolved				

FIVE GPAA STRATEGIC GOALS	GPAA OBJECTIVES	KEY PERFORMANCE INDICATORS (KPIs)	ELEMENTS OF THE KEY PERFORMANCE INDICATOR USED FOR MEASURING (indicator/measure)	EXPECTED RESULTS (outputs, outcomes, impacts)	BASELINE 2010/11	ACTUAL ACHIEVEMENT AGAINST TARGET		UNDER/ OVERACHIEVEMENT COMMENT
						TARGET	ACHIEVEMENT	
				e) Employers serviced at local contact point/ office	MBA: 40% of applications received from employers at regional offices MP: 10% of known cases had access to offices IOD: 54% of employers use local service point SP: 100% of political organisations use local access points	95% serviced in regions	Still using error letters to obtain information from members	Achieved access as per Service Level Agreement (SLA)
						95% serviced in regions	10% access available in 9 provinces	Other regions will be trained in IOD during 2012/2013
				MP: 10% of known cases had access to GEPF offices IOD: 60% of members use local service points SP: 100% of political organisations use local access points	95% serviced in regions 95% serviced in regions 95% serviced in regions	Successfully maintained at 54%	Already trained six regional offices and head office out of 13 offices	Decentralisation of verification through the appointment of regional co-ordinators yielded positive and sound stakeholder relationship at local level
						Successfully maintained at 100%	Only 10% access by Military Veterans (MVA) and other organisations	Other regions will be trained during the 2012/2013 financial year
						95% serviced in regions	10% access available in nine provinces	Decentralisation of verification through appointment of regional co-ordinators yielded positive and sound stakeholder relationships at local level

FIVE GPAA STRATEGIC GOALS	GPAA OBJECTIVES	KEY PERFORMANCE INDICATORS (KPIs)	ELEMENTS OF THE KEY PERFORMANCE INDICATOR USED FOR MEASURING (indicator/measure)	EXPECTED RESULTS (outputs, outcomes, impacts)	BASELINE 2010/11	ACTUAL ACHIEVEMENT AGAINST TARGET		UNDER/ OVERACHIEVEMENT COMMENT
						TARGET	ACHIEVEMENT	
			3) Reducing backlog	f) Paid backlog cases (less than 60 days)	MBA: Total on hand 1 April 2011: Z583: 2,298 Error Cases: Total on hand 1 April 2011 – 1,598 included in the on-hand cases of 3,896 MP: Total on hand 1 April 2011: 1,924 1,330 invoices SP: 7,654 – 144 over 35 applications; 7,464 under 35 applications on hand 76 appeal cases on hand	40% backlog reduction (1,558) 40% backlog reduction (651) 40% backlog reduction(770) 40% backlog reduction (532) 40% backlog reduction (3,062) 40% backlog reduction (30)	100% achievement of backlog. Received for the year 2011/12: Z583: 22,175 Finalised for the year 2011/12: Z583: 24,982 Total on hand 1 April 2012: Z583: 929 100% achievement Error cases on hand 1 April 2012: Z583: 350 included in the on-hand cases of 929 Target not reached Applications on hand: 3,924 of which Medical Boards equal 351 Verifications 261; Cape Corps 871; Other 2,441 100% achievement. Medical Account: 0 backlog Backlog reduced by 96% Current backlog is 275 applications 100% achievement Appeal backlog has been reduced to zero, appeal is working on current cases (815)	Achieved due to staff training and performance targets monitoring Achieved due to staff training and performance targets monitoring Medical boards in process Cases not listed with DMV These cases will be referred to Soma after we have received a new application form Consist of cases that were received without full docs (error cases) Admin 1 must be dispatched to these cases Overachieved due to staff training and reaching performance targets Overachieved due to staff training and performance targets

FIVE GPAA STRATEGIC GOALS	GPAA OBJECTIVES	KEY PERFORMANCE INDICATORS (KPIs)	ELEMENTS OF THE KEY PERFORMANCE INDICATOR USED FOR MEASURING (indicator/measure)	EXPECTED RESULTS (outputs, outcomes, impacts)	BASELINE 2010/11	ACTUAL ACHIEVEMENT AGAINST TARGET		UNDER/ OVERACHIEVEMENT COMMENT
						TARGET	ACHIEVEMENT	
3 MUTUALLY BENEFICIAL RELATIONSHIPS WITH STAKEHOLDERS	Objective 3 To have an efficient corporate governance and financial management framework	C Stakeholder Satisfaction Index Rating	4) External audit rating	g) Compliant organisation	All sections: unqualified	Unqualified	External audit has been performed but the final report is not yet published	Resolved 95% of all internal audit queries in 2011/12
			5) Internal audit rating	h) Positive internal audit rating	All sections: medium	Low internal control audit rating	Implementing internal audit requirements on all the findings	
			6) Stakeholder complaints resolution turnaround time	i) Response to stakeholders	MBA: Two days MP: Two days IOD: Seven days SP: 90% of response is within three days	Within two working days Within two working days Within two working days Within two working days	One day Two days Within two working days Fully achieved	Overachieved Maintained target Target not achieved Overachieved
			7) Performance against SLA	j) Partnership with stakeholders	MBA: Two days Military Pensions: Three days IOD: Seven days SP: 80% closed within 7 days	Within two working days Within two working days Within two working days Within two working days	Two days Within two working days Within two working days 95% fully achieved with complaints resolved within an average of two days	Maintained target Achieved target
			8) Timely submission of Annual Report	k) Approved Annual Report	All sections: Meet National Treasury deadlines in the provision of input in preparation of annual report	On-time submission of annual report as per National Treasury deadlines	Deadline met in providing the inputs	Achieved our targeted deadlines
			9) Budget	l) Quarterly variance reports	All sections: 5% budget variance monthly	+/- 5% variance monthly	7% variance	Target achieved but overspending through previous carried-over invoices
4 STRATEGIC PARTNERSHIPS WITH EMPLOYER COMMUNITIES								

FIVE GPAA STRATEGIC GOALS	GPAA OBJECTIVES	KEY PERFORMANCE INDICATORS (KPIs)	ELEMENTS OF THE KEY PERFORMANCE INDICATOR USED FOR MEASURING (indicator/measure)	EXPECTED RESULTS (outputs, outcomes, impacts)	BASELINE 2010/11	ACTUAL ACHIEVEMENT AGAINST TARGET		UNDER/ OVERACHIEVEMENT COMMENT
						TARGET	ACHIEVEMENT	
5 ADMINISTRATIVE OBLIGATIONS MET WITH SPEED, EASE AND ACCURACY	Objective 4 To develop core skills and human capabilities to deliver professional and efficient administration services	D Employee Satisfaction Index Rating	10) Performance against SLA	m) Compliance with National Treasury service levels	All sections: No National Treasury service levels	Approved SLA in place	SLA signed and approved	97% achievement in NT SLA
			11) Enterprise-wide risk rating (Risk Register –Top 18)	n) Mitigated risk	All sections: Risk register in place; Medium risk rating	Low risk rating	Medium risk rating	Maintained baseline target
			12) Offering targeted training	o) Competent staff Training days per person per annum as per personal development plan	MBA: Four days during 2011-12 MP: Four days during 2010-11 IOD: Two days during 2010/11 SP: Two training days per employee per annum	Five days' specialised training/annum/employee Five days Five days Five days	3.17 days training per person per annum 21 days training per 14 staff members One day per person per annum Two days' training per person per annum	Achieved target Achieved target Achieved target Achieved target
			13) Conducting employee wellness programmes	p) Mandatory wellness calendar events	No measured baseline	60% of staff to attend wellness events	Staff of various business units attended wellness events – not meeting the required target of 60%	Unable to meet the 60% target due to production requirements

TABLE 2.2 - GPAA'S PROGRAMME 1 SCORECARD

4.2.2 GPAA PROGRAMME 2: EMPLOYEE BENEFITS – GEPF

FIVE GPAA STRATEGIC GOALS	GPAA OBJECTIVES	KEY PERFORMANCE INDICATORS (KPIs)	ELEMENTS OF THE KEY PERFORMANCE INDICATOR USED FOR MEASURING (indicator/measure)	EXPECTED RESULTS	BASELINE 2010/11	ACTUAL ACHIEVEMENT AGAINST TARGET		UNDER/ OVERACHIEVEMENT COMMENT
						TARGET	ACHIEVEMENT	
1 SATISFIED CLIENTS	Objective 1 To increase the level of client satisfaction through operational excellence	A Customer Satisfaction Index Rating	1) Timely and accurate payments of pension benefits		544 days for 2010/2011 (based on MIS Paid Cases list)	Within 365 days	Within 599 days	Underachieved because old claims were paid to reduce backlogs which resulted in an increase in the days taken to be paid
					Payment of Spouse Benefits: Manual measurement within 60 days (based on liability date to paid date)	Within 60 days of receipt	Within 31.5 days	Overachieved
					Payment of Funeral Benefits: 4.06 days	96 hours to pay funeral claims	4.7 days to pay funeral claims	Underachieved due to the additional time taken to verify tax requirements
					Payment of recalculations: manual measurement within 60 days	Within 60 days of receipt of completed documentation	Within 67.7 days	Underachieved due to increased time taken to process claims In the ensuing financial year the GPAA will refine processes to improve turnaround times to meet target
					Redress of the service of Non-Statutory Forces (NSF) or other Past Discriminatory Practices (PDP): Manual measurement within 60 days	PDP or NSF service recognised and benefits recalculated and paid within 60 days of receipt of correctly completed documents	90% of recognition of NSF service finalised 100% of exited NSF cases paid	Achieved
					Payment of Orphans: Manual measurement within 60 days	Within 60 days of receipt of correctly completed documentation	36.75 days on average	Overachieved

FIVE GPAA STRATEGIC GOALS	GPAA OBJECTIVES	KEY PERFORMANCE INDICATORS (KPIs)	ELEMENTS OF THE KEY PERFORMANCE INDICATOR USED FOR MEASURING (indicator/measure)	EXPECTED RESULTS	BASELINE 2010/11	ACTUAL ACHIEVEMENT AGAINST TARGET		UNDER/ OVERACHIEVEMENT COMMENT
						TARGET	ACHIEVEMENT	
					Paid exit benefits within 60 days of the exit date	Process exit documents received by membership within an average of three days	Processed exit documents within three days of receipt	Achieved
					Submit duly completed documents from membership to operations within three days of receipt	Submit duly completed documents from membership to operations within three days of receipt	On average 95% of documents submitted within three days of receipt	Achieved
					Admission letters issued within five working days of admission	Admission letters to new members to be issued within five working days of admission	95% of admission letters issued within four working days of admission	Achieved
					Admit and manage member records within 21 working days of receipt of completed documentation	Admit and update member records within seven working days of receipt of correctly completed documentation	95% of members were admitted and records updated within 4.5 days of receipt of correctly completed documentation	Achieved
					Recon exception reports updated within 15 working days of closing each month	Recon exception reports updated within 15 working days of closing each month	95% of recon exception reports updated within 13 working days of closing each month	Achieved
				b) Paid exit benefits within 45 days upon receipt of correctly completed documents	49 days for 2010/2011 (MIS measurement average from November 2010 to May 2011)	Within 35 days	Within 36.4 days	Underachieved by 1.4 days, however the GPAA is progressing towards meeting the previous year's target

FIVE GPAA STRATEGIC GOALS	GPAA OBJECTIVES	KEY PERFORMANCE INDICATORS (KPIs)	ELEMENTS OF THE KEY PERFORMANCE INDICATOR USED FOR MEASURING (indicator/measure)	EXPECTED RESULTS (outputs, outcomes, impacts)	BASELINE 2010/11	ACTUAL ACHIEVEMENT AGAINST TARGET		UNDER/ OVERACHIEVEMENT COMMENT
						TARGET	ACHIEVEMENT	
Strategic Goal 1: To increase the efficiency and effectiveness of the collection process.	1) To increase the efficiency and effectiveness of the collection process.				49 days for 2010/2011 (MIS measurement average from November 2010 to May 2011)	Electronic contributions reconciled by the 23rd day of the following month	99% of the time reconciliations in respect of contributions to be reconciled by the 23rd day of the following month	Achieved
					90% of manual contributions reconciled within 60 days.	95% of manual contributions reconciled within 30 days	98% of the reconciliations finalised within prescribed time	Achieved
					95% of all contributions received and or accounted for by the 7th day of the following month (at member level)	95% of all contributions received and or accounted for by the 7th day of the following month (at member level)	On average 97.22% of all contributions received and accounted for by the 7th day of the following month	Overachieved due to pro-activeness and continuous stakeholder engagement
					98% of all contributions received reconciled to 2010/2011 tax year (IRP5)	98% of all contributions received reconciled to 2010/2011 tax year (IRP5)	Meeting the objectives of 98% reconciliation of all contributions received against the IRP5 information supplied by employer departments to SARS	Achieved
					97% of Purchase of Service (POS) debt recovered upon exit from service	99% of POS debt recovered upon exit from service	98% of POS debt recovered	Underachieved by 1%
					60% of additional liability claims recovered within the year	65% of additional liability claims recovered within the year	R138 million recovered for the year, which is less than the 60% recovery target set	Employer departments unwilling/unable to pay debt due to budgetary constraints
			2) Improvement of active members' experience through service channel accessibility and responsiveness	c) Response to clients	Provide feedback to clients	<48 hours	On average provided response within 48 hours	Achieved
					Response to internal submissions within one working day	Response to submission within 0.5 working days	On average within three hours of submission	Achieved

FIVE GPAA STRATEGIC GOALS	GPAA OBJECTIVES	KEY PERFORMANCE INDICATORS (KPIs)	ELEMENTS OF THE KEY PERFORMANCE INDICATOR USED FOR MEASURING (indicator/measure)	EXPECTED RESULTS (outputs, outcomes, impacts)	BASELINE 2010/11	ACTUAL ACHIEVEMENT AGAINST TARGET		UNDER/ OVERACHIEVEMENT COMMENT
						TARGET	ACHIEVEMENT	
					Internal user access to external applications of institutions provided within 15 days of request	User access to external institutions provided within 10 days of request	Internal users receive access to external applications within one week of request	Overachieved
					Maintain user access: new user access created on average within one day	New users created within one day	User access created within one day from receipt of duly completed documents and user IDs received from ICT	Achieved
					Maintain profile change within one day of receipt of duly completed application form	Maintain profile within one day	Profiles maintained within one day	Achieved
					Reset password or log of user within one hour of receipt of duly completed request application form	Reset within 30 minutes	On average passwords are reset within 30 minutes	Achieved
					Process new service for user ID within 1.5 days of receipt of signed application form in Business Support Services (BSS) – after CIO signature has been received	Process new service within one day	On average new services are processed within one day	Achieved
					Archiving users within one day after resignation or deactivation of user	Archive immediately after notification was received from Information Security (IS)	User profiles are archived within one day of notification received from IS	Achieved

FIVE GPAA STRATEGIC GOALS	GPAA OBJECTIVES	KEY PERFORMANCE INDICATORS (KPIs)	ELEMENTS OF THE KEY PERFORMANCE INDICATOR USED FOR MEASURING (indicator/measure)	EXPECTED RESULTS (outputs, outcomes, impacts)	BASELINE 2010/11	ACTUAL ACHIEVEMENT AGAINST TARGET		UNDER/ OVERACHIEVEMENT COMMENT
						TARGET	ACHIEVEMENT	
1) Improving member experience	1) Improving member experience	1) Improving member experience	1) Improving member experience	d) Complaint resolved	Within three working days	Within two working days	On average resolved within two working days	Achieved
					Data problems resolved within 2.5 hours (on average)	Data problems resolved within two hours of reporting	Data problems resolved within three hours of reporting	Underachieved
					e) Employers serviced at local contact point/ office	Provide information to enable 60% of employers to be serviced in regions	Provide information to enable 70% of employers requiring services to be serviced in regions	Underachieved due to dependency factors
					f) Members serviced at local contact point/ office	Provide response to regional offices within 24 hours	90% of members requiring services, serviced in regions	Achieved
					g) Call Centre response	90% of queries to be resolved at Call Centre	To assist Call Centre to resolve queries received by responding within the specified operational service levels	Used operational service levels to assist Call Centre
				3) Reducing backlogs	h) Paid backlog cases (more than 60 days)	1,728	Backlog within the GPAA reduced to 5% of baseline, i.e. must be 86 as at 31 March 2012	Reduced backlog within the GPAA's control to 7%
				i) Issuing of member benefit statements	No baseline – first time issue	Pilot – 6,800 active members issued with benefit statements Issue 400,000 benefit statements to active members	Finalised the pilot and focused on data extraction for printing statements from 1 April 2012 as agreed with GEPF's Board of Trustees	
				j) Reduction of s-cases	119,309 outstanding as at 31 March 2012	Update 100% member records of s-cases before monthly recon run as submitted by CRM Reduce s-cases by 40,000	Updated all s-case records before monthly recon run Partly achieved as s-cases were recorded	

FIVE GPAA STRATEGIC GOALS	GPAA OBJECTIVES	KEY PERFORMANCE INDICATORS (KPIs)	ELEMENTS OF THE KEY PERFORMANCE INDICATOR USED FOR MEASURING (Indicator/measure)	EXPECTED RESULTS (outputs, outcomes, impacts)	BASELINE 2010/11	ACTUAL ACHIEVEMENT AGAINST TARGET		UNDER/ OVERACHIEVEMENT COMMENT
						TARGET	ACHIEVEMENT	
2 REALISING ENABLING TECHNOLOGY	Objective 2 To enhance service delivery through enabling technology and well-documented processes in such a way that the results can be measured, monitored, and evaluated within a specific timeframe	B Capability Index Rating	4) Deploy applicable technology to automate key processes	k) Modernisation Programme — technology stream	Determination of technological options to enable the new model	Identify and implement technology required for modernisation projects	Technical architecture finalised ALV/MLV implemented on 30 November 2011 Overall technology assessment still in progress	A number of initiatives were achieved, however, this is an ongoing process which has not been finalised
			5) Institute Modernisation delivery capability	l) Modernisation Programme – people stream	Reallocate resources to value-adding processes	Establish project streams and governance Reallocate resources to value-adding process	Project streams and governance established In the process of identifying excess resources to transfer to other roles	A number of initiatives were achieved, however, this is an ongoing process which has not been finalised
			6) Strategic management	m) Key business goals – corporate scorecard	Alignment with business as usual and the modernisation output	80% achievement of EB operational scorecard	Less than the 80% required	Not all outcomes are measurable as yet and therefore achieved below target
3 MUTUALLY BENEFICIAL RELATIONSHIPS WITH STAKEHOLDERS	Objective 3 To have an efficient corporate governance and financial management framework	C Stakeholder Satisfaction Index Rating	7) External audit rating	n) Compliant organisation	Unqualified audit rating with no matters of emphasis – 80% external audit findings resolved	80% of audit findings resolved	On average between 70% to 80% of audit findings resolved	Partially achieved as certain audit findings required system changes that will be introduced through the Modernisation Programme
4 STRATEGIC PARTNERSHIPS WITH EMPLOYER COMMUNITIES			8) Internal audit rating	o) Positive internal audit rating	Positive internal audit rating	80% of mitigation strategies implemented on current findings	On average between 60% and 80% of mitigation strategies have been implemented, dependent on the business unit concerned	Partially achieved as certain audit findings required system changes that will be introduced through the Modernisation Programme
			9) Stakeholder complaints resolution turnaround time	p) Response to stakeholders	Within 48 hours	Immediate response: but within a maximum of four to six hours depending on the complexity of query	Immediate response: but within a maximum of four to six hours depending on the complexity of query	Achieved

FIVE GPAA STRATEGIC GOALS	GPAA OBJECTIVES	KEY PERFORMANCE INDICATORS (KPIs)	ELEMENTS OF THE KEY PERFORMANCE INDICATOR USED FOR MEASURING (indicator/measure)	EXPECTED RESULTS (outputs, outcomes, impacts)	BASELINE 2010/11	ACTUAL ACHIEVEMENT AGAINST TARGET		UNDER/ OVERACHIEVEMENT COMMENT
						TARGET	ACHIEVEMENT	
			10) Performance against SLA	q) Partnerships with stakeholders	90% implemented SLAs with employer departments	Internal review of Service Level Agreement (SLA) with DPSA DPSA review of employer SLA Negotiations of SLA with DPSA and employer departments Roadshow on SLA for DPSA	Review of SLA done by CRM Negotiations between the GPAA and DPSA continuing Not achieved	Not achieved due to negotiations between the GPAA and DPSA not being completed In the ensuing year the GPAA plans to implement this deliverable through the Modernisation's e-Channel programme
			11) Timely submission of annual report	r) Approved Annual Report	All reports are submitted by the 7th of the first month of the next quarter	Quarterly strategic and SLA Performance Reports submitted by 7th of the first month of the net quarter	Reports compiled and submitted as required	Achieved
			12) Budget	s) Quarterly variance reports	23% under-expenditure 2% variance	+/-2% variance The consolidated budget for EB Finance and Operations reflects a 10,31% under-expenditure Pensioner Maintenance: 19,4% over-expenditure Withdrawals: 10,1% under-expenditure Funeral Benefits: 1,9% over-expenditure Special Projects: 9% over-expenditure Membership: 1,7% under-expenditure Contribution Management: 2,55% under-expenditure Business Support Services: 35% under-expenditure	The Modernisation Programme affects Programme 2's staff requirements as there is a reduction in staff who will not be replaced Contract staff members were used where required The under-expenditure in BSS was mainly due to under-spend in actuarial and consultant services	Under-expenditure mainly due to under-spending in personnel costs

FIVE GPAA STRATEGIC GOALS	GPAA OBJECTIVES	KEY PERFORMANCE INDICATORS (KPIs)	ELEMENTS OF THE KEY PERFORMANCE INDICATOR USED FOR MEASURING (indicator/measure)	EXPECTED RESULTS (outputs, outcomes, impacts)	BASELINE 2010/11	ACTUAL ACHIEVEMENT AGAINST TARGET		UNDER/ OVERACHIEVEMENT COMMENT
						TARGET	ACHIEVEMENT	
5 ADMINISTRATIVE OBLIGATIONS MET WITH SPEED, EASE AND ACCURACY	Objective 4 To develop core skills and human capabilities to deliver professional and efficient administration services	D Employee Satisfaction Index Rating	13) Performance against SLA	t) Compliance with Fund service levels	80% compliance with Fund service levels	80% compliance with Fund service levels	Complied with requirements	Achieved
			14) Enterprise-wide risk rating (Risk Register –Top 18)	u) Mitigated risk	80% risks mitigated and managed	80% of risks mitigated	Between 60 and 70% of risks mitigated	Risk has been reviewed by business units and necessary mitigation processes are being put in place
			15) Forensics and fraud prevention	v) Fraud prevention initiatives	No baseline	Implementation of fraud prevention plan	Fraud prevention plan in place	Achieved
			16) Offering targeted training	w) Competent staff Training days per person per annum as per personal development plans	Five days' specialised training per annum per employee	100% of employees trained	Percentage of employees trained per business unit: Special Projects – 0% Withdrawals – 4% Pensioner Maintenance – 0% Funeral Benefits – 25% Membership – 0% Contributions – 0% BSS – 14% of employees trained	Some business units have scheduled training for the next quarter (first quarter of the 2012/2013 financial year)
			17) Transform the organisational culture	x) Change management and communication	No baseline Appoint SMS lacking members	Structural alignment with modernisation – seconded personnel to modernisation team Align structure to modernised area Train staff for new roles Transfer staff to implement change	Four staff members seconded full-time to the modernisation effort. Other staff to participate in modernisation activities as and when requested Identified new staff members who need to be seconded to modernisation	Partly achieved as staff members were identified and seconded as necessary
			18) Conducting employee wellness programmes	y) Mandatory wellness calendar events	No measured baseline	60% of staff to attend wellness events	Staff of various business units attended wellness events – not meeting the required target of 60%	Unable to meet the target of 60% due to production targets

TABLE 2.3 GPAA'S PROGRAMME 2 SCORECARD

4.2.3 GPAA PROGRAMME 3: CUSTOMER RELATIONSHIP MANAGEMENT (CRM)

FIVE GPAA STRATEGIC GOALS	GPAA OBJECTIVES	KEY PERFORMANCE INDICATORS (KPIs)	ELEMENTS OF THE KEY PERFORMANCE INDICATOR USED FOR MEASURING (indicator/measure)	EXPECTED RESULTS (outputs, outcomes, impacts)	BASELINE 2010/11	ACTUAL ACHIEVEMENT AGAINST TARGET		UNDER/ OVERACHIEVEMENT COMMENT
						TARGET	ACHIEVEMENT	
1 SATISFIED CLIENTS	Objective 1 To increase the level of client satisfaction through operational excellence	A Customer Satisfaction Index Rating	1) Timely and accurate payments of exit benefits	a) Paid exit benefits within 60 days of the exit date (submit exit documents within 10 days of exit)	No baseline	Submit 90% of correctly completed documents within seven days after receiving	Submitted an average of 53,000 Z102s of which 10% were within 10 days of exit	63,789 Z102s received, 23% (10,789) more than target
				b) Paid exit benefits within 45 days upon receipt of correctly completed documents (submit correctly completed documents within seven days)	No baseline	Submit 90% of correctly completed documents within seven days of receipt	82% of documents submitted within seven days	Documents not read in on receipt
				c) Paid exit benefits within 60 days of notification (submit exit documents within 10 days of exit)	No baseline	Submit 90% of correctly completed documents within seven days of receipt	49% (29,726) cases submitted within 10 days of notification	Incomplete debt forms are submitted
				d) Response to clients	80% of queries resolved on first contact	Resolve 80% of queries received by Call Centre and Walk-in Centre on first contact	1,042,230 queries received and 996,728 resolved on first contact (96%)	Current debt form to be amended to prevent incompleteness
					90% of queries responded to within 48 hours	Respond to 90% of escalated queries received from Call Centre, regional offices and external e-mails received via GEPF and Benefit Statement mailboxes	80,169 of responses to clients on escalated queries received	No report exists on outbound calls linked to queries received

FIVE GPAA STRATEGIC GOALS	GPAA OBJECTIVES	KEY PERFORMANCE INDICATORS (KPIs)	ELEMENTS OF THE KEY PERFORMANCE INDICATOR USED FOR MEASURING (indicator/measure)	EXPECTED RESULTS (outputs, outcomes, impacts)	BASELINE 2010/11	ACTUAL ACHIEVEMENT AGAINST TARGET		UNDER/ OVERACHIEVEMENT COMMENT
						TARGET	ACHIEVEMENT	
Strategic Goal 1: To increase the number of employer services provided by the Call Centre and regional offices.	Objective 1.1: To increase the number of employer services provided by the Call Centre and regional offices.	Indicator 1.1.1: Escalated queries resolved within two days.			70% of escalated queries resolved within two days	Resolve 85% of escalated queries received from Call Centre and regional offices within two days	2,094 (8%) of queries resolved within two days	Queries not attended to due to the lack of a management MIS report
					20% of escalated queries resolved within seven days	Resolve 15% of escalated queries received from Call Centre and regional offices within seven days	3,213 (13%) of queries was resolved within seven days	Queries not attended to due to the lack of a management MIS report
					10% of escalated queries resolved after seven days	Resolve 10% of escalated queries received from Call Centre and regional offices after seven days	6,073 (18%) queries resolved after seven days 53% of queries not yet resolved	Queries not attended to due to the lack of a management MIS report
			e) Complaint resolved		90% of complaints resolved within seven days	90% of complaints resolved within seven days	891 complaints received, of which 74% (658) were resolved within seven days	891 complaints received, of which 74% (658) were resolved within seven days
			f) Employers serviced at local contact point/office		10% of complaints resolved after seven days	Resolve 10% of complaints received via www and HOD mailbox	154 (17%) resolved after seven days	Overachieved
					97% of all employers visited	Service 90% of the 1,251 employer departments	839 of the 1,094 employers serviced (77%)	Lack of capacity in regional offices A plan per region has been drafted on how to achieve the target
					50% of pay points visited	3,593 pay point visits	6,107 pay point visits	No MIS monitoring tools in place A plan per region has been drafted on how to achieve the target
					No baseline	Conduct 624 HR training sessions	623 sessions conducted	Underachieved by one session

FIVE GPAA STRATEGIC GOALS	GPAA OBJECTIVES	KEY PERFORMANCE INDICATORS (KPIs)	ELEMENTS OF THE KEY PERFORMANCE INDICATOR USED FOR MEASURING (indicator/measure)	EXPECTED RESULTS (outputs, outcomes, impacts)	BASELINE 2010/11	ACTUAL ACHIEVEMENT AGAINST TARGET		UNDER/ OVERACHIEVEMENT COMMENT
						TARGET	ACHIEVEMENT	
Strategic Goal 1: To increase member engagement and satisfaction through improved communication and member services.	Objective 1.1: To increase member engagement and satisfaction through improved communication and member services.				No baseline	Confirm 1,124 employer department details and provide feedback for updates if information differs	Not achieved	Not achieved as the process has not yet started
					No baseline	Confirm 14,372 employer pay point details and provide feedback for updates if information differs	Not achieved	Not achieved as the process has not yet started
					g) Members serviced at local contact point/office	5%	90%	493,734 members serviced, of whom 43% are from that province All members who request a service are serviced by CRM, no members are turned away
					h) Pensioners/beneficiaries serviced at local contact point/office	15%	90%	278,426 pensioners and beneficiaries were serviced, of whom 39% (107,417) were from that province 2% more beneficiaries serviced than in 2010/2011
					i) Member, beneficiary and pensioner roadshows	One per quarter	Seven provinces in three areas within each province (21 areas in total)	Seven provincial road shows (21 areas)
					j) Pre-retirement workshops	No baseline	252 pre-retirement workshops	415 pre-retirement workshops conducted
					k) Member information sessions	No baseline	252 sessions	473 sessions conducted
Overall Summary:		The department has made significant progress in member engagement and satisfaction. While some targets have not been met, the achievement rate is generally high, particularly in member servicing and communication. The department is actively addressing challenges such as backlog reduction and improving member access to services across provinces.						

FIVE GPAA STRATEGIC GOALS	GPAA OBJECTIVES	KEY PERFORMANCE INDICATORS (KPIs)	ELEMENTS OF THE KEY PERFORMANCE INDICATOR USED FOR MEASURING (indicator/measure)	EXPECTED RESULTS (outputs, outcomes, impacts)	BASELINE 2010/11	ACTUAL ACHIEVEMENT AGAINST TARGET		UNDER/ OVERACHIEVEMENT COMMENT
						TARGET	ACHIEVEMENT	
3 MUTUALLY BENEFICIAL RELATIONSHIPS WITH STAKEHOLDERS	Objective 3 To have an efficient corporate governance and financial management framework	C Stakeholder Satisfaction Index Rating		i) Call Centre response	i) Call Centre response 92%	90%	79% – 967,499 calls received with only 762,706 calls handled	422 calls were received after-hours Revisiting the reporting structures to enable management to implement corrective measures and to enhance the service levels Some system downtime also impacted on service levels
				3) Reducing backlogs	m) Paid backlog cases (less than 60 days)	2,849	Reduce backlog by 95% (2,617)	70% (1,923) New errors were rejected as they had an impact on their reduction Letters on outstanding cases were sent to members/beneficiaries
					n) S-cases reduced to 5% of baseline	117,432	Reduce outstanding s-cases by 95% Total on hand as at 31 March 2011: 117,432 Reduction target: 111,560	53,582 cases removed (9% reduction) 43,573 new s-cases created No signed SLA with employers Contract periods not confirmed Members not traceable Members not registered with SARS
					o) Candidate members reduced to 5% of baseline	10,448	Reduce outstanding cases by 95% Total on hand 31 March 2011: 10,998 Reduction target: 10,448	55% reduced (6,101) Proof of contributions for TBVC cases and cases prior to 1996 CRM senior managers to intervene with internal and external stakeholders to resolve challenges
				4) External audit rating	p) Compliant organisation	No baseline	External audit completed Internal audit completed	Final external audit report was received Internal Audit follow-up was conducted but no official report was received
				5) Internal audit rating	q) Positive internal audit rating			CRM did not have an opportunity to respond to the audit findings

FIVE GPAA STRATEGIC GOALS	GPAA OBJECTIVES	KEY PERFORMANCE INDICATORS (KPIs)	ELEMENTS OF THE KEY PERFORMANCE INDICATOR USED FOR MEASURING (Indicator/measure)	EXPECTED RESULTS (outputs, outcomes, impacts)	BASELINE 2010/11	ACTUAL ACHIEVEMENT AGAINST TARGET		UNDER/ OVERACHIEVEMENT COMMENT
						TARGET	ACHIEVEMENT	
4 STRATEGIC PARTNERSHIPS WITH EMPLOYER COMMUNITIES			6) Stakeholder complaints resolution turnaround time	r) Response to stakeholders	Complaints resolved within seven days	Complaints received resolved within seven working days	None	No complaints received
				s) Provincial Union Forum	No baseline	Four provincial Union Forums per annum	Six Stakeholder Forums held	Overachieved
				t) Provincial Broker Forum	No baseline	Three Broker Forums in seven provinces	Seven provincial Broker Forums held	Achieved
				u) Provincial Employer Forum	No baseline	Three provincial HR Forums in seven provinces	Seven provincial HR Forums held	Achieved
				7) Performance against SLA	v) Partnership with stakeholders	No SLA signed	Signed SLA	SLAs not signed due to external dependencies
			8) Timely submission of Annual Report	w) Approved Annual Report	All reports to be submitted by the 7th of each month	Quarterly Strategic and SLA performance reports by the 7th of the first month of the next quarter	100% approved annual report submitted	Due date to be extended to the 15th due to late receipt of individual reports
				9) Budget	x) Quarterly variance reports	12% under-expenditure	2% variance	6% variance Due to the target of reducing backlogs, a great deal more travelling was done to search for clients to submit their outstanding documents
			10) Performance against SLA	y) Compliance with Fund service levels	80% compliance with Fund service levels	80% compliance with Fund service levels		
				z) Compliance with National Treasury service levels Call Centre response	92%	90%	104,774 calls received, with 81,647 handled (77%) Currently revisiting the reporting structures to enable management to implement corrective measures and to enhance the service levels	Calls received after hours Currently revisiting the reporting structures to enable management to implement corrective measures and to enhance the service levels
				Response to clients	80% of queries resolved on first contact	Resolve 90% of queries received by Call Centre and Walk in Centre on first contact	81,528 queries received with 75,542 resolved on first contact (92%) Some system down time also impacted on service levels Overachieved	Some system down time also impacted on service levels Overachieved

FIVE GPAA STRATEGIC GOALS	GPAA OBJECTIVES	KEY PERFORMANCE INDICATORS (KPIs)	ELEMENTS OF THE KEY PERFORMANCE INDICATOR USED FOR MEASURING (indicator/measure)	EXPECTED RESULTS (outputs, outcomes, impacts)	BASELINE 2010/11	ACTUAL ACHIEVEMENT AGAINST TARGET		UNDER/ OVERACHIEVEMENT COMMENT
						TARGET	ACHIEVEMENT	
5 ADMINISTRATIVE OBLIGATIONS MET WITH SPEED, EASE AND ACCURACY	Objective 4 To develop core skills and human capabilities to deliver professional and efficient administration services	D Employee Satisfaction Index Rating	11) Enterprise-wide risk rating (Risk Register – Top 18)	aa) Mitigated Risk	67% implemented, 24% partially implemented and 9% not implemented	90% implemented	No change to previous risks	Need to improve on the receiving and distributing of information relating to risks Awaiting approval of final risk register
			12) Forensics and fraud prevention	ab) Fraud prevention initiatives	50% awareness	90% awareness	Sessions attended by CRM staff Two staff members attended Operational Risk Workshop Repeated calls from Merlin Credit Services reported – 2,322 calls received	No new incidents reported
			13) Offering targeted training	ac) Competent staff ah) Training days per person per annum as per personal development plan	Three days per staff member	Five days per staff member	Two days per staff member Training plan compiled according to skills questionnaires	More focus was placed on backlog reduction
			14) Transform the organisational culture	ad) Change management and communication	No baseline	Align structure to fill gaps of general manager and senior managers/lacking staff members	Not achieved	Placed on hold due to modernisation Awaiting feedback from minister
			15) Building and maintaining a conducive working environment	ae) Appropriate organisational structure	No baseline	Enhance structure and environment according to work study to build a stable working environment	Work in progress. Awaiting allocation of tender for Polokwane and Pietermaritzburg offices	Parking space at Head Office Office space within Head Office for CRM staff, specifically OSS, CRM Support and EGLS

TABLE 2.4 - GPAA'S PROGRAMME 3 SCORECARD

4.2.4 PROGRAMME 4: AUXILIARY DIVISIONS

Sub-Programme 4.1: CEO's office

Purpose:

The purpose of the CEO's Office, and the business units that fall within it, is to plan, direct and support the organisation in order to ensure that funds and schemes are administered according to the relevant legislation and service level agreements. This group of business units is therefore responsible for ensuring that the organisation is effectively managed in order to deliver services that meet or exceed the requirements of clients. Finally, the CEO's Office is responsible for the overall performance of the organisation.

FIVE GPAA STRATEGIC GOALS	GPAA OBJECTIVES	KEY PERFORMANCE INDICATORS (KPIs)	ELEMENTS OF THE KEY PERFORMANCE INDICATOR USED FOR MEASURING (indicator/measure)	EXPECTED RESULTS (outputs, outcomes, impacts)	BASELINE 2010/11	ACTUAL ACHIEVEMENT AGAINST TARGET		UNDER/ OVERACHIEVEMENT COMMENT
						TARGET	ACHIEVEMENT	
1 SATISFIED CLIENTS	Objective 1 To increase the level of client satisfaction through operational excellence	A Customer Satisfaction Index Rating	1) Improvement of active members' experience through service channel accessibility and responsiveness	a) Response to clients	No baseline - new milestone	Customer Satisfaction Index survey	More than one Customer Satisfaction Index survey conducted	Achieved
					No baseline - new milestone	Conduct 20% of a quality gap analysis	20% of a quality gap analysis conducted	Achieved
					Six roadshows in six provinces	Six roadshows in six provinces	A number of member awareness and empowerment initiatives conducted	Achieved
2 REALISING ENABLING TECHNOLOGY	Objective 2 To enhance service delivery through enabling technology and well-documented processes in such a way that the results can be measured, monitored, and evaluate within a specific timeframe	B Capability Index Rating	2) Review of key processes	b) Number of standard operating procedures (SOPs) developed	No baseline	40% of SOPs developed	40% of SOPs developed	Achieved
				c) Number of SOPs implemented	No baseline	40% of SOPs implemented	40% of SOPs implemented	Achieved
				d) Number of quality management framework of quality guidelines developed	No baseline	30% of framework and guidelines developed	30% of framework and guidelines developed	Achieved
				e) Number of quality management framework of quality guidelines implemented	No baseline	20% of framework and guidelines implemented	20% of framework and guidelines implemented	Achieved
				f) % projects complete within scope	No baseline	60% projects complete within scope	60% projects complete within scope	Achieved
				g) % project progress on time	No baseline	65% project progress on time	65% project progress on time	Achieved
				h) % projects within budget	No baseline	50% projects within budget	50% of projects within budget	Achieved

FIVE GPAA STRATEGIC GOALS	GPAA OBJECTIVES	KEY PERFORMANCE INDICATORS (KPIs)	ELEMENTS OF THE KEY PERFORMANCE INDICATOR USED FOR MEASURING (indicator/measure)	EXPECTED RESULTS (outputs, outcomes, impacts)	BASELINE 2010/11	ACTUAL ACHIEVEMENT AGAINST TARGET		UNDER/ OVERACHIEVEMENT COMMENT
						TARGET	ACHIEVEMENT	
3 MUTUALLY BENEFICIAL RELATIONSHIPS WITH STAKEHOLDERS	Objective 3 To have an efficient corporate governance and financial management framework	C Stakeholder Satisfaction Index Rating	4) Strategic management	i) Medium Term Expenditure Framework (MTEF) strategy in place j) Annual performance plan in place k) ENE in place	MTEF strategy 2011/2014 Annual performance plan for 2011/12 ENE 30 September 2011	MTEF strategy 2012/2015 Annual performance plan 2012/13 ENE 30 September	Planning next version Annual performance plan for 2012/13 was developed ENE 30 September	Integrated Modernisation into the strategy Developed and cascaded Achieved
			5) External audit rating	l) Year-on-year reduction of significant matters of emphasis	Unmodified audit rating	80% reduction of significant matters of emphasis	Resolved 90% matters of emphasis	Overachieved
			6) Internal audit rating	m) Year-on-year reduction of internal audit findings	Internal audit matters addressed	70% reduction of internal audit findings	Resolved 70% of internal audit findings	Achieved
			7) Performance against Service Level Agreements (SLA)	n) Minister's report o) National Treasury SLA report p) GEPF SLA report	10th of second month 10th of second month 10th of second month	Minister's report (Quarterly) National Treasury SLA report (Quarterly) GEPF SLA report (Quarterly)	30 April 2012 Four reports Four reports	Achieved Achieved Achieved
			8) Timous submission of Annual Report	q) Annual Report	Delivered on time	Delivered on time	Delivered on time	Achieved
			9) Budget	r) % budget variance	> 20% variance	2% budget variance	28%	High vacancy rate and moratorium on positions
			10) Performance against SLA	s) Compliance with Fund service levels	Approximately 90% achievement of SLA	80% achievement of GEPF SLA	67% achievement of SLA	Some service levels need attention and discussions are underway to ensure all requirements are achieved
				t) Compliance with National Treasury service levels	Approximately 95% achievement of SLA	80% achievement of National Treasury SLA	96% achievement of SLA	The targets were exceeded due to priority given to service areas

FIVE GPAA STRATEGIC GOALS	GPAA OBJECTIVES	KEY PERFORMANCE INDICATORS (KPIs)	ELEMENTS OF THE KEY PERFORMANCE INDICATOR USED FOR MEASURING (indicator/measure)	EXPECTED RESULTS (outputs, outcomes, impacts)	BASELINE 2010/11	ACTUAL ACHIEVEMENT AGAINST TARGET		UNDER/ OVERACHIEVEMENT COMMENT
						TARGET	ACHIEVEMENT	
5 ADMINISTRATIVE OBLIGATIONS MET WITH SPEED, EASE AND ACCURACY	Objective 4 To develop core skills and human capabilities to deliver professional and efficient administration services	D Employee Satisfaction Index Rating	11) Transform the organisational culture	u) Internal communication v) External communication w) Number of policies drafted x) Number of implemented policies	45 internal publications Six external publications 13 policies in draft 48 implemented policies	45 internal publications Six external publications 30 policies adopted 69 policies implemented	45 internal publications Six external publications 48 policies adopted 69 policies implemented	Achieved Achieved Overachieved Achieved
			12) Building and maintaining a conducive working environment	y) Performance Report	Four reports	Four reports	Four reports	Achieved
			13) Conducting employee wellness programmes	z) Number of surveys aa) Reports produced	Four surveys Five reports	Four surveys Six reports	Four surveys delivered Eight reports produced	Achieved Achieved

TABLE 2.5 - GPAA'S SUB-PROGRAMME 4.1 SCORECARD

Sub-Programme 4.2: Finance

Purpose:

Finance directs and manages the financial resources, available to administer pensions and other benefits, using best practice principles. In this regard, Finance ensures that financial policies are adhered to, financial record-keeping is done according to an appropriate framework, and sufficient cash flow levels are maintained for operational activities.

Measurable objectives:

- To ensure efficient management of the financial resources available to administer the GPAA;
- To ensure adherence to financial policies; and
- To ensure that record-keeping is done according to an appropriate framework.

FIVE GPAA STRATEGIC GOALS	GPAA OBJECTIVES	KEY PERFORMANCE INDICATORS (KPIs)	ELEMENTS OF THE KEY PERFORMANCE INDICATOR USED FOR MEASURING (indicator/measure)	EXPECTED RESULTS (outputs, outcomes, impacts)	BASELINE 2010/11	ACTUAL ACHIEVEMENT AGAINST TARGET		UNDER/ OVERACHIEVEMENT COMMENT
						TARGET	ACHIEVEMENT	
1 SATISFIED CLIENTS	Objective 1 To increase the level of client satisfaction through operational excellence	A Customer Satisfaction Index Rating	1) Timely and accurate payments of exit benefits	a) Paid exit benefits within 60 days of the exit date b) Paid exit benefits within 45 days of receipt of correctly completed documents	Pay unclaimed benefits between three and five days after confirmation from the bank	Pay unclaimed benefits between two and four days after confirmation from the bank	Within two to four days	Achieved
			2) Improvement of active members' experience through service channel accessibility and responsiveness	c) Response to clients	< 48 hours	Within 24 hours	Within 24 hours	Achieved
				d) Complaint resolved	Less than seven working days	Less than five working days	Less than five days	Achieved
				e) Employers serviced at local contact point/office	Monthly variance reports are sent to business units, and only a consolidated report is prepared	Monthly cost centre variance reports to be prepared with reasons for variance explained	Completed	Achieved
				f) Members serviced at local contact point/office	Monthly variance reports are sent to business units and only a consolidated report is prepared	Monthly variance reports are sent to business units and only a consolidated report is prepared	Completed	Achieved

FIVE GPAA STRATEGIC GOALS	GPAA OBJECTIVES	KEY PERFORMANCE INDICATORS (KPIs)	ELEMENTS OF THE KEY PERFORMANCE INDICATOR USED FOR MEASURING (indicator/measure)	EXPECTED RESULTS (outputs, outcomes, impacts)	BASELINE 2010/11	ACTUAL ACHIEVEMENT AGAINST TARGET		UNDER/ OVERACHIEVEMENT COMMENT
						TARGET	ACHIEVEMENT	
2 REALISING ENABLING TECHNOLOGY	Objective 2 To enhance service delivery through enabling technology and well-documented processes in such a way that the results can be measured, monitored, and evaluated within a specific timeframe	B Capability Index Rating	g) Call Centre response	Variance analysis reports discussed with business units on a monthly basis and assistance on budget preparation is provided	Monthly variance reports are sent to business units and only a consolidated report is prepared	Completed	Achieved	
				Responsiveness of supply chain management to procurement processes	Open tender 120 days Closed tender seven days Purchase orders three days			
3 MUTUALLY BENEFICIAL RELATIONSHIPS WITH STAKEHOLDERS	Objective 3 To have an efficient corporate governance and financial management framework	C Stakeholder Satisfaction Index Rating	3) Reducing backlogs	h) Paid backlog cases (less than 60 days)	Pay unclaimed benefits between two and four days after confirmation from the bank	Within two to four days	Achieved	
			4) Review of key processes	i) Modernisation Programme – design stream	Provide separate budget and separate monthly variance reports	Variance is consolidated to the GPAA report	Achieved	
			5) Deploy applicable technology to automate key processes	j) Modernisation Programme – technology stream	Budget has been prepared	Prepare separate monthly variance reports	Variance is consolidated to the GPAA report	
			6) Institute modernisation delivery capability	k) Modernisation Programme – people stream	Budget has been prepared	Prepare separate monthly variance reports	Variance is consolidated to the GPAA report	
			7) External audit rating	l) Compliant organisation	Unqualified audit rating with no matters of emphasis	Unqualified audit rating with no matters of emphasis	AFS submitted on the 31/5/2012	
			8) Internal audit rating	m) Positive internal audit rating	Positive internal audit rating		AFS submitted on the 31/5/2012	

FIVE GPAA STRATEGIC GOALS	GPAA OBJECTIVES	KEY PERFORMANCE INDICATORS (KPIs)	ELEMENTS OF THE KEY PERFORMANCE INDICATOR USED FOR MEASURING (indicator/measure)	EXPECTED RESULTS (outputs, outcomes, impacts)	BASELINE 2010/11	ACTUAL ACHIEVEMENT AGAINST TARGET		UNDER/ OVERACHIEVEMENT COMMENT
						TARGET	ACHIEVEMENT	
4 STRATEGIC PARTNERSHIPS WITH EMPLOYER COMMUNITIES			9) Stakeholder complaints resolution turnaround time	n) Response to stakeholders	<48 hours	Within 24 hours	Within 24 hours	Achieved
			10) Performance against SLA	o) Partnership with stakeholders	SLA is 80% done and quarterly performance reports are done	SLA to be reviewed and monthly performance reports are done	The quarterly performance is presented to the Fund	Achieved
			11) Timely submission of Annual Report	p) Approved Annual Report	Delivered by 30 September 2011	Audited financial statements to be included in the Annual Report	AFS submitted on the 31/5/02/12	The audit will be finalised end June 2012
			12) Budget	q) Quarterly variance reports	Budgets approved in line with the NT requirements and quarterly variance reports prepared +/-15% variance	Quarterly variance reports prepared with 2% variance	23% variance due to moratorium on the recruitment of staff	23% variance due to moratorium on the recruitment of staff
			13) Performance against SLA	r) Compliance with Fund service levels	80% achievement of the GEPF SLA	SLA to be reviewed and monthly performance reports are done	The monthly reports are presented to the Fund	Achieved
			14) Enterprise-wide risk rating (Risk Register – Top 18)	s) Mitigated risk	Risk register has been developed	80% risk mitigated and managed	Risks are 80% mitigated and managed	Achieved
			15) Forensics and fraud prevention	t) Fraud prevention initiatives	Two days of specialised training per annum per employee	One day of specialised training per annum per employee	One day of training has been provided	Achieved

FIVE GPAA STRATEGIC GOALS	GPAA OBJECTIVES	KEY PERFORMANCE INDICATORS (KPIs)	ELEMENTS OF THE KEY PERFORMANCE INDICATOR USED FOR MEASURING (indicator/measure)	EXPECTED RESULTS (outputs, outcomes, impacts)	BASELINE 2010/11	ACTUAL ACHIEVEMENT AGAINST TARGET		UNDER/ OVERACHIEVEMENT COMMENT
						TARGET	ACHIEVEMENT	
5 ADMINISTRATIVE OBLIGATIONS MET WITH SPEED, EASE AND ACCURACY	Objective 4 To develop core skills and human capabilities to deliver professional and efficient administration services	D Employee Satisfaction Index Rating	16) Offering targeted training	u) Competent staff Training days per person per annum as per personal development plan	Two days of specialised training per annum per employee	One day of specialised training per annum per employee	One day of training has been provided	Achieved
			17) Transform the organisational culture	v) Change management and communication	Budget has been prepared	Prepare separate monthly variance reports	Monthly variance reports have been completed	Achieved
			18) Building and maintaining a conducive working environment	w) Appropriate organisational structure	Budget has been prepared	Prepare separate monthly variance reports	Monthly variance reports have been completed	Achieved
			19) Conducting employee wellness programmes	x) Mandatory events	Budget has been prepared	Prepare separate monthly variance reports	Monthly variance reports have been completed	Achieved

TABLE 2.6 - GPAA'S SUB-PROGRAMME 4.2 SCORECARD

Sub-programme 4.3: Corporate services

Purpose:

The primary aim of Corporate Services is to support the GPAA in achieving its strategic goals through the management, co-ordination and oversight of all management support and human resources services within the organisation. In working towards the realisation of these goals, Corporate Services ensures compliance with all legislative requirements for policy formulation and frameworks. Corporate Services therefore works to provide a conducive environment for the employees of the organisation, in order to promote optimum service.

Measurable objectives:

- To reduce absenteeism;
- To provide training and development; and
- To ensure safety and security.

FIVE GPAA STRATEGIC GOALS	GPAA OBJECTIVES	KEY PERFORMANCE INDICATORS (KPIs)	ELEMENTS OF THE KEY PERFORMANCE INDICATOR USED FOR MEASURING (indicator/measure)	EXPECTED RESULTS (outputs, outcomes, impacts)	BASELINE 2010/11	ACTUAL ACHIEVEMENT AGAINST TARGET		UNDER/ OVERACHIEVEMENT COMMENT
						TARGET	ACHIEVEMENT	
1 SATISFIED CLIENTS	Objective 1 To increase the level of client satisfaction through operational excellence	A Customer Satisfaction Index Rating	1) Timely and accurate payments of exit benefits	a) Paid exit benefits within 60 days of the exit date b) Paid exit benefits within 45 days of receipt of correctly completed documents	No baseline 11.1% vacancy rate Staff turnover rate of 5.52% 86.19% attendance rate Compliance to performance management systems Six incidents of missing assets and one attempted theft reported	Human Resources Development (HRD): Trained personnel with skills to render effective and efficient services: Training needs identified	Training needs identified	Achieved
						Develop enterprise-wide training plan	Training plan approved	WSP completed, Internal training plan implemented
						Implement training plan	90% implemented	
						Human Resources Administration (HRA):reduce vacancies	Vacancy rate increase to 18.8%	Moratorium on filling permanent positions
						8% turnover rate	5.89% turnover rate	
						Sustained level of attendance	82.87% attendance rate	Reliant on business units to submit agreements and reviews

FIVE GPAA STRATEGIC GOALS	GPAA OBJECTIVES	KEY PERFORMANCE INDICATORS (KPIs)	ELEMENTS OF THE KEY PERFORMANCE INDICATOR USED FOR MEASURING (indicator/measure)	EXPECTED RESULTS (outputs, outcomes, impacts)	BASELINE 2010/11	ACTUAL ACHIEVEMENT AGAINST TARGET		UNDER/ OVERACHIEVEMENT COMMENT
						TARGET	ACHIEVEMENT	
				60% of persons entering Head Office are scanned No biometric access system Scanning equipment installed at Head Office Walk-in Centre No compliance report in place to monitor security system maintenance	95% of persons entering Head Office are scanned 100% of biometric access system rolled out at Head Office Maintain scanning equipment that is installed One system performance and security breaches report per month	Baseline levels maintained Biometric data of employees loaded into the control database for access purposes Equipment maintained One report received per month	Achieved Achieved Achieved Achieved	
			2) Improvement of active members experience through service channel accessibility and responsiveness	c) Response to clients	No baseline	HRD: Improve communication and customer service skills Create and implement communication and customer care training modules Implement internship programme	90% implementation of customer care training 70% implementation of internship programme	Achieved Achieved as interns were appointed
				d) Complaint resolved	No baseline	HRD: Improve communication and customer service skills Create and implement communication and customer care training modules Implement internship programme	90% implementation of customer care training 70% implementation of internship programme	Achieved Achieved as interns were appointed

FIVE GPAA STRATEGIC GOALS	GPAA OBJECTIVES	KEY PERFORMANCE INDICATORS (KPIs)	ELEMENTS OF THE KEY PERFORMANCE INDICATOR USED FOR MEASURING (indicator/measure)	EXPECTED RESULTS (outputs, outcomes, impacts)	BASELINE 2010/11	ACTUAL ACHIEVEMENT AGAINST TARGET		UNDER/ OVERACHIEVEMENT COMMENT
						TARGET	ACHIEVEMENT	
2 REALISING ENABLING TECHNOLOGY	Objective 2 To enhance service delivery through enabling technology and well-documented processes in such a way that the results can be measured, monitored, and evaluated within a specific timeframe	B Capability Index Rating	e) Call Centre response	No baseline	HRD: Improve communication and customer service skills Create and implement communication and customer care training modules Implement internship programme	90% implementation of customer care training 70% implementation of internship programme	Achieved Achieved as interns were appointed	
			3) Reducing backlogs	f) Paid backlog cases (more than 60 days)	No baseline HRD: Trained personnel with skills to render effective and efficient services Training needs identified Develop enterprise-wide training plan Implement training plan	Training needs identified Training plan approved 90% implemented	Achieved WSP approved Internal training plan implemented	
			4) Review of key processes	g) Modernisation Programme – design stream	No baseline HRD: training plan developed through the Modernisation Programme	30% implemented	Training plan for modernisation in the draft process	
			5) Deploy applicable technology to automate key processes	h) Modernisation Programme – technology stream	No baseline HRD: e-Learning programme in place	Partially achieved	Budgetary constraints restricted implementation	
			6) Institute modernisation delivery capability	i) Modernisation Programme – people stream	No baseline HRD: Trained personnel with skills to render effective and efficient services Training needs identified Develop enterprise-wide training plan Implement training plan	Training needs identified Training plan approved 90% implemented	In process Abridged CVs requested and recorded WSP approved Internal training programme implemented	

FIVE GPAA STRATEGIC GOALS	GPAA OBJECTIVES	KEY PERFORMANCE INDICATORS (KPIs)	ELEMENTS OF THE KEY PERFORMANCE INDICATOR USED FOR MEASURING (indicator/measure)	EXPECTED RESULTS (outputs, outcomes, impacts)	BASELINE 2010/11	ACTUAL ACHIEVEMENT AGAINST TARGET		UNDER/ OVERACHIEVEMENT COMMENT
						TARGET	ACHIEVEMENT	
Strategic Goal 1: To enhance the internal audit function.	Strategic Objective 1.1: To enhance the internal audit function.	Key Performance Indicator 1.1.1: Internal audit rating.	7) Internal audit rating	j) Positive internal audit rating	Unqualified audit rating with no matters of emphasis	Human Resources Administration (HRA): Risks actioned as per internal audit report	Positive internal audit rating	Recruitment audit: 90% of findings already addressed
			8) Stakeholder complaints resolution turnaround time	k) Response to stakeholders	No baseline	HRD: 90% of complaints resolved within 24 hours HRA: Complaints responded to in less than 48 hours Complaints resolved in less than seven working days	60% compliances 80% resolved Partially achieved – investigating the implementation of a central complaints database Partially achieved – investigating the implementation of a central complaints database	80% resolved Not convinced about the feasibility of implementing a central complaints database in HR Pending, thus not achieved
			9) Performance against Service Level Agreements (SLAs)	l) Partnerships with stakeholders	No baseline	HRD: Compliance with SLAs with stakeholders: 95% compliance with Public Service Sector Education and Training Authority (PSETA) 70% compliance with Gijima SLA	100% compliance with PSETA SLA	Achieved
			10) Enterprise-wide risk rating (Risk Register – Top 18)	m) Mitigated risk	No baseline	Customise policies to the GPAA	70% of policies customised to the GPAA	Partially achieved Policies adopted Under review
			11) Forensics and Fraud Prevention	n) Fraud prevention initiatives	No baseline	HRD: Sensitise the GPAA employees on forensics and fraud prevention initiatives through the induction programme HRA: Employees with integrity appointed: 1% of staff vetted	Implemented 1% of staff vetted	Achieved Achieved

FIVE GPAA STRATEGIC GOALS	GPAA OBJECTIVES	KEY PERFORMANCE INDICATORS (KPIs)	ELEMENTS OF THE KEY PERFORMANCE INDICATOR USED FOR MEASURING (Indicator/measure)	EXPECTED RESULTS (outputs, outcomes, impacts)	BASELINE 2010/11	ACTUAL ACHIEVEMENT AGAINST TARGET		UNDER/ OVERACHIEVEMENT COMMENT
						TARGET	ACHIEVEMENT	
5 ADMINISTRATIVE OBLIGATIONS MET WITH SPEED, EASE AND ACCURACY	Objective 4 To develop core skills and human capabilities to deliver professional and efficient administration services	D Employee Satisfaction Index Rating	12) Offering targeted training	o) Competent staff Training days per person per annum as per personal development plans	2.5 days of training per person per annum	HRD: Provide specialised training as identified in the strategic plan	27% of training and development achieved 70% of internship programme achieved 98% of bursaries approved 71% of ABET classes attended	Partially achieved
			13) Transform the organisational culture	p) Change management and communication	No baseline	Effective forums created for Change Management, Disability Management, Employment Equity and Gender Mainstreaming to facilitate a Total Transformation Framework for the GPAA	Successfully launched the Modernisation Programme Completed a post-launch survey Finalised the GPAA Change Management strategy Finalised terms of reference for the Change Management Forum and trained change champions Distributed suggestion boxes at Head Office and at regional offices Held modernisation roadshows at all regional offices Conducted a post-roadshow analysis survey	Achieved
			14) Building and maintaining a conducive working environment	q) Appropriate organisational structure	Non-compliance with GIAMA and OHS Acts Limited parking for staff Revamp of some offices at Head Office and some regional offices Increased cleaning staff to support core business (for hygiene purposes)	Compliance with GIAMA and OHS Acts Revamp three regional offices Increase cleaning staff	40% compliance to GIAMA and OHS Acts Mafikeng, Bisho and Nelspruit regional offices revamped 14 new cleaning staff employed	Achieved

FIVE GPAA STRATEGIC GOALS	GPAA OBJECTIVES	KEY PERFORMANCE INDICATORS (KPIs)	ELEMENTS OF THE KEY PERFORMANCE INDICATOR USED FOR MEASURING (indicator/measure)	EXPECTED RESULTS (outputs, outcomes, impacts)	BASELINE 2010/11	ACTUAL ACHIEVEMENT AGAINST TARGET		UNDER/ OVERACHIEVEMENT COMMENT
						TARGET	ACHIEVEMENT	
			21) Conducting employee wellness programmes	aa) Mandatory wellness calendar events	Health calendar events held	Host HCT awareness and testing, encourage employees to donate blood Life skills classes with all facility employees to be held weekly Host health calendar events	HCT awareness and testing took place All the planned life skills classes were conducted in collaboration with the Training and Development unit Employee wellness-related training co-ordinated A survey on Call Centre and Walk-in Centre stress levels was conducted Drafted terms of reference for SHERQ Committee Blood donation took place Debt management inventions were held with employees Events were held on World AIDS Day and during the 16 Days of Activism 40 employees were trained as fire fighters First evacuation practice drill took place Careways (the employee assistance programme (EAP) service provider) reports that employee usage of the service is 60% above the national usage rating	Achieved

TABLE 2.7 - GPAA'S SUB-PROGRAMME 4.3 SCORECARD

Sub-Programme 4.4: Risk and audit

Purpose:

Risk and Audit has three key responsibilities, namely to promote a fraud-free environment within the GPAA, to manage enterprise-wide risks and to provide an internal audit service within the organisation.

Measurable objectives:

- To mitigate and manage enterprise-wide risk at the GPAA; and
- To reduce, eradicate and investigate fraudulent activities at the GPAA.

FIVE GPAA STRATEGIC GOALS	GPAA OBJECTIVES	KEY PERFORMANCE INDICATORS (KPIs)	ELEMENTS OF THE KEY PERFORMANCE INDICATOR USED FOR MEASURING (indicator/measure)	EXPECTED RESULTS (outputs, outcomes, impacts)	BASELINE 2010/11	ACTUAL ACHIEVEMENT AGAINST TARGET		UNDER/ OVERACHIEVEMENT COMMENT
						TARGET	ACHIEVEMENT	
1 SATISFIED CLIENTS	Objective 1 To increase the level of client satisfaction through operational excellence	A Customer Satisfaction Index Rating	1) Timely and accurate payments of exit benefits	a) Paid exit benefits within 60 days of the exit date b) Paid exit benefits within 45 days of receipt of correctly completed documents	Annual risk assessment	30% implementation of the mitigating strategies 50% implementation of the customer relationship management (CRM) risk register 35% implementation of the regional office fraud risk register	39% implementation of the employee benefits (EB) operations risk register	Annual risk assessment at regional offices could not be conducted due to shortage of staff
3 MUTUALLY BENEFICIAL RELATIONSHIPS WITH STAKEHOLDERS	Objective 3 To have an efficient corporate governance and financial management framework	C Stakeholder Satisfaction Index Rating	2) External audit rating	c) Compliant organisation	Unqualified audit rating	20% implementation of the internal audit recommendations	55% implementation of the internal audit recommendations as per the 2010/11 audit report	Achieved
			3) Internal audit rating	d) Positive internal audit rating				
			4) Stakeholder complaints resolution turnaround time	e) Response to stakeholders	No baseline	Feedback within three working days (72 hours to stakeholders ¹)	Average of three days to respond to the stakeholders	Achieved
			5) Performance against SLA	f) Partnership with stakeholders	SLA in place with the stakeholders ²	Develop memoranda of understanding (MOUs) with GEPF and National Treasury	Not achieved	Not achieved due to external dependencies

¹Enterprise-wide Risk Management Unit Stakeholders are GEPF, National Treasury and the GPAA employees

²SLA is only with GEPF and National Treasury

FIVE GPAA STRATEGIC GOALS	GPAA OBJECTIVES	KEY PERFORMANCE INDICATORS (KPIs)	ELEMENTS OF THE KEY PERFORMANCE INDICATOR USED FOR MEASURING (indicator/measure)	EXPECTED RESULTS (outputs, outcomes, impacts)	BASELINE 2010/11	ACTUAL ACHIEVEMENT AGAINST TARGET		UNDER/ OVERACHIEVEMENT COMMENT
						TARGET	ACHIEVEMENT	
Strategic Goal 1: To improve the delivery of services to customers by increasing efficiency and effectiveness.	Objectives 1.1 & 1.2	KPI 1.1.1	6) Budget	g) Quarterly Variance reports	+/- 5 % variance	+/- 2 % variance	Not achieved	Variance on the budget occurred because the risk software, as budgeted for in the first quarter, could not be procured due to lack of timely approval by the acting CIO Three additional contract employees were budgeted for, which have not been employed due to the moratorium placed on filing vacant positions
			7) Performance against SLA	h) Compliance with Fund service levels	80% achievement of GEPF SLA	Quarterly risk report to the Fund on the 21st day of the first month of every quarter	Not achieved	Not achieved
			8) Enterprise-wide Risk Rating (Risk Register – Top 14)	i) Compliance with National Treasury service levels	80% achievement of NT SLA	20% achievement of NT SLA	Not achieved	National Treasury ERM unit still in charge of conducting Programme 7's risk assessments and monitoring, however the GPAA is invited during the risk assessment
			j) Mitigated risk	80% of risks mitigated	90% of the risks mitigated Draft the Risk Management Implementation Plan	Draft the Risk Management Charter	Risk Management Implementation Plan in place awaiting approval of the Risk Management Committee Risk Management Committee Charter noted by the GPAA Executive Committee for consideration and approval by the Risk Management Committee	

FIVE GPAA STRATEGIC GOALS	GPAA OBJECTIVES	KEY PERFORMANCE INDICATORS (KPIs)	ELEMENTS OF THE KEY PERFORMANCE INDICATOR USED FOR MEASURING (indicator/measure)	EXPECTED RESULTS (outputs, outcomes, impacts)	BASELINE 2010/11	ACTUAL ACHIEVEMENT AGAINST TARGET		UNDER/ OVERACHIEVEMENT COMMENT
						TARGET	ACHIEVEMENT	
5 ADMINISTRATIVE OBLIGATIONS MET WITH SPEED, EASE AND ACCURACY	Objective 4 To develop core skills and human capabilities to deliver professional and efficient administration services	D Employee Satisfaction Index Rating				Reviewed risk management policy by 31 March 2012	Risk awareness conducted with +/-20 new employees	Not achieved due to the fact that the Risk Implementation Plan was only approved in February 2012
						Approved strategic risk register	32 sessions of enterprise risk management training and awareness were conducted at Head Office	
				9) Forensics and fraud prevention	Fraud risk assessment conducted at regional offices	Submit enterprise-wide risk activities to draft the Annual Report, executive authority report and the Risk Committee and Audit Committee report by 28 February 2012	40% of the Top 18 risk mitigating strategies were implemented	The risk management strategy has was revised and approved
						The Strategic Risk Register is not yet available because business units' Risk Registers have not yet been finalised	The Strategic Risk Register is not yet available because business units' Risk Registers have not yet been finalised	
			10) Offering targeted training	w) Competent staff Training days per person per annum as per personal development plan	Four days per annum targeted training per employee	90% of the fraud risks mitigation strategies implemented	35% of the fraud risk mitigating strategies implemented	Not achieved, monitoring reports not provided by the units
						Implement the fraud prevention matrix		
					Five days per annum targeted training per employee	Three days' training was attended by two employees within the EWRMU and three employees attended a two-day workshop on Fraud and Corruption Risk Management	Partially achieved	

FIVE GPAA STRATEGIC GOALS	GPAA OBJECTIVES	KEY PERFORMANCE INDICATORS (KPIs)	ELEMENTS OF THE KEY PERFORMANCE INDICATOR USED FOR MEASURING (indicator/measure)	EXPECTED RESULTS (outputs, outcomes, impacts)	BASELINE 2010/11	ACTUAL ACHIEVEMENT AGAINST TARGET		UNDER/ OVERACHIEVEMENT COMMENT
						TARGET	ACHIEVEMENT	
			18) Transform the organisational culture	x) Change management and communication	No baseline	Participate in change management initiatives	There is a change management representative in the unit Change management communication task team held a meeting	Communication has not yet started, pending the approval of the change management communication pack to be issued to all Change Management Forum members and champions Modernisation communiqué is in the eTalk weekly newsletter
			19) Building and maintaining a conducive working environment	y) Appropriate organisational structure	No baseline	Review the business unit's structure to suite the current environment as per the modernisation team's recommendations	Not achieved	This will only take place after the results are finalised by the modernisation team
			20) Conducting employee wellness programmes	z) Mandatory wellness calendar events	Attend wellness initiatives as per the wellness calendar	Participate in the wellness initiatives as per the wellness calendar	Not achieved	Wellness programme events could not be attended due to unavailability of staff

TABLE 2.8 - GPAA'S SUB-PROGRAMME 4.4 SCORECARD

Sub-Programme 4.5: Legal services

Purpose:

The purpose of Legal Services is to provide an enterprise-wide legal service. As the GPAA is a service provider to both GEPF and the National Treasury, Legal Services is responsible for providing legal support in areas of operations for which the GPAA is responsible.

Measurable objectives:

- To establish legal identity;
- To improve the governance and compliance framework; and
- To improve service delivery through ensuring compliance with legislative requirements.

FIVE GPAA STRATEGIC GOALS	GPAA OBJECTIVES	KEY PERFORMANCE INDICATORS (KPIs)	ELEMENTS OF THE KEY PERFORMANCE INDICATOR USED FOR MEASURING (indicator/measure)	EXPECTED RESULTS (outputs, outcomes, impacts)	BASELINE 2010/11	ACTUAL ACHIEVEMENT AGAINST TARGET		UNDER/ OVERACHIEVEMENT COMMENT
						TARGET	ACHIEVEMENT	
1 SATISFIED CLIENTS	Objective 1 To increase the level of client satisfaction through operational excellence	A Customer Satisfaction Index Rating	1) Timely and accurate payments of exit benefits	a) Paid exit benefits within 60 days of the exit date b) Paid exit benefits within 45 days upon receipt of correctly completed documents	One working day	Reduce divorce cases that have no endorsement, where all duly completed statements have been received, to two working days	2.82 working days	Increased workload due to implementation of the clean break principle
					1.33 working days	Reduce divorce cases, where all duly completed statements have been received, and an endorsement must be made to two working days	2.37 working days	Increased workload due to implementation of the clean break principle
				39.55 working days after receiving duly completed statements	One working day	Reduce life partner case finalisation time to five working days where duly completed statements are received	16.43 working days	Increased workload due to implementation of the clean break principle
					58 working days	Reduce maintenance case query time to two working days after receipt of all duly completed statements	1.74 working days	Achieved
						Reduce legal opinion query time to five working days	20.26 working days	Turnaround times continue to improve Focused on resolving backlogs measured from 01/01/2011

FIVE GPAA STRATEGIC GOALS	GPAA OBJECTIVES	KEY PERFORMANCE INDICATORS (KPIs)	ELEMENTS OF THE KEY PERFORMANCE INDICATOR USED FOR MEASURING (indicator/measure)	EXPECTED RESULTS (outputs, outcomes, impacts)	BASELINE 2010/11	ACTUAL ACHIEVEMENT AGAINST TARGET		UNDER/ OVERACHIEVEMENT COMMENT
						TARGET	ACHIEVEMENT	
2 REALISING NABLING TECHNOLOGY	Objective 2 To enhance service delivery through enabling technology and well-documented processes in such a way that the results can be measured, monitored, and evaluated within a specific timeframe	B Capability Index Rating	2) Improvement of active members' experience through service channel accessibility and responsiveness	c) Response to clients	Two working days	Real time response to complaints by e-mail lodged in the legal division by acknowledging receipt within two working days	Immediately upon receipt	Achieved
				d) Complaint resolved	Seven working days	Resolve complaint in seven working days	5.44 working days (divorce) 1.85 working days (maintenance) 1.21 working days (Public Protector) 2.16 working days (life partners)	Achieved
				e) Employers serviced at local contact point/ office	Five working days	Telephonic or email legal support as and when required within five days	5.44 working days (divorce) 1.85 working days (maintenance) 1.21 working days (Public Protector) 2.16 working days (life partners)	Achieved
				f) Members serviced at local contact point/ office	Five working days	Telephonic or email legal support as and when required within five days to regional offices	5.44 working days (divorce) 1.85 working days (maintenance) 1.21 working days (Public Protector) 2.16 working days (life partners)	Achieved
				g) Call Centre response	Five working days	Telephonic or email legal support as and when required within five days	5.44 working days (divorce) 1.85 working days (maintenance) 1.21 working days (Public Protector) 2.16 working days (life partners)	Achieved
2 REALISING NABLING TECHNOLOGY	Objective 2 To enhance service delivery through enabling technology and well-documented processes in such a way that the results can be measured, monitored, and evaluated within a specific timeframe	B Capability Index Rating	3) Strategic management	h) Key business goals – corporate scorecard	84% of scorecard achieved	80 % of scorecard achieved	71%	Increased workload due to implementation of the clean break principle Unable to fill vacant positions due to moratorium placed on filling of positions

FIVE GPAA STRATEGIC GOALS	GPAA OBJECTIVES	KEY PERFORMANCE INDICATORS (KPIs)	ELEMENTS OF THE KEY PERFORMANCE INDICATOR USED FOR MEASURING (indicator/measure)	EXPECTED RESULTS (outputs, outcomes, impacts)	BASELINE 2010/11	ACTUAL ACHIEVEMENT AGAINST TARGET		UNDER/ OVERACHIEVEMENT COMMENT
						TARGET	ACHIEVEMENT	
3 MUTUAL BENEFICIAL RELATIONSHIPS	Objective 3 To have an efficient corporate governance and financial management framework	C Stakeholder Satisfaction Index	4) External Audit Rating 5) Internal Audit rating	i) Compliant organisation j) Positive internal audit rating	Unqualified Audit rating with no matters of emphasis	Unqualified Audit rating with no matters of emphasis Positive internal audit rating	Audit in process	Audit in process
			6) Stakeholder complaints resolution turnaround time	k) Response to stakeholders	> Seven working days	Five working days	5.44 working days (divorce) 1.85 working days (maintenance) 1.21 working days (Public Protector) 2.16 working days (life partners)	Achieved
4 STRATEGIC PARTNERSHIPS WITH EMPLOYER COMMUNITIES			7) Timely submission of Annual Report	l) Approved Annual Report	Delivered by 31 May 2011	Quarterly reports submitted by the 10th of the first month of the quarter	Partially achieved	Final report submitted on time
			8) Budget	m) Quarterly variance reports	28% variance	+/-2% variance	22%	Due to the nature of legal services required, the budget may show considerable variance It is not possible to predict what legal work may be required GEPF/GPAA may be sued at any time, litigation matters fluctuate and legal opinions arise without any prior indication
			9) Performance against SLA	n) Compliance with Fund service levels	80% achievement of the GEPF SLA	80% achievement of the GEPF SLA	80%	Achieved
				o) Compliance with National Treasury service levels	80% achievement of National Treasury SLA	80% achievement of National Treasury SLA	80%	Achieved
			10) Enterprise-wide risk rating (Risk Register – Top 18)	p) Mitigated risk	80% risk mitigated and managed Implemented fraud strategy	80% risk mitigated and managed Implemented fraud strategy	80% risk mitigated No fraud strategy implemented	Achieved

FIVE GPAA STRATEGIC GOALS	GPAA OBJECTIVES	KEY PERFORMANCE INDICATORS (KPIs)	ELEMENTS OF THE KEY PERFORMANCE INDICATOR USED FOR MEASURING (indicator/measure)	EXPECTED RESULTS (outputs, outcomes, impacts)	BASELINE 2010/11	ACTUAL ACHIEVEMENT AGAINST TARGET		UNDER/ OVERACHIEVEMENT COMMENT
						TARGET	ACHIEVEMENT	
5 ADMINISTRATIVE OBLIGATIONS MET WITH SPEED, EASE AND ACCURACY	Objective 4 To develop core skills and human capabilities to deliver professional and efficient administration services	D Employee Satisfaction Index Rating	11) Offering targeted training	q) Competent staff Training days per person per annum as per personal development plan	Five days of specialised training per annum per employee Human capital strategy developed	4.2 days of specialised training per annum per employee Human capital strategy developed	No training took place Strategy for human capital in process	On-the-job training provided for substantial legislative amendments in response to an immediate, pressing need
			12) Transform the organisational culture	r) Change management and communication	Appoint SMS lacking members Policy and strategy to introduce equity	Appoint SMS lacking members Policy and strategy to introduce equity	Not achieved Equity as per institutional goals	Moratorium on appointing SMS members
			13) Building and maintaining a conducive working environment	s) Appropriate organisational structure	Stable work environment Improve office accommodation	Stable work environment Improve office accommodation	Stable work environment Office accommodation improved	Achieved Achieved
			14) Conducting employee wellness programmes	t) Mandatory wellness calendar events	Wellness calendar events	80% of office staff attend wellness calendar events	Achieved	Achieved

TABLE 2.9 - GPAA'S SUB-PROGRAMME 4.5 SCORECARD

Sub-Programme 4.6: Information and Communication Technology (ICT)

Purpose:

Information and Communication Technology (ICT) directs and manages the organisation's ICT resources, including the data centre (servers and storage area network), wide and local area networks (LAN and WAN), applications, desktop equipment and databases. It enables the organisation's operations and management, as it provides the building blocks and the interoperability required to deliver on the GPAA's mandate. Information and Communication Technology strives to provide leading-edge technology solutions and high-quality pension administration support services based on established best practice frameworks, models and standards. In this regard,

ICT ensures the security and integrity of the organisation's ICT systems while maintaining a clear organisational chart, which lays out the approved levels of authorisation for staff. ICT also maintains defined and role-based access controls with appropriate authorisation by both ICT and user sections.

Measurable objectives:

- To enhance service delivery through enabling technology and well-documented processes.

FIVE GPAA STRATEGIC GOALS	GPAA OBJECTIVES	ELEMENTS OF THE KEY PERFORMANCE INDICATOR USED FOR MEASURING (indicator/measure)	EXPECTED RESULTS (outputs, outcomes, impacts)	BASELINE 2010/11	ACTUAL ACHIEVEMENT AGAINST TARGET		UNDER/ OVERACHIEVEMENT COMMENT
					TARGET	ACHIEVEMENT	
1 SATISFIED CLIENTS	Objective 1 To increase the level of client satisfaction through operational excellence	A Customer Satisfaction Index Rating	1) Timely and accurate payments of exit benefits	a) Paid exit benefits within 60 days of the exit date b) Paid exit benefits within 45 days upon receipt of correctly completed documents	Approved OLAs with divisions Implemented second revised ICT Service Level Agreement	First draft OLA template is being discussed with divisions No SLA-based report to ICT Manco	Engaging senior and executive management on their service requirements is time-consuming and difficult Preparing new tender documents to enforce SLA reporting
			2) Improvement of active members' experience through service channel accessibility and responsiveness	c) Response to internal external clients Systems uptime Systems response time System uptime 99.9% Implement tools 95%	Response to fault log by clients 95% No monitoring tools 99.999% Some infrastructure tools implemented	Within 30 minutes; auto response in less than five minutes 95% Not originally on contract thus engaging the service provider	A number of system downtimes experienced List of three applications environment tools available
			d) Complaint resolved	Percentage of resolved complaints % within systems support response time 95% of total logged 70% within 30 minutes 70% within 10 minutes	80% of total logged % within one hour from time of logging % within 30 minutes for emergency Not measured Not measured Not measured	80% of total logged % within one hour from time of logging % within 30 minutes for emergency Not measured Not measured Not measured	Not originally on contract thus engaging the service provider

FIVE GPAA STRATEGIC GOALS	GPAA OBJECTIVES	ELEMENTS OF THE KEY PERFORMANCE INDICATOR USED FOR MEASURING (indicator/measure)	EXPECTED RESULTS (outputs, outcomes, impacts)	BASELINE 2010/11	ACTUAL ACHIEVEMENT AGAINST TARGET		UNDER/ OVERACHIEVEMENT COMMENT
					TARGET	ACHIEVEMENT	
2 REALISING ENABLING TECHNOLOGY	Objective 2 To enhance service delivery through enabling technology and well-documented processes in such a way that the results can be measured, monitored, and evaluated within a specific timeframe	B Capability Index Rating	e) Employers serviced at local contact point/ office	100% of CLOs equipped with mobile devices	95%	Additional mobile devices required for mobile offices' pilot projects	
				f) Members serviced at local contact point/ office	Member portal services (portal enhanced) Standardised and enhanced RO/SO systems	No new services introduced Standard printing technology	Awaiting the completion of some modernisation projects No new requirements identified Hardware standard Published and complied with Software standard to be developed
				g) Call Centre response	Increased use of call logging application Review call logging application	5% use in terms of number of users in CRM processes Call logging in use in Pretoria head office only	Encountered numerous hardware upgrade problems Still to conduct stress testing of hardware infrastructure
			3) Reducing backlogs	h) Paid backlog cases (less than 60 days)	60% managed MIS application releases	90% managed MIS application release	MIS now part of the mainstream ICT services, however, some reports are still dealt with in an ad hoc fashion
				120 users utilising BIEE	60 users utilising BIEE	Encountered numerous hardware upgrade problems	
			4) Review of key processes	i) Modernisation Programme – design stream	12 Processes and 12 standard operating procedures (SOPs) documented	Four processes documented and one SOP	Key processes still unidentified (awaiting ITIL certification of staff)
			5) Deploy applicable technology to automate key processes	j) Modernisation Programme – technology stream	90% updated (enhanced) technology systems	39% desktop refresh 70% updated application software 100% updated servers 100% updated network devices	Average 77.25% updated technology as a result of desktop acquisition delays which led to delays in the refresh
				Three processes automated	One process automated	Process automation dependent on modernisation solution	

FIVE GPAA STRATEGIC GOALS	GPAA OBJECTIVES	ELEMENTS OF THE KEY PERFORMANCE INDICATOR USED FOR MEASURING (indicator/measure)	EXPECTED RESULTS (outputs, outcomes, impacts)	BASELINE 2010/11	ACTUAL ACHIEVEMENT AGAINST TARGET		UNDER/ OVERACHIEVEMENT COMMENT
					TARGET	ACHIEVEMENT	
3 MUTUALLY BENEFICIAL RELATIONSHIPS WITH STAKEHOLDERS	Objective 3 To have an efficient corporate governance and financial management framework	C Stakeholder Satisfaction Index Rating	6) Institute Modernisation (enhanced) delivery capability	k) Modernisation Programme – people stream	Not applicable	Not applicable	
			7) Strategic management	l) Key business goals – corporate scorecard	OLA with Fund	Submitted first draft OLA report	Due to protracted report format discussion and approval process
					Implemented ICT governance framework	Draft governance framework document	New terms of reference developed
					Approved ICT strategy	Cascading workshop held and report being finalised	Delayed publishing of enterprise strategy
					ICT architecture	Application architecture revised	Awaiting Modernisation Programme guidance
					Capacity planning	No plans	Awaiting finalisation of OLAs with divisions
4 STRATEGIC PARTNERSHIPS WITH EMPLOYER COMMUNITIES			8) External audit rating	m) Compliant organisation	80% external audit findings resolved	72% of external audit findings resolved	Focus on GEPF's finding, which formed the majority at 76.5% of all 170 findings (both internal and external)
			9) Internal audit rating	n) Positive internal audit rating	80% internal audit findings resolved	21% of internal audit findings resolved	
			10) Performance against SLA ³	o) Key business goals – corporate scorecard	60% of all SLAs assessed in terms of delivery	0% of SLA assessment conducted	Postponed due to the new sourcing strategy implementation
			11) Timeous submission of annual report	p) Approved annual report	70% monthly ICT Manco reports written Quarterly strategic and SLA performance reports by 14th working day of first month of the next quarter	25% written reports Quarter 4 performance report after 14 April	EXCO to rule on format of the report Information from business units only available after 14 April 2012 (input information delayed)
			12) Budget	q) Quarterly variance reports	Less than 2% variance	1.54%	

³Primary service provider to the Sub-Programme

FIVE GPAA STRATEGIC GOALS	GPAA OBJECTIVES	ELEMENTS OF THE KEY PERFORMANCE INDICATOR USED FOR MEASURING (indicator/measure)	EXPECTED RESULTS (outputs, outcomes, impacts)	BASELINE 2010/11	ACTUAL ACHIEVEMENT AGAINST TARGET		UNDER/ OVERACHIEVEMENT COMMENT
					TARGET	ACHIEVEMENT	
			13) Enterprise-wide risk rating (Risk Register – Top 18)	r) Mitigated risk	80% of risks mitigated	17% of mitigating strategies implemented and 83% partially implemented	Dependency on other role-players
5 ADMINISTRATIVE OBLIGATIONS MET WITH SPEED, EASE AND ACCURACY	Objective 4 To develop core skills and human capabilities to deliver professional and efficient administration services	D Employee Satisfaction Index Rating	14) Offering targeted training	s) Competent staff	30 training days per annum	Eight days undertaken	ITIL and COBIT training for ICT staff did not take place due to the tender process restarting

TABLE 2.10 - GPAA'S SUB-PROGRAMME 4.6 SCORECARD

4.2.5 PROGRAMME 5: MODERNISATION

Purpose:

This programme forms the nucleus of the GPAA's strategy for the next five years and beyond, ensuring that efficiency gains realised through this programme are sustained.

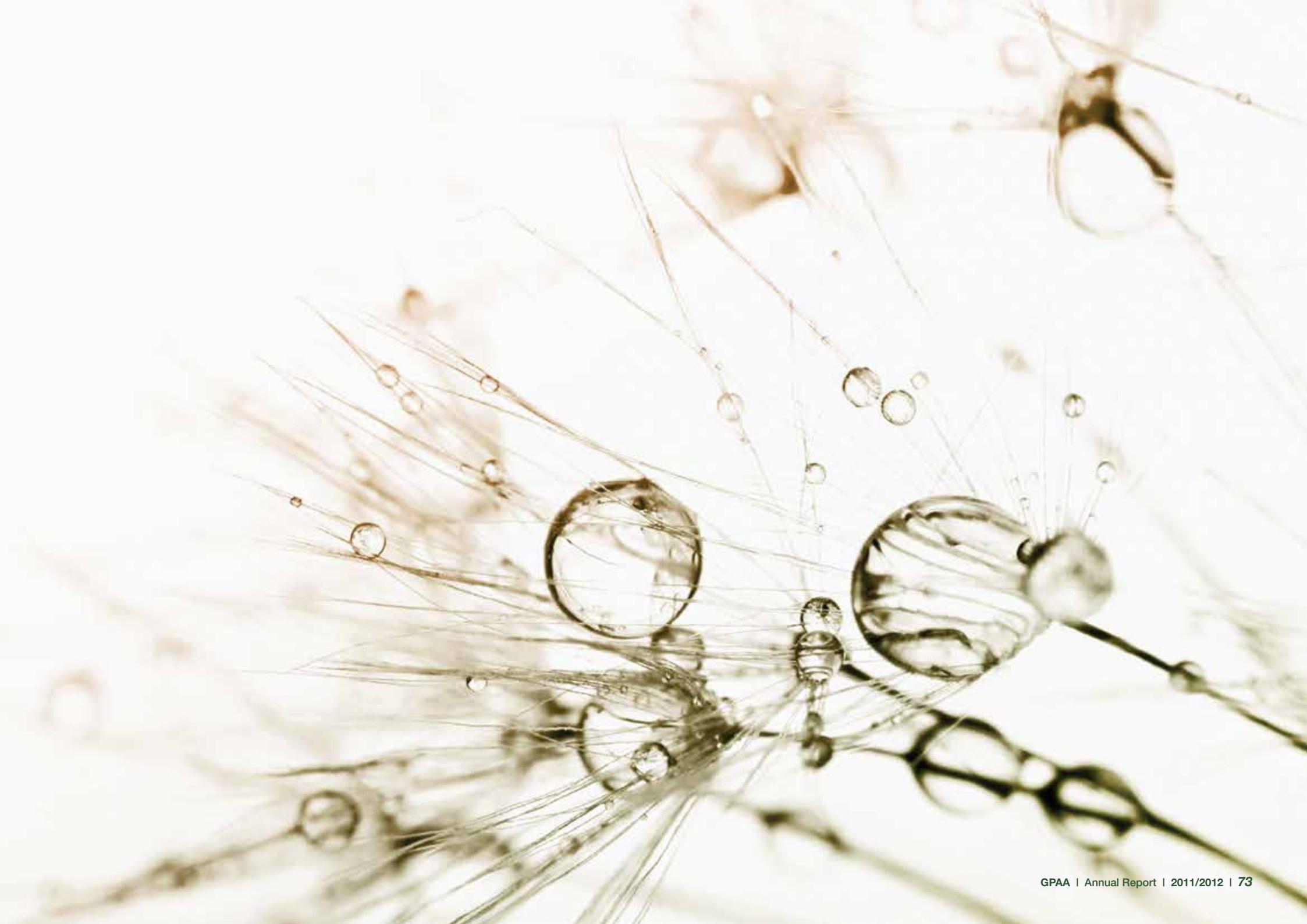
Measurable objectives:

- To enhance service delivery through enabling technology and well-documented processes in such a way that the results can be measured, monitored, and evaluated within a specific timeframe.

FIVE GPAA STRATEGIC GOALS	GPAA OBJECTIVES	KEY PERFORMANCE INDICATORS (KPIs)	EXPECTED RESULTS (outputs, outcomes, impacts)	BASELINE 2010/11	ACTUAL ACHIEVEMENT AGAINST TARGET		UNDER/ OVERACHIEVEMENT COMMENT	UNDER/ OVERACHIEVEMENT COMMENT
					TARGET	ACHIEVEMENT		
2 REALISING ENABLING TECHNOLOGY	Objective 2 To enhance service delivery through enabling technology and well-documented processes in such a way that the results can be measured, monitored, and evaluated within a specific timeframe	B Capability Index Rating	4) Review of key processes	i) Modernisation Programme – design stream	No baseline	Process Auto Life Verification (ALV) Improved member outreach and education Retiring member campaign Exit process automation Business Process Management (BPM) tender successfully advertised (awaiting evaluation)	Implemented in October 2011. Member life status is now verified automatically via third party data. The monthly volume of Life Certificates printed reduced from an average of 35,000 to 400 Increased local footprint offices in rural areas through mobile offices in Limpopo, Burgersfort and Lephalale districts Validate membership details of the people nearing retiring age Dedicated out bounding in collaborating with CLOs Increase the proportion of exit documentation submitted on time High level of benefit Payment automation (BPA) key processes completed e-Channel – automation of employer interface design and development completed.	Some of these projects are on-going and milestones will be reported on annually.
			5) Deploy applicable technology to automate key processes	j) Modernisation Programme – technology stream	No baseline	Determination of technological options to enable the new model Technical finalisation of the GPAA technical infrastructure Selection of a partner to deploy modernisation technical/process solution Implement an MIS/BI infrastructure Selection of workflow engine	Service provider appointment delayed Scoping requirements were explored	Considerable time was devoted to the determination of the appropriate procurement strategy and scoping of the requirements

FIVE GPAA STRATEGIC GOALS	GPAA OBJECTIVES	KEY PERFORMANCE INDICATORS (KPIs)	EXPECTED RESULTS (outputs, outcomes, impacts)	BASELINE 2010/11	ACTUAL ACHIEVEMENT AGAINST TARGET		UNDER/ OVERACHIEVEMENT COMMENT	UNDER/ OVERACHIEVEMENT COMMENT
					TARGET	ACHIEVEMENT		
			6) Institute modernisation delivery capability	k) Modernisation Programme – people stream	No baseline	People Programme 5 capacitation	Appointed programme manager Formal MOU with SARS developed affording the GPAA's process engineering capability and future resources Secondment of the GPAA's resources to the design, people and change management streams. Targeted interventions, such as the SARS lean course, six-sigma, BPM and business analysis and change management were afforded to the seconded employees Three project managers appointed to assist in the formal project management of modernisation Develop placement protocol to regulate staff movement as a result of process improvement. The document is awaiting formal adoption by organised labour	Some of these projects are on-going and milestones will be reported on annually
3 MUTUALLY BENEFICIAL RELATIONSHIPS WITH STAKEHOLDERS	Objective 3 To have an efficient corporate governance and financial management framework	C Stakeholder Satisfaction Index Rating	8) External audit rating	m) Compliant organisation	Unqualified external audit with no matters of emphasis	Unqualified external audit with no matters of emphasis	Unqualified audit opinion	Achieved due to prioritisation of compliance in the organisation
			9) Internal audit rating	n) Positive internal audit rating	No baseline	Positive internal audit rating	Positive internal audit rating	Achieved due to diligence paid to risk-related internal controls
			13) Budget	r) Quarterly variance reports	96% variance	+/-2% variance	92% variance	Modernisation projects are planned to be implemented in the 2012/2013 financial year and so is the budget
			15) Enterprise-wide risk rating (Risk Register – Top 18)	u) Mitigated risk	No baseline	80% risk mitigated and managed	83% of the risks were managed There were 35 action plans of which 14 (40%) were implemented, 16 (46%) were partly implemented and five (14%) were not implemented	Although some of the risks were managed, only 14% of the planned actions could not be implemented due to various (including external) dependencies, as well as the nature of the actions (some of which are projects) taking place over an extended period of time
			18) Building and maintaining a conducive working environment	x) Appropriate organisational Structure	No baseline	Stable work environment Improve office accommodation	Task team appointed to investigate and propose new and separate office space options to EXCO	The task team was appointed in March 2012

TABLE 2.11 - GPAA'S PROGRAMME 4.7 SCORECARD





ANNUAL FINANCIAL STATEMENTS

ANNUAL FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2012

5.1 REPORT OF THE ACCOUNTING OFFICER

General overview

The Government Pensions Administration Agency (GPAA) is in its second year of existence, having been established as a government component on 1 April 2010. Its business was transferred from GEPF as a going concern. The GPAA renders pension administration and related services to GEPF and National Treasury.

Funding of the GPAA

The GPAA receives budget-based fees from GEPF (93%) and National Treasury (7%) for shared services rendered. For the financial year under review, the GPAA received R481,609 million from both of these clients. This arrangement will be reviewed after five years, starting from 1 April 2010.

Service delivery challenges

The challenge that the GPAA has been faced with is appropriately responding to the ever-increasing service demands from clients. Historically, the GPAA has experienced service delivery challenges in the following areas:

- On-time payment of exit benefits, resulting in backlogs;
- Building beneficial working relationships with employers, who are critical in the management of member information;
- Training and educating members on the importance of their pensions and the role they must play in ensuring that, at the time of their exit from their respective employers, there are no delays in paying their benefits;
- Up-skilling staff to provide professional service;
- Use of mostly manual processes; and
- Use of an appropriate pension administration system that is agile as the GPAA still depends on a legacy system that is arguably past its time.

These challenges still exist, although some have been addressed to a great extent and these are:

- Reduction of benefit payment backlogs. The backlogs have now been significantly reduced from 20,561 in 2007/08 to 2,261 in the 2011/12 financial year. However, another challenge has emerged during this period and that is an increase in the unclaimed benefits account which at

the end of the financial year stood at R607 million. This will be addressed in the next financial year and beyond to ensure that the GPAA traces the beneficiaries and members to whom this money is due.

- On employer training and education, the GPAA has done a lot more to ensure that employers play their role competently and this has contributed to the reduction of backlogs.
- Member education has also progressed well, but this is a continuous process.

Modernisation Programme

In order for the GPAA to respond holistically to the identified service delivery challenges, management adopted a Service Delivery Improvement Programme, referred to as the Modernisation Programme.

This programme focuses on automating bulk and repetitive tasks, increasing compliance by clients and employers, doing more on outreach and education, building human capability over time and deploying technology that will provide technological solutions to enhance service delivery.

The first phase of the programme is for five years, after which a continuous programme will follow to ensure that the GPAA maintains and improves its service delivery to keep pace with industry best practices.

The programme has already automated pensioner life verification through the electronic interface with the Department of Home Affairs. Other projects are planned to be implemented in the new financial year.

Governance

Since its establishment two years ago, the GPAA did not have an Audit Committee as required by the PFMA. An Audit Committee was appointed after the financial year end.

Management/Leadership

There has been a moratorium on filling senior management positions since May 2009, resulting in a vacancy rate of 48% at that level. Some of these positions have been filled by contract employees. The two critical positions being those of Chief Information Officer (individual contract) and Chief Financial Officer (contract as a service provider).

The moratorium has been lifted on six of the 12 positions. Three other senior management positions, which are not part of the organisational structure, were also approved to be filled on contract to support the implementation of the Modernisation Programme. Filling these positions will bring about better performance and accelerate the implementation of the Modernisation Programme. Filling these positions will be done in the new financial year.

Note must be taken that, with the implementation of the Modernisation Programme, it has been decided not to fill some positions both at senior management and lower levels as the modernised environment will have different requirements. The non-filling of these positions will give the GPAA flexibility to fill positions in the new organisational structure without serious complexity.

Basis of presentation of financial statements

The GPAA, as a government component, is supposed to use a modified cash basis for preparing financial statements. This has not been possible due to the fact that the GPAA was transferred from GEPF, which was already using accrual accounting. As a result, the GPAA has obtained approval from the Accountant General to use the Generally Recognised Accounting Practice (GRAP) framework to prepare its financial statements.

Performance Information

The GPAA provides performance information in the annual report. This performance information has been provided for audit. The detailed performance against the predetermined objectives is reported in the annual report.

Approval

The annual financial statements set out on pages 75 to 81 have been approved by the Accounting Officer.



Phenias Tjie

31 July 2012

5.2 REPORT OF THE AUDITOR GENERAL TO PARLIAMENT ON THE GOVERNMENT PENSIONS ADMINISTRATION AGENCY

REPORT ON THE FINANCIAL STATEMENTS

Introduction

I have audited the financial statements of the Government Pensions Administration Agency set out on pages 75 to 81, which comprise the statement of financial position as at 31 March 2012, the statement of financial performance, the statement of changes in net assets and the cash flow statement for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

Accounting officer's responsibility for the financial statements

The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with 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 she deems necessary to enable preparation of financial statements which are free from material misstatement, whether due to fraud or error.

Auditor-General's responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with the Public Audit Act of South Africa, 2004, (Act No. 25 of 2004)(PAA), the General Notice issued in terms thereof and International Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Government Pensions Administration Agency as at 31 March 2012, and its financial perfor-

mance and cash flows for the year then ended in accordance with SA Standards of GRAP and the requirements of PFMA.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the PAA and the General Notice issued in terms thereof, I report the following findings relevant to performance against predetermined objectives, compliance with laws and regulations and internal control, but not for the purpose of expressing an opinion.

Predetermined objectives

I performed procedures to obtain evidence about the usefulness and reliability of the information in the annual performance report as set out on pages 21-72 of the annual report. The reported performance against predetermined objectives was evaluated against the overall criteria of usefulness and reliability. The usefulness of information in the annual performance report relates to whether it is presented in accordance with National Treasury's annual reporting principles and whether the reported performance is consistent with the planned objectives. The usefulness of information further relates to whether indicators and targets are measurable (ie well defined, verifiable, specific, measurable and time bound) and relevant as required by the National Treasury.

Framework for managing programme performance information

The reliability of information in respect of the selected programmes is assessed to determine whether it adequately reflects the facts (ie whether it is valid, accurate and complete). There were no material findings on the annual performance report concerning the usefulness and reliability of the information.

Additional matters

Although no material findings concerning the usefulness and reliability of the performance information were identified in the annual performance report, I draw attention to the following matters:

Strategic plan and annual performance plan

The strategic plan and the corporate annual performance plan for 2011/12 did not disclose performance indicators, measures and targets at individual programme level. This information was contained in the individual programmes' annual performance plans, but had not been reconciled to the reporting at strategic level.

Supporting information could not be verified for completeness and reliability

Supporting documentation for targets achieved relating to the improvement of active members' experience through service channel accessibility and responsiveness indicator could not be verified for completeness and reliability.

Compliance with laws and regulations

I performed procedures to obtain evidence that the entity has complied with applicable laws and regulations regarding financial matters, financial management and other related matters. My findings on material non-compliance with specific matters in key applicable laws and regulations as set out in the General Notice issued in terms of the PAA are as follows:

Audit committee

No audit committee was in place for the year under review, as required in terms of section 38(1)(a) (ii) of the PFMA. Subsequent to year-end, an audit committee was appointed.

Internal control

I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with laws and regulations. The matters reported below under the fundamentals of internal control are limited to the significant deficiencies that resulted in the findings on compliance with laws and regulations included in this report.

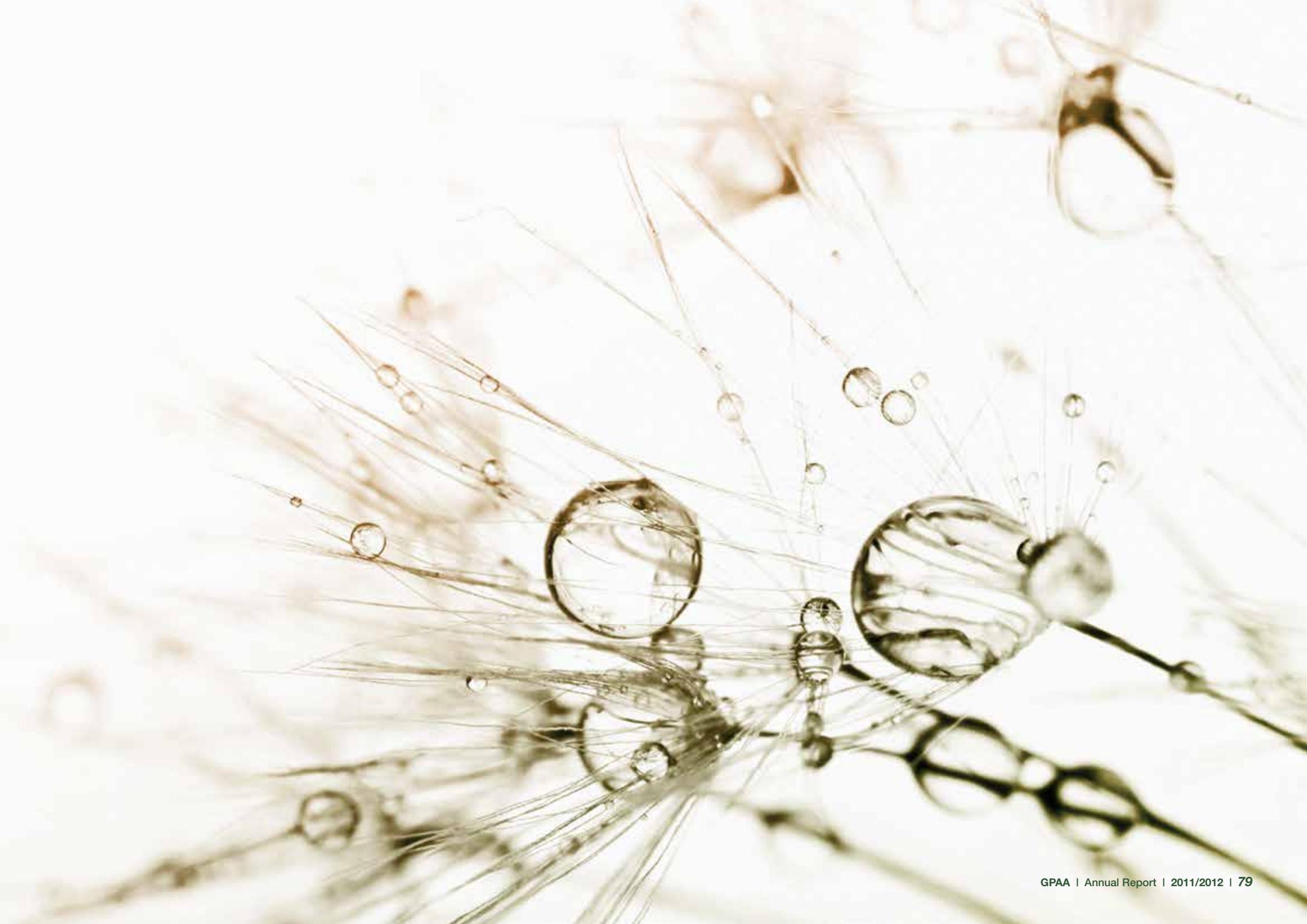
Governance

Audit committee

There was no audit committee for the year under review to provide oversight over the effectiveness of the internal control environment including financial and performance reporting and compliance with laws and regulations.

Auditor-General

Auditor-General
Pretoria
31 July 2012



5.3 STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2012

Assets	Notes	2012 R'000	2011 R'000
Current assets		45,278	26,635
Cash and cash equivalents	7	28,824	625
Inventory	6	494	636
Loans and receivables:	5	15,960	25,374
Non-current assets		33,088	37,009
Property, plant and equipment	3	25,583	34,157
Intangible assets	4	7,505	2,852
TOTAL ASSETS		78,366	63,644
Current liabilities		51,398	32,295
Trade and other payables	8	31,324	15,575
Provisions;	9	20,074	16,720
TOTAL LIABILITIES		51,398	32,295
Net assets		26,968	31,349
Accumulated surplus		26,968	31,349
TOTAL NET ASSETS		26,968	31,349

5.4 STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 MARCH 2012

	Notes	2012 R'000	2011 R'000
Revenue			
Administration fees	2.2	481,348	429,696
Profit on transfer of administration business	2.3	-	34,046
Other income	2.4	194	124
Profit on sale of property, plant and equipment		67	-
Expenses			
Personnel costs	2.1	272,334	241,358
Travel and subsistence		10,378	8,739
Depreciation	3	11,158	11,544
Amortisation	4	2,151	1,529
Cleaning and maintenance		9,024	8,583
Leases		8,253	7,429
Professional services and consulting		21,948	19,691
Audit fees		3,171	-
Communication		24,485	21,526
Printing and stationery		11,805	10,907
Advertising		16,020	8,199
Computer services		79,143	77,476
Training and staff development		10,593	5,778
Other operating expenses		5,524	9,751
Loss on sale of property, plant and equipment	3	3	7
SURPLUS/(DEFICIT) FOR THE YEAR		(4,381)	31,349

**5.5 STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED
31 MARCH 2012**

	2012 R'000
	<i>Accumulated surplus</i>
Balance as at 1 April 2010	-
Surplus for the year	31,349
	<hr/>
Balance as at 31 March 2011	31,349
Surplus/(deficit) for the year	(4,381)
	<hr/>
Balance as at 31 March 2012	26,968
	<hr/>

5.6 CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2012

	Notes	2012 R'000	2011 R'000
		<i>Cash flow from operating activities</i>	
Cash generated from operations	10	37,519	16,668
Cash receipts from customers		490,957	404,967
Cash paid to employees and suppliers		(453,438)	(388,299)
		<i>Net cash flow from operating activities</i>	37,519
		<i>Net cash flow from investing activities</i>	16,668
Proceeds from sale of property, plant and equipment		(9,320)	(16,043)
Additions to property plant and equipment		72	49
Net value of assets acquired for no value		(9,392)	(50,138)
		<i>Net increase in cash and cash equivalents</i>	34,046
		<i>Net increase in cash and cash equivalents</i>	625
		<i>Cash and cash equivalents at the beginning of the year</i>	28,199
		<i>Cash and cash equivalents at the end of the year</i>	625
	7	28,824	625

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2012

1. PRINCIPAL ACCOUNTING POLICIES

1.1 Basis of presentation of financial statements

The entity is currently established as a government component in terms of the Public Service Act. National Treasury is in the initial stages of formulating the migration process from the Modified Cash Basis to the Generally Recognised Accounting Practice (GRAP) framework, in terms of which all national departments will be required to report in the future.

The GPAA has obtained approval from the Accountant-General for an early application of GRAP, hence the financial statements have been prepared in accordance with the effective Standards of Generally Recognised Accounting Practice as determined by Directive 5: Determining the GRAP Reporting Framework, including any interpretations, guidelines and directives issued by the Accounting Standards Board, in accordance with section 55 and 89 of the Public Finance Management Act No. 1 of 1999 (as amended by Act 29 of 1999).

The financial statements are prepared in concurrence with going concern principles and on an accrual basis. The measurement base applied is historic cost, unless stated otherwise. In complying with the accounting policies, management is required to make various judgements, apart from those involving estimates, which may affect the amounts of items recognised in the financial statements.

Management is also required to make estimates of the effects of uncertain future events which could affect the carrying amounts of certain assets and liabilities at the reporting date. Actual results in the future could differ from estimates, which may be material to the financial statements.

Details of any significant judgements and estimates are explained in the relevant policy where the impact on the financial statements may be material.

1.2 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is stated at historic cost less accumulated depreciation.

Depreciation is calculated on a historic cost basis using the straight-line method over the estimated useful life. Residual values and useful lives are assessed annually.

The recorded values of these depreciated assets are periodically compared to the anticipated recoverable amounts if the assets were to be sold.

Depreciation rates are as follows:

ASSET CLASSES	ANNUAL DEPRECIATION RATE %
Computer equipment	25%
Furniture and fittings	16.67%
Office equipment	16.67%
Motor vehicles	20%
Tools	16.67%

TABLE 3.1 - DEPRECIATION RATES

The depreciation charge is to depreciate the book value over the useful life of the asset to its assessed residual value. Depreciation is calculated and provided for on an annual basis. If the residual value of an asset is at least equal to its carrying amount, depreciation will cease.

The following factors were considered when determining the useful life of the asset:

- Expected usage of the asset;
- Expected physical wear and tear of the asset;
- Technical obsolescence; and
- Legal or other limits on the use of the asset.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount (i.e. impairment losses are recognised).

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

1.3 INTANGIBLE ASSETS

Intangible assets held for use are stated in the statement of financial position at amortised cost, being the initial cost price less any amortisation and impairment. Amortisation is charged so as to write off the cost of intangible assets over their estimated useful lives, using the straight-line method as follows:

- Computer software: 33%

1.4 INVENTORY

Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

The cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The cost of inventories is assigned using the weighted average cost of inventory method. The same cost formula is used for all inventories having a similar nature and use to the entity.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value as well as all losses of inventories are recognised as expenses in the period during which the write-downs or losses occur.

1.5 LOANS AND RECEIVABLES

1.5.1 *Accounts receivable*

Accounts and other receivables are stated at amortised cost as reduced by appropriate allowances for estimated irrecoverable amounts.

1.5.2 *Other receivables*

Other receivables consist of amounts receivable relating mainly to administration claims incurred by the GPAA on behalf of National Treasury.

These receivables are measured at fair value at initial recognition. Appropriate allowances for estimated irrecoverable amounts are recognised in the statement of changes in net assets and funds, where there is objective evidence that the asset is impaired.

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or

financial re-organisation and default, and delinquency in payments are considered indicators that the trade receivable is impaired.

1.6 CASH AND CASH EQUIVALENTS

Cash and cash equivalents, including cash in hand and deposits held at banks, are measured at fair value.

1.7 ACCOUNTS PAYABLE

Accounts payable are measured at fair value at initial recognition if normal payment terms are exceeded, and are subsequently measured at amortised cost using the effective interest rate method.

1.8 PROVISIONS

Provisions are recognised when the GPAA has a present legal or constructive obligation as a result of past events, for which it is probable that an outflow of economic benefits and a reliable estimate can be made of the obligation.

1.9 LEASES

Operating leases include rental properties and office equipment. Rental expenses are recognised on a straight-line basis over the lease term.

Leases of assets under which all the risks and benefits of ownership are effectively retained by the lessor are classified as operating leases.

Payments made under operating leases are charged to the income statement based on actual straight-lined and accrued payments.

1.10 RELATED PARTIES

The GPAA operates in an economic environment currently dominated by entities directly or indirectly owned by the South African government. All national departments of government and state-controlled entities are regarded as related parties in accordance with Circular 4 of 2005: Guidance on the term "state-controlled entities" in context of IAS 24 (AC 126) - Related Parties, issued by the South African Institute of Chartered Accountants. Other related party transactions are also disclosed in terms of the requirements of the accounting standard.

1.11 COMMITMENTS AND CONTINGENCIES

Commitments comprise those future expenses that the GPAA has committed itself to contractually, but for which a present obligation for the payment thereof does not exist at the reporting date. Accordingly these commitments are not recognised as liabilities but are disclosed in the notes to the annual financial statements.

1.12 JUDGEMENTS AND ESTIMATES

Critical judgements in applying the entity's accounting policies are as follows:

1.12.1 Residual values and useful lives

Residual values and useful lives of equipment are assessed annually. Equipment is assessed for impairment annually, or more frequently when there is an indication that an asset may be impaired. The related impairment loss is recognised in the statement of changes in net assets and funds in the period during which the impairment occurred.

1.12.2 Provision for impairment and receivables

The provision of impairment of receivables is raised on all receivable amounts aged 120 days and older, as well as on amounts due from individuals aged 70 years or older and all fraud case receivables.

1.12.3 Accumulated leave pay provision

The leave pay provision accounts for vested leave pay to which employees may become entitled upon exit from the service of GEPF.

1.12.4 Performance bonus provision

This provision accounts for performance bonuses payable based on the outcome of the performance evaluation of employees and relevant approval.

Further information on the key assumptions concerning future and other key sources of estimation is set out in the relevant notes to the financial statements.

1.12.5 Revenue

Revenue comprises the fair value of the considerations received or receivable from the administration services provided to the customers of the GPAA.

Where the extended payment terms are granted, either explicitly or implicitly, the effect of time value of money is taken into account in the measurement of revenue.

Revenue is recognised when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the organisation.

2 ADMINISTRATIVE REVENUE AND EXPENDITURE

2.1 Personnel remuneration and expenses

	2012	2011
	R'000	R'000
Remuneration to permanent and contract employees	195,231	172,921
Contributions to GEPF	20,106	18,945
Other benefits (housing, medical, etc.)	56,997	49,492
	272,334	241,358

2.2 Administration fees

	2012	2011
	R'000	R'000
GEPF	432,262	383,380
National Treasury (Programme 7)	44,081	42,401
Associated Institutions Pension Fund (AIPF)	4,238	3,252
Temporary Employees Pension Fund (TEPF)	767	663
	481,348	429,696

The GPAA manages and administers pensions and related benefits on behalf of GEPF, National Treasury (Programme 7), AIPF and TEPF. All costs incurred by the GPAA are refunded by these entities on a monthly basis.

2.3 Discount on net assets acquired

	2012	2011
	R'000	R'000
Discount on net assets acquired	-	34,046

2.4 Other income

	2012	2011
	R'000	R'000
Other income	124	94
Interest received	40	-
Parking fees	30	30
	194	124

3 PROPERTY, PLANT AND EQUIPMENT

	Computer equipment R'000	Furniture and fittings R'000	Office equipment R'000	Motor vehicles R'000	Tools R'000	Total R'000
Current year, 2012						
Gross carrying amount	23,074	11,788	11,487	1,848	27	48,224
At beginning of year	18,707	10,544	14,545	1,871	10	45,677
Additions	4,367	1,174	419	-	17	5,977
Transfer to intangible assets	-	91	(3,476)	-	-	(3,385)
Disposals	-	(22)	-	(23)	-	(45)
Accumulated depreciation and impairment	(13,531)	(4,689)	(3,559)	(855)	(7)	(22,641)
At beginning of year	(6,947)	(2,361)	(1,802)	(409)	(2)	(11,521)
Depreciation	(6,584)	(2,343)	(1,757)	(469)	(5)	(11,158)
Impairment	-	-	-	-	-	-
Accumulated depreciation on disposals	-	15	-	23	-	38
Net carrying amount at end of year	9,543	7,099	7,928	993	20	25,583
 Previous year, 2011						
Gross carrying amount	18,707	10,544	14,545	1,871	10	45,677
At beginning of year	-	-	-	-	-	-
Transferred from GEPF	15,847	9,229	13,688	969	3	39,736
Additions	2,886	1,363	858	907	7	6,021
Disposals	(26)	(48)	(1)	(5)	-	(80)
Accumulated depreciation and impairment	(6,947)	(2,361)	(1,802)	(409)	(2)	(11,521)
At beginning of year	(6,956)	(2,372)	(1,802)	(412)	(2)	(11,544)
Depreciation	9	11	-	3	-	23
Impairment	-	-	-	-	-	-
Accumulated depreciation on disposals	-	-	-	-	-	-
Net carrying amount at end of year	11,760	8,183	12,743	1,462	8	34,157

4 INTANGIBLE ASSETS

Current year, 2012

Gross carrying amount

At beginning of year

Additions

Transfer from office equipment

Disposals

Accumulated amortisation and impairment

At beginning of year

Amortisation

Impairment

Accumulated depreciation on disposals

Net carrying amount at end of year

Previous year, 2011

Gross carrying amount

At beginning of year

Transferred from GEPF

Additions

Disposals

Accumulated amortisation and impairment

At beginning of year

Amortisation

Impairment

Accumulated depreciation on disposals

Net carrying amount at end of year

Computer Software

11,185

4,381

3,419

3,385

-

3,680

1,529

2,151

-

-

7,505

4,381

-

3,231

1,150

-

-

(1,529)

-

-

2,852

2,852

5 LOANS AND RECEIVABLES

	2012	2011
	R'000	R'000
Loans and receivables – gross	16,039	25,460
Provision for bad debts	(79)	(86)
Loans and receivable – net	15,960	25,374

Loans and receivables – gross

Provision for bad debts

Loans and receivable – net

Loans and receivables consist of outstanding claims from National Treasury, pre-payments, staff debtors and amounts owing from staff members who have left the employment of the GPAA.
Loans and receivables can be broken down as follows:

	2012	2011
	R'000	R'000
Staff debtors	103	427
Other debtors	577	-
Rental deposits	491	304
National Treasury (Programme 7)	9,424	24,729
Government Employees Pension Fund	5,444	-
	16,039	25,460

At 31 March 2012 the provision for doubtful debts on trade and other receivables was R78,531 (2011: R86,280).

The carrying amount of trade and other receivables is denominated in Rands.

The executives of the GPAA consider the carrying amount of trade and other receivables to approximate fair value.

6 INVENTORY

	2012	2011
	R'000	R'000
Inventory consists of consumables	494	636

7 CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of:

	2012 R'000	2011 R'000
Petty cash	33	31
Cash at bank	28,791	594
	<hr/>	<hr/>
	28,824	625

8 TRADE AND OTHER PAYABLES

Accounts payable are made up as follows:

	2012 R'000	2011 R'000
Administrative creditors	20,787	14,626
Operating lease accrual	1,170	848
Sundry creditors	143	101
Government Employees Pension Fund	9,224	
	<hr/>	<hr/>
	31,324	15,575

Operating leases

Minimum lease payments under non- cancellable lease are as follows recognised as an expense:

	2012 R'000	2011 R'000
	1,170	848

Future minimum lease payments under non-cancellable operating leases are as follows:

	2012 R'000	2011 R'000
	16,147	11,547
Payable in <1 year	5,637	3,024
Payable in 2-5 years	8,931	6,631
Payable in >5 years	1,579	1,892

9 PROVISIONS

Provision for accumulated leave pay
Balance at beginning of year
Transferred from GEPF
Provided
Utilised

2012 R'000	2011 R'000
8,002	6,705
6,705	-
-	6,979
1,324	4,388
(27)	(4,662)

Provision for bonuses
Balance at beginning of year
Transferred from GEPF
Provided
Utilised

2012 R'000	2011 R'000
11,745	10,015
10,015	-
-	6,651
11,306	7,693
(9,576)	(4,329)

Provision for acting allowances
Balance at beginning of year
Provided
Utilised

2012 R'000	2011 R'000
327	-
-	327
327	-

Balance at end of period

20,074	16,720
--------	--------

10 RECONCILIATION OF NET CASH FLOWS FROM OPERATING ACTIVITIES TO SURPLUS FOR THE YEAR

	2012 R'000	2011 R'000
Surplus/deficit	(4,381)	31,349
Add: Non-cash movements:	16,911	(3,398)
Depreciation and amortisation	13,308	13,073
Lease smoothing adjustment	322	848
Discount on acquisition of business	-	(34,046)
Increase in provisions	3,353	16,720
Loss/(profit) on sale property, plant and equipment	(64)	7
Decrease in provision for doubtful debts	(8)	-
Add/(less) changes in working capital	24,989	(11,283)
Increase in trade payables	15,426	14,727
Decrease/(increase) in trade receivables	9,422	(25,374)
Decrease/(increase) in inventories	141	(636)
Net cash flows from operating activities	37,519	16,668

11 MATERIAL LOSSES THROUGH CRIMINAL CONDUCT OR IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE

To the best of our knowledge, no material losses through criminal conduct or irregular, fruitless and wasteful expenditure were incurred during the year ended 31 March 2012.

12 RELATED PARTY TRANSACTIONS

12.1 Related party transactions refer to administrative services provided to National Treasury in respect of Programme 7

	2012 R'000	2011 R'000
Total revenue	44,081	42,401
Outstanding debt	9,424	24,729

12.2 Disclosure of executive remuneration

	Name	Designation	Salary and allowances (R)	Bonus (R)	Total (R)
	Tjie MP	Chief Executive Officer	1,526,854	0	1,526,854
	Kola MJ	Chief Operating Officer	1,167,982	37,327	1,205,309
	Ramatlhape J	Chief Information Officer	985,688	21,397	1,007,085
	De Witt E	Head: Legal Services	859,270	22,977	882,247
	Total Executive Managers		4,539,794	81,701	4,621,495

The CFO services have been outsourced to Vertex Consolidated Management Services as follows:

	Name	Professional fees (R)	Allowances (R)	VAT (R)	Total (R)
	Vertex Consolidated Management Services	1,020,912	12,600	142,920	1,176,432

HUMAN RESOURCES MANAGEMENT

HUMAN RESOURCES MANAGEMENT

The statistics and information published in the human resources management section of this Annual Report are required in terms of Chapter 1 Part III J.3 of the Public Service Regulations 2002 and have been prescribed by the Minister for Public Service and Administration for all departments in the public service sector.

Expenditure

Table 4.1.1 provides an indication of personnel costs in terms of each of the salary bands within the GPAA.

SALARY BANDS	PERSONNEL EXPENDITURE R'000	% OF TOTAL PERSONNEL COST	AVERAGE PERSONNEL COST PER EMPLOYEE
Lower skilled (levels 1-2)	2,765	1	110,600
Skilled (levels 3-5)	15,715	5.8	167,181
Highly skilled production (levels 6-8)	112,191	41.3	215,338
Highly skilled supervision (levels 9-12)	79,727	29.4	450,435
Senior management (levels 13-16)	14,972	5.5	831,778
Contract workers	40,319	14.9	1,663,266
Total	265,689	97.9	3,438,598

TABLE 4.1.1 – PERSONNEL COSTS BY SALARY BAND FOR THE PERIOD 1 APRIL 2011 TO 31 MARCH 2012

Table 4.1.2 provides a summary by salary band of expenditure incurred as a result of salaries, overtime, homeowner allowances and medical assistance. The table provides an indication of the percentage of the personnel budget that was used for each item.

SALARY BAND	SALARIES		OVERTIME		HOMEOWNERS ALLOWANCE (HOA)		MEDICAL ASSISTANCE	
	Amount R'000	Salaries as a % of personnel cost	Amount R'000	Overtime as a % of personnel cost	Amount R'000	HOA as a % of personnel cost	Amount R'000	Medical assistance as a % of personnel cost
Lower skilled (levels 1-2)	1,696	60.6	49	1.8	206	7.4	393	14
Skilled (levels 3-5)	10,334	65.7	259	1.6	814	5.2	1,821	11.6
Highly skilled production (levels 6-8)	78,211	69.5	2,057	1.8	4,426	3.9	8,700	7.7
Highly skilled supervision (levels 9-12)	58,477	71.6	626	0.8	1,462	1.8	2,877	3.5
Senior management (levels 13-16)	11,910	77.7	0	0	242	1.6	264	1.7
TOTAL	199,801	73.6	3,164	1.2	7,349	2.7	14,213	5.2

TABLE 4.1.2 – SALARIES, OVERTIME, HOMEOWNERS ALLOWANCES AND MEDICAL ASSISTANCE BY SALARY BAND FOR THE PERIOD 1 APRIL 2011 TO 31 MARCH 2012

EMPLOYMENT AND VACANCIES

Table 5 lists the number of posts in the GPAA, the number of employees, the vacancy rate, and whether there are any staff who are additional to the establishment. This information is presented in terms of salary bands.

The vacancy rate reflects the percentage of posts not filled.

It is clear that the highest vacancy rate is at senior management level. The reason for this is the moratorium that was placed on the filling of senior management positions. This information reflects the situation as at 31 March 2012. For an indication of changes in staffing patterns over the year under review, please refer to later sections of this report.

SALARY BAND	NUMBER OF POSTS	NUMBER OF POSTS FILLED	VACANCY RATE	NUMBER OF POSTS FILLED ADDITIONAL TO THE ESTABLISHMENT
Lower skilled (levels 1-2)	35	25	28.57%	36
Skilled (levels 3-5)	104	93	10.58%	9
Highly skilled production (levels 6-8)	611	525	14.08%	129
Highly skilled supervision (levels 9-12)	233	172	26.18%	27
Senior management (levels 13-16)	43	18	58.14%	7

TABLE 5 – EMPLOYMENT AND VACANCIES BY SALARY BAND FOR THE PERIOD 1 APRIL 2011 TO 31 MARCH 2012

JOB EVALUATION

The Public Service Regulations, 1999, introduced job evaluation as a way of ensuring that work of equal value is remunerated equally. Within a nationally determined framework, executing authorities may evaluate or re-evaluate any job in their organisations. In terms of the regulations, all vacancies on salary level 9 and higher must be evaluated before they are filled. This was comple-

mented by a decision by the Minister for Public Service and Administration that all senior management services (SMS) jobs must be evaluated before 31 December 2002. Table 6.1 summarises the number of jobs evaluated during the year under review. The table also provides statistics on the number of posts upgraded or downgraded.

SALARY BAND	NUMBER OF POSTS	NUMBER OF JOBS EVALUATED	% OF POSTS EVALUATED BY SALARY BANDS	POSTS UPGRADED		POSTS DOWNGRADED	
				NUMBER	% OF POSTS EVALUATED	NUMBER	% OF POSTS EVALUATED
Lower skilled (levels 1-2)	3	3	100%	1	33%	0	0
Skilled (levels 3-5)	11	11	100%	2	18%	0	0
Highly skilled production (levels 6-8)	102	95	93%	7	7%	0	0
Highly skilled supervision (levels 9-12)	126	110	87%	0	0	0	0
SMS Band A	29	0	0	0	0	0	0
SMS Band B	9	0	0	0	0	0	0
SMS Band C	3	0	0	0	0	0	0
SMS Band D	1	0	0	0	0	0	0
Total	284	219	-	10	-	0	0

TABLE 6.1 – JOB EVALUATION FOR THE PERIOD 1 APRIL 2011 TO 31 MARCH 2012

Table 6.2 provides a summary of the number of employees whose salary positions were upgraded due to their posts being upgraded. The number of employees might differ from the number of posts upgraded since not all employees are automatically absorbed into the new posts and some of the posts upgraded could also be vacant.

Total number of employees whose salaries exceeded the grades determined by job evaluation in 2011/12	None
------------------------------------------------------------------------------------------------------	------

TABLE 6.2 – NUMBER OF EMPLOYEES WHOSE SALARY POSITIONS WERE UPGRADED DUE TO THEIR POSTS BEING UPGRADED FOR THE PERIOD 1 APRIL 2011 TO 31 MARCH 2012

EMPLOYMENT CHANGES

This section provides information on changes in employment over the financial year.

Turnover rates provide an indication of trends in the GPAA's employment profile. The following tables provide a summary of turnover rates by salary band.

SALARY BAND	NUMBER OF EMPLOYEES PER BAND AS AT 1 APRIL 2011	APPOINTMENTS AND TRANSFERS INTO THE DEPARTMENT	TERMINATIONS AND TRANSFERS OUT OF THE DEPARTMENT	TURNOVER RATE
Lower skilled (levels 1-2)	27	0	2	7.4%
Skilled (levels 3-5)	96	0	4	4.2%
Highly skilled production (levels 6-8)	555	2	31	5.6%
Highly skilled supervision (levels 9-12)	186	0	14	7.5%
SMS Band A	16	0	1	6.3%
SMS Band B	2	0	0	0%
SMS Band C	1	0	0	0%
SMS Band D	0	0	0	0%
Total	883	2	52	5.89%

TABLE 7.1 (A) – ANNUAL TURNOVER RATES BY SALARY BAND, FOR THE PERIOD 1 APRIL 2011 TO 31 MARCH 2012 – PERMANENT EMPLOYEES

During this financial year, the turnover rate was 5.89% as opposed to 5.52% in the previous financial year. The general turnover rate in the GPAA is still lower than the norm in the pension fund administration industry of ± 10%. The slight increase in the turnover rate compared to the previous financial year could partly be attributed to uncertainty regarding the Modernisation Programme.

SALARY BAND	NUMBER OF EMPLOYEES PER BAND AS AT 1 APRIL 2011	APPOINTMENTS AND TRANSFERS INTO THE DEPARTMENT	TERMINATIONS AND TRANSFERS OUT OF THE DEPARTMENT	TURNOVER RATE
Lower skilled (levels 1-2)	6	36	1	16.7%
Skilled (levels 3-5)	15	3	0	0%
Highly skilled production (levels 6-8)	73	57	14	19.1%
Highly skilled supervision (levels 9-12)	22	5	1	4.5%
SMS Band A	3	0	0	0%
SMS Band B	3	0	0	0%
SMS Band C	0	0	0	0%
SMS Band D	1	0	0	0%
Total	123	101	16	13.0%

TABLE 7.1 (B) – ANNUAL TURNOVER RATES BY SALARY BAND, FOR THE PERIOD 1 APRIL 2011 TO 31 MARCH 2012 – CONTRACT WORKERS

The turnover rate for contract workers for this period was high, which is not unusual. The temporary nature of contract employment leads to uncertainty and job insecurity and, as a result, a lot of contract workers resigned to take up permanent positions elsewhere. The turnover rate for this financial year is, however, low compared to the previous financial year, when the turnover was 31.71%. One of the reasons for this is the fact that the GPAA did not advertise but filled permanent positions. During the previous financial year 23.08% of the terminations of contract workers was due to their receiving permanent positions in the GPAA.

TERMINATION TYPE	NUMBER	% OF TOTAL
Death	2	3.8%
Resignation	23	44.2%
Expiry of contract	0	0%
Dismissal – operational changes	0	0%
Dismissal – misconduct	4	7.7%
Dismissal – inefficiency	0	0%
Discharged due to ill-health	0	0%
Retirement	6	11.5%
Transfers to other public service departments	17	32.7%
Other	0	0%
Total	52	
Total number of employees who left as a % of the total employment		5.89%

TABLE 7.2 (A) – REASONS FOR STAFF LEAVING GPAA IN THE PERIOD 1 APRIL 2011 TO 31 MARCH 2012 – PERMANENT EMPLOYEES

Four employees were dismissed on fraud-related charges and two passed away. Most of the terminations were resignations and transfers to other government departments. As previously indicated, this is not unusual for an institution undergoing change. The Modernisation Programme is contributing to employees feeling insecure and uncertain about the future. As a result, they look for other employment.

TERMINATION TYPE	NUMBER	% OF TOTAL
Death	0	0%
Resignation	15	93.8%
Expiry of contract	1	6.25%
Dismissal – operational changes	0	0%
Dismissal – misconduct	0	0%
Dismissal – inefficiency	0	0%
Discharged due to ill-health	0	0%
Retirement	0	0%
Transfers to other public service departments	0	0%
Other	0	0%
Total	16	
Total number of employees who left as a % of the total employment		13.0%

TABLE 7.2 (B) – REASONS FOR STAFF LEAVING THE GPAA IN THE PERIOD 1 APRIL 2011 TO 31 MARCH 2012 – CONTRACT WORKERS

SALARY BAND	EMPLOYEES 1 APRIL 2011	PROMOTION TO ANOTHER SALARY LEVEL	SALARY BANDS PROMOTION AS A % OF EMPLOYEES BY SALARY LEVEL	PROGRESSIONS TO ANOTHER NOTCH WITHIN A SALARY LEVEL	NOTCH PROGRESSION AS A % OF EMPLOYEES BY SALARY BAND
Lower skilled (levels 1-2)	27	0	0%	11	41%
Skilled (levels 3-5)	96	0	0%	79	78%
Highly skilled production (levels 6-8)	555	3	100%	511	85%
Highly skilled supervision (levels 9-12)	186	0	0%	177	87%
Senior management (levels 13-16)	19	0	0%	24	92%
Total	883	3	0.34%	802	83%

TABLE 7.3 – PROMOTIONS BY SALARY BAND FOR THE PERIOD 1 APRIL 2011 TO 31 MARCH 2012

As a result of the moratorium placed on the filling of permanent positions, very few positions were advertised during the year under review. Only during the last five months of this financial year was approval granted to advertise a limited number of positions internally. This resulted in three employees being promoted during 2011/2012.

EMPLOYMENT EQUITY

The tables in this section are based on the formats prescribed by the Employment Equity Act 55 of 1998.

OCCUPATIONAL CATEGORIES (SASCO)	MALE				FEMALE				TOTAL
	AFRICAN	COLOURED	INDIAN	WHITE	AFRICAN	COLOURED	INDIAN	WHITE	
Legislators, senior officials and managers	8	1	1	3	3	0	0	2	18
Professionals	69	5	6	10	59	6	3	14	172
Technicians and associate professionals	113	10	6	12	271	30	9	74	525
Clerks	33	1	0	1	42	6	0	10	93
Elementary occupations	6	0	0	0	19	0	0	0	25
Total	229	17	13	26	394	42	12	100	833
Employees with disabilities	4	1	0	1	3	0	0	1	10

TABLE 8.1 (A) – TOTAL NUMBER OF EMPLOYEES (INCLUDING EMPLOYEES WITH DISABILITIES) IN EACH OF THE OCCUPATIONAL CATEGORIES AS AT 31 MARCH 2012 – PERMANENT EMPLOYEES

Comparing the demographic profile of the GPAA with the previous financial year, the number of employees decreased as follows: African males by 16, African females by 22, coloured females by one, Indian females by two, white males by two and white females by six. The number of coloured males and Indian males remained the same.

OCCUPATIONAL CATEGORIES (SASCO)	MALE				FEMALE				TOTAL
	AFRICAN	COLOURED	INDIAN	WHITE	AFRICAN	COLOURED	INDIAN	WHITE	
Legislators, senior officials and managers	6	0	0	1	0	0	0	0	7
Professionals	16	0	1	2	1	0	0	7	27
Technicians and associate professionals	47	0	0	1	73	0	1	7	129
Clerks	6	0	0	0	3	0	0	0	9
Elementary occupations	16	0	0	0	20	0	0	0	36
Total	91	0	1	4	97	0	1	14	208
Employees with disabilities	0	0	0	0	0	0	0	0	

TABLE 8.1 (B) – TOTAL NUMBER OF EMPLOYEES (INCLUDING EMPLOYEES WITH DISABILITIES) IN EACH OF THE OCCUPATIONAL CATEGORIES AS AT 31 MARCH 2012 – CONTRACT WORKERS

Since the previous financial year, the number of contract employees increased as follows: African males by 36, African females by 49 and Indian females by one. The number of white males decreased by one and the number of coloured males, coloured females, Indian males and white females remained the same.

OCCUPATIONAL CATEGORIES (SASCO)	MALE				FEMALE				TOTAL
	AFRICAN	COLOURED	INDIAN	WHITE	AFRICAN	COLOURED	INDIAN	WHITE	
Top management	8	1	1	3	3	0	0	2	18
Senior management	69	5	6	10	59	6	3	14	172
Professionally qualified and experienced specialists and mid-management	113	10	6	12	271	30	9	74	525
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	33	1	0	1	42	6	0	10	93
Semi-skilled and discretionary decision making	6	0	0	0	19	0	0	0	25
Unskilled and defined decision making	8	1	1	3	3	0	0	2	18
Total	237	18	14	29	397	42	12	102	851

TABLE 8.2 (A) – TOTAL NUMBER OF EMPLOYEES (INCLUDING THOSE WITH DISABILITIES) IN EACH OF THE OCCUPATIONAL BANDS AS AT 31 MARCH 2012 – PERMANENT EMPLOYEES

See comments as per Table 5.1 (a).

OCCUPATIONAL CATEGORIES (SASCO)	MALE				FEMALE				TOTAL
	AFRICAN	COLOURED	INDIAN	WHITE	AFRICAN	COLOURED	INDIAN	WHITE	
Top management	4	0	0	0	0	0	0	0	4
Senior management	2	0	0	1	0	0	0	0	3
Professionally qualified and experienced specialists and mid-management	16	0	1	2	1	0	0	7	27
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	47	0	0	1	73	0	1	7	129
Semi-skilled and discretionary decision making	6	0	0	0	3	0	0	0	9
Unskilled and defined decision making	16	0	0	0	20	0	0	0	36
Total	91	0	1	4	97	0	1	14	208

TABLE 8.2 (B) – TOTAL NUMBER OF EMPLOYEES (INCLUDING EMPLOYEES WITH DISABILITIES) IN EACH OF THE OCCUPATIONAL BANDS AS AT 31 MARCH 2012 – CONTRACT WORKERS

OCCUPATIONAL CATEGORIES (SASCO)	MALE				FEMALE				TOTAL
	AFRICAN	COLOURED	INDIAN	WHITE	AFRICAN	COLOURED	INDIAN	WHITE	
Top management	0	0	0	0	0	0	0	0	0
Senior management	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	0	0	0	0	0	0	0	0	0
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	1	0	0	0	0	0	0	0	1
Semi-skilled and discretionary decision making	1	0	0	0	0	0	0	0	1
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
Total	2	0	0	0	0	0	0	0	2
Employees with disabilities	0	0	0	0	0	0	0	0	0

TABLE 8.3 – RECRUITMENT FOR THE PERIOD 1 APRIL 2011 TO 31 MARCH 2012

These statistics reflect new appointments from outside the GPAA. The number of new appointments for the reporting period totals two as opposed to the 60 new appointments in the previous period. The decline can be attributed to the fact that a moratorium was placed on the filling of permanent positions as a result of the Modernisation Programme.

OCCUPATIONAL CATEGORIES (SASCO)	MALE				FEMALE				TOTAL
	AFRICAN	COLOURED	INDIAN	WHITE	AFRICAN	COLOURED	INDIAN	WHITE	
Top management	0	0	0	0	0	0	0	0	0
Senior management	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	0	0	0	0	0	0	0	0	0
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	1	0	0	0	2	0	0	0	3
Semi-skilled and discretionary decision making	0	0	0	0	0	0	0	0	0
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
Total	1	0	0	0	2	0	0	0	3
Employees with disabilities	0	0	0	0	0	0	0	0	0

TABLE 8.4 – PROMOTIONS FOR THE PERIOD 1 APRIL 2011 TO 31 MARCH 2012

See comments as above.

OCCUPATIONAL CATEGORIES (SASCO)	MALE				FEMALE				TOTAL
	AFRICAN	COLOURED	INDIAN	WHITE	AFRICAN	COLOURED	INDIAN	WHITE	
Top management	0	0	0	0	0	0	0	0	0
Senior management	0	0	0	0	1	0	0	0	1
Professionally qualified and experienced specialists and mid-management	8	0	0	1	4	0	0	1	14
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	8	0	0	1	15	1	2	4	31
Semi-skilled and discretionary decision making	2	0	0	0	1	0	0	1	4
Unskilled and defined decision making	1	0	0	1	0	0	0	0	2
Total	19	0	0	3	21	1	2	6	52
Employees with disabilities	0	0	0	0	0	0	0	0	0

TABLE 8.5 (A) – TERMINATIONS FOR THE PERIOD 1 APRIL 2011 TO 31 MARCH 2012 – PERMANENT EMPLOYEES

See comments as above.

OCCUPATIONAL CATEGORIES (SASCO)	MALE				FEMALE				TOTAL
	AFRICAN	COLOURED	INDIAN	WHITE	AFRICAN	COLOURED	INDIAN	WHITE	
Top management	0	0	0	0	0	0	0	0	0
Senior management	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	0	0	0	0	1	0	0	0	1
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	3	0	0	2	8	0	0	1	14
Semi-skilled and discretionary decision making	0	0	0	0	0	0	0	0	0
Unskilled and defined decision making	0	0	0	0	1	0	0	0	1
Total	3	0	0	2	10	0	0	1	16
Employees with disabilities	0	0	0	0	0	0	0	0	0

TABLE 8.5 (B) – TERMINATIONS FOR THE PERIOD 1 APRIL 2011 TO 31 MARCH 2012 – CONTRACT WORKERS

See comments as above.

OCCUPATIONAL CATEGORIES (SASCO)	MALE				FEMALE				TOTAL
	AFRICAN	COLOURED	INDIAN	WHITE	AFRICAN	COLOURED	INDIAN	WHITE	
Disciplinary action	20	1	0	2	8	2	2	0	35

TABLE 8.6 – DISCIPLINARY ACTION FOR THE PERIOD 1 APRIL 2011 TO 31 MARCH 2012

OCCUPATIONAL CATEGORIES (SASCO)	MALE				FEMALE				TOTAL
	AFRICAN	COLOURED	INDIAN	WHITE	AFRICAN	COLOURED	INDIAN	WHITE	
Legislators, senior officials and managers	12	1	1	4	4	0	0	1	23
Professionals	78	0	5	10	66	7	1	31	198
Technicians and associate professionals	229	17	16	13	450	35	15	95	870
Clerks	87	1	0	1	91	14	0	23	128
Service and sales workers	-	-	-	-	-	-	-	-	-
Skilled agriculture and fishery workers	-	-	-	-	-	-	-	-	-
Craft and related trades workers	-	-	-	-	-	-	-	-	-
Plant and machine operators and assemblers	-	-	-	-	-	-	-	-	-
Elementary occupations	24	0	0	0	38	0	0	1	63
Total	430	19	22	28	579	60	16	151	1,282
Employees with disabilities	6	1	0	3	4	0	0	1	15

TABLE 8.7 – SKILLS DEVELOPMENT FOR THE PERIOD 1 APRIL 2011 TO 31 MARCH 2012

See comments as above.

PERFORMANCE REWARDS

To encourage good performance, the GPAA granted the following performance rewards during the year under review. The information is presented in terms of race, gender, disability (Table 9.1) and salary bands (Table 9.2).

	BENEFICIARY PROFILE			COST	
	NUMBER OF BENEFICIARIES	TOTAL NUMBER OF EMPLOYEES IN GROUP	% OF TOTAL WITHIN GROUP	COST (R)	AVERAGE COST PER EMPLOYEE (R)
African	600	720	83.33%	3,219,432.17	5,365.72
Male	227	281	80.78%	1,435,859.34	6,325.37
Female	373	439	84.97%	1,783,572.83	4,781.70

	BENEFICIARY PROFILE				COST	
	NUMBER OF BENEFICIARIES	TOTAL NUMBER OF EMPLOYEES IN GROUP	% OF TOTAL WITHIN GROUP	COST (R)	AVERAGE COST PER EMPLOYEE (R)	
Asian	24	28	85.71%	174,310.97	7,262.96	
Male	11	14	78.57%	101,143.99	9,194.91	
Female	13	14	92.86%	73,166.98	5,628.23	
Coloured	46	58	79.31%	237,748.01	5,168.44	
Male	13	18	72.22%	80,550.84	6,196.22	
Female	33	40	82.50%	157,197.18	4,763.55	
White	134	155	86.45%	871,307.75	6,502.30	
Male	28	33	84.85%	232,411.02	8,300.39	
Female	106	122	86.89%	638,896.73	6,027.33	
Employees with disabilities	9	12		40,203.29	4,467.03	
Total	804	961	83.66%	4,502,798.90	5,600.50	

TABLE 9.1 – PERFORMANCE REWARDS BY RACE, GENDER AND DISABILITY FOR THE PERIOD 1 APRIL 2011 TO 31 MARCH 2012

SALARY BANDS	BENEFICIARY PROFILE			COST		
	NUMBER OF BENEFICIARIES	NUMBER OF EMPLOYEES	% OF TOTAL WITHIN SALARY BANDS	TOTAL COST (R)	AVERAGE COST PER EMPLOYEE	TOTAL COST AS A % OF THE TOTAL PERSONNEL EXPENDITURE
Lower skilled (levels 1-2)	24	27	88.89%	50,899.43	2,120.81	1.13%
Skilled (levels 3-5)	93	101	92.08%	270,702.09	2,910.78	6.01%
Highly skilled production (levels 6-8)	481	604	79.64%	1,976,782.25	4,109.73	43.90%
Highly skilled supervision (levels 9-12)	184	203	90.64%	1,766,572.59	9,600.94	39.23%
Total	782	935	83.64%	4,064,956.35	5,198.15	90.28%

TABLE 9.2 – PERFORMANCE REWARDS BY SALARY BAND FOR PERSONNEL BELOW SENIOR MANAGEMENT SERVICE FOR THE PERIOD 1 APRIL 2011 TO 31 MARCH 2012

SALARY BAND	BENEFICIARY PROFILE			TOTAL COST (R)	AVERAGE COST PER EMPLOYEE	TOTAL COST AS A % OF THE TOTAL PERSONNEL EXPENDITURE
	NUMBER OF BENEFICIARIES	NUMBER OF EMPLOYEES	% OF TOTAL WITHIN BAND			
Band A	17	19	89.47%	292,487.89	17,205.17	6.50%
Band B	4	6	66.67%	108,027.53	27,006.88	2.40%
Band C	1	1	100%	37,327.14	37,327.14	0.83%
Band D	0	0	0	0	0	0
Total	22	26	84.62%	437,842.55	19,901.93	9.72%

TABLE 9.3 – PERFORMANCE-RELATED REWARDS (CASH BONUS) BY SALARY BAND FOR SENIOR MANAGEMENT SERVICE FOR THE PERIOD 1 APRIL 2011 TO 31 MARCH 2012

The above figures include all the GPAA and Programme 7 staff members (permanent and contract). Due to downscaling to stay within the limit of the 1.5% budget limitation, staff received only 37% of their original bonus amounts. The payout amounts above are reflected after the downscaling.

LEAVE UTILISATION FOR THE PERIOD 1 APRIL 2011 TO 31 MARCH 2012

The Public Service Commission identified the need for careful monitoring of sick leave within the public service. The following tables provide an indication of the use of sick leave (Table 10.1) and disability leave (Table 10.2). In both cases the estimated cost of the leave is also provided.

SALARY BAND	TOTAL DAYS	% DAYS WITH MEDICAL CERTIFICATION	NUMBER OF EMPLOYEES USING SICK LEAVE	% OF TOTAL EMPLOYEES USING SICK LEAVE	AVERAGE DAYS PER EMPLOYEE	ESTIMATED COST (R)
Lower skilled (levels 1-2)	151	94.51%	49	2.68%	3.08	36,637.59
Skilled (levels 3-5)	591	85.52%	183	10.01%	3.23	235,423.61
Highly skilled production (levels 6-8)	3,810	86.43%	1,278	69.91%	2.98	2,039,524.92
Highly skilled supervision (levels 9-12)	831	77.18%	292	15.97%	2.85	922,088.43
Senior management (levels 13-16)	76	76.20%	26	1.42%	2.92	141,918.59
Total	5,459	-	1,828	100%	2.99	3,375,593.14

TABLE 10.1 – SICK LEAVE FOR THE PERIOD 1 APRIL 2011 TO 31 MARCH 2012

The average number of sick leave days taken per employee decreased from 3.28 days in the previous reporting period to 2.99 days in the current reporting period. Even though the Policy and Procedure on Incapacity Leave and Ill-health Retirement encourages employees to manage their sick leave more responsibly, not all employees do so.

SALARY BAND	TOTAL DAYS	% DAYS WITH MEDICAL CERTIFICATION	NUMBER OF EMPLOYEES USING SICK LEAVE	% OF TOTAL EMPLOYEES USING SICK LEAVE	AVERAGE DAYS PER EMPLOYEE	ESTIMATED COST (R)
Lower skilled (levels 1-2)	0	0%	0	0%	0	0
Skilled (levels 3-5)	62	100%	10	15.63%	6.20	26,516.76
Highly skilled production (levels 6-8)	628	100%	48	75.00%	13.08	358,446.07
Highly skilled supervision (levels 9-12)	171	100%	6	9.38%	28.50	196,171.52
Senior management (levels 13-16)	0	0%	0	0%	0	0
Total	861	100%	64	100%	13.45	581,134.35

TABLE 10.2 – DISABILITY LEAVE (TEMPORARY AND PERMANENT) FOR THE PERIOD 1 APRIL 2011 TO 31 MARCH 2012

The number of disability leave days increased during this reporting period from 356 in 2010/2011 to 861. The disability leave taken during this 12-month period is much higher than the previous period, since this reporting period falls within the second year of the current sick leave cycle. Since it is the last year of the current sick leave cycle, quite a number of employees have already exhausted their normal 36 days' sick leave and have had to apply for incapacity leave. The health risk manager plays an important role in managing incapacity leave.

Table 10.3 summarises the utilisation of annual leave. The wage agreement, concluded with trade unions in the Public Service Co-ordinating Bargaining Council in 2000, requires management of annual leave to prevent high levels of accrued leave being paid at the time of termination of service.

SALARY BAND	TOTAL DAYS TAKEN	AVERAGE PER EMPLOYEE
Lower skilled (levels 1-2)	618	5.72
Skilled (levels 3-5)	1,997	5.71
Highly skilled production (levels 6-8)	12,744	5.91
Highly skilled supervision (levels 9-12)	4,136	6.12
Senior management (levels 13-16)	519	5.46
Total	20,014	5.91

TABLE 10.3 – ANNUAL LEAVE UTILISED IN THE PERIOD 1 APRIL 2011 TO 31 MARCH 2012

Managers were advised to compile a leave plan to manage annual leave to ensure effective service delivery throughout the year. Employees are encouraged to utilise their annual leave in the prescribed 18-month period to avoid leave pay-outs.

SALARY BAND	TOTAL DAYS OF CAPPED LEAVE TAKEN	AVERAGE NUMBER OF DAYS TAKEN PER EMPLOYEE	NUMBER OF EMPLOYEES WHO TOOK CAPPED LEAVE
Lower skilled (levels 1-2)	0	0	0
Skilled (levels 3-5)	0	0	0
Highly skilled production (levels 6-8)	81	5.40	15
Highly skilled supervision (levels 9-12)	2.68	2.68	1
Senior management (levels 13-16)	0	0	0
Total	83.68	5.23	16

TABLE 10.4 – CAPPED LEAVE UTILISED IN THE PERIOD 1 APRIL 2011 TO 31 MARCH 2012

The average number of days' capped leave taken per employee was 5.23, which did not have a significant impact on service delivery.

The following table summarises payments made to employees as a result of leave that was not taken:

REASON	TOTAL AMOUNT (R)	NUMBER OF EMPLOYEES	AVERAGE PAYMENT PER EMPLOYEE (R)
Leave payout for 2011/12 due to non-utilisation of leave for the previous cycle	0	0	0
Capped leave payouts on termination of service for 2011/12	511,304.82	6	85,217.47
Current leave payout on termination of service for 2011/12	229,593.55	32	7,174.80
Total	740,898.37	38	19,497.33
Senior management (levels 13-16)	0	0	0
Total	83.68	5.23	16

TABLE 10.5 – LEAVE PAYOUTS FOR THE PERIOD 1 APRIL 2011 TO 31 MARCH 2012

Leave payouts were made during the reporting period to 38 employees, of whom six employees received payouts for capped leave. Capped leave can only be paid out on retirement, death or medical boarding.

HIV AND AIDS AND HEALTH PROMOTION PROGRAMMES

UNITS/CATEGORIES OF EMPLOYEES IDENTIFIED TO BE AT HIGH RISK OF CONTRACTING HIV AND RELATED DISEASES (IF ANY)	KEY STEPS TAKEN TO REDUCE THE RISK
Client Relationship Unit – Client Liaison Officers	Quarterly educational sessions and testing events where employees undergo HIV, blood pressure, sugar level, cholesterol and body mass index tests 24-hour counselling services
Drivers Management	Quarterly educational sessions and testing events where employees undergo HIV, blood pressure, sugar level, cholesterol and body mass index tests 24-hour counselling services Weekly life skills sessions
Managers	Quarterly educational sessions and testing events where employees undergo HIV, blood pressure, sugar level, cholesterol and body mass index tests

TABLE 11.1 – STEPS TAKEN TO REDUCE THE RISK OF OCCUPATIONAL EXPOSURE

QUESTION	YES	NO	DETAILS, IF YES
1. Has the GPAA designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	Yes		Morontshi Matsobane, acting Head: Corporate Services
2. Does the GPAA have a dedicated unit or has it designated specific staff members to promote the health and well-being of employees? If so, indicate the number of employees involved in this task and the annual budget available for this purpose.	Yes		Two permanent employees and one intern A dedicated budget is allocated, residing with the cost centre for the Employee Relations Unit
3. Has the GPAA introduced an employee assistance or health promotion programme for employees? If so, indicate the key elements/services of this programme.	Yes		Quarterly educational sessions and testing events where employees undergo HIV, blood pressure, sugar level, cholesterol and body mass index tests A 24-hour counselling service is provided to employees nationally through a service provider (Careways Group) contracted to the GPAA
4. Has the GPAA (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) they represent.		No	
5. Has the GPAA reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.		No	While there is an HIV and AIDS Workplace Policy in place, it has not been reviewed. Currently no policies have been found to be discriminatory
6. Has the GPAA introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	Yes		The HIV and AIDS Workplace Policy clearly discourages employees from discriminating against each other on the basis of HIV status
7. Does the GPAA encourage its employees to undergo voluntary counselling and testing? If so, list the results it has you achieved.	Yes		The Wellness Unit hosted four HIV, Counselling and Testing (HCT) sessions in the period under review. All employees were encouraged to participate
8. Has the GPAA developed measures/indicators to monitor and evaluate the impact of its health promotion programme? If so, list these measures/indicators.	Yes		The Monitoring and Evaluation Unit conducts employee satisfaction surveys annually. Assessments on the impact of the health promotion are covered in this monitoring activity

TABLE 11.2 – DETAILS OF HEALTH PROMOTION AND HIV AND AIDS PROGRAMMES

LABOUR RELATIONS

The GPAA entered into the following collective agreements with trade unions in the period under review:

Total collective agreements	None
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TABLE 12.1 – COLLECTIVE AGREEMENTS WITH TRADE UNIONS

Table 12.2 summarises the outcome of disciplinary hearings conducted within the GPAA for the year under review.

OUTCOMES OF DISCIPLINARY HEARINGS	NUMBER	% OF TOTAL
Correctional counselling	0	0%
Verbal warning	7	0.66%
Written warning	20	1.89%
Final written warning	9	0.85%
Suspended with pay	9	0.85%
Fine	2	0.18%
Demotion	0	0
Dismissal	4	0.37%
Not guilty	2	0.18%
Case withdrawn	1	0.09%
Total	54	

TABLE 12.2 – MISCONDUCT AND DISCIPLINARY HEARINGS FINALISED IN THE PERIOD 1 APRIL 2011 TO 31 MARCH 2012

TYPE OF MISCONDUCT	NUMBER	% OF TOTAL
Insubordination	1	0.09%
Displaying disrespect, prejudicing administration	1	0.09%
Late coming	0	0%
Negligence	1	0.09%
Wrongful use of state property	0	0%
Conducting self in an unacceptable manner	2	0.18%
Fraud	2	0.18%
Poor performance	0	0%
Failure to submit leave form on time	1	0.09%

TYPE OF MISCONDUCT	NUMBER	% OF TOTAL
Unlawfully keeping a pool car without permission	0	0%
Giving false statement	2	0.18%
Absenteeism	1	0.09%
Misrepresentation	3	0.28%
Total	14	

TABLE 12.3 – TYPES OF MISCONDUCT ADDRESSED AT DISCIPLINARY HEARINGS IN THE PERIOD 1 APRIL 2011 TO 31 MARCH 2012

TYPE OF MISCONDUCT	NUMBER	% OF TOTAL
Number of grievances resolved	8	0.73%
Number of grievances not resolved	3	0.27%
Total number of grievances lodged	11	

TABLE 12.4 – GRIEVANCES LODGED IN THE PERIOD 1 APRIL 2011 TO 31 MARCH 2012

TYPE OF MISCONDUCT	NUMBER	% OF TOTAL
Number of disputes upheld	7	0.66
Number of disputes dismissed	2	0.18
Total number of disputes lodged	9	0.85

TABLE 12.5 – DISPUTES LODGED WITH COUNCILS IN THE PERIOD 1 APRIL 2011 TO 31 MARCH 2012

TOTAL NUMBER OF PERSON WORKING DAYS LOST	NUMBER
Total cost of working days lost (R)	0
Amount recovered as a result of no work no pay (R)	0

TABLE 12.6 – STRIKE ACTIONS IN THE PERIOD 1 APRIL 2011 TO 31 MARCH 2012

TOTAL NUMBER OF PERSON WORKING DAYS LOST	NUMBER
Number of people suspended	9
Number of people whose suspension exceeded 30 days	9
Average number of days suspended	780
Cost of suspensions (R)	

TABLE 12.7 – PRECAUTIONARY SUSPENSIONS IN THE PERIOD 1 APRIL 2011 TO 31 MARCH 2012

SKILLS DEVELOPMENT

This section highlights the GPAA's efforts with regard to skills development.

OCCUPATIONAL CATEGORIES	GENDER	NUMBER OF EMPLOYEES AS AT 1 APRIL 2011	TRAINING NEEDS IDENTIFIED AT START OF REPORTING PERIOD			
			LEARNERSHIPS	SKILLS PROGRAMMES AND OTHER SHORT COURSES	OTHER FORMS OF TRAINING	TOTAL
Legislators, senior officials and managers	Female	5	0	9	0	9
	Male	13	0	13	0	13
Professionals	Female	86	0	44	19	63
	Male	90	0	45	11	56
Technicians and associate professionals	Female	384	0	63	27	90
	Male	141	0	42	37	79
Clerks	Female	53	0	10	24	34
	Male	35	0	13	34	47
Service and sales workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Elementary occupations	Female	24	0	2	33	35
	Male	6	0	2	39	41
Sub-total	Female	552	0	0	0	552
	Male	285	0	0	0	258
TOTAL		837		243	224	467

TABLE 13.1 – TRAINING NEEDS IDENTIFIED FOR THE PERIOD 1 APRIL 2011 TO 31 MARCH 2012

OCCUPATIONAL CATEGORIES	GENDER	NUMBER OF EMPLOYEES AS AT 1 APRIL 2011	TRAINING NEEDS IDENTIFIED AT START OF REPORTING PERIOD			
			LEARNERSHIPS	SKILLS PROGRAMMES AND OTHER SHORT COURSES	OTHER FORMS OF TRAINING	TOTAL
Legislators, senior officials and managers	Female	5	0	9	0	9
	Male	13	0	13	0	13
Professionals	Female	86	0	44	19	63
	Male	90	0	45	11	56
Technicians and associate professionals	Female	384	0	63	27	90
	Male	141	0	42	37	79
Clerks	Female	53	0	10	24	34
	Male	35	0	13	34	47
Service and sales workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Elementary occupations	Female	24	0	2	33	35
	Male	6	0	2	39	41
Sub-total	Female	552	0	0	0	552
	Male	285	0	0	0	258
TOTAL		837		243	224	467

TABLE 13.2 – TRAINING PROVIDED IN THE PERIOD 1 APRIL 2011 TO 31 MARCH 2012

INJURY ON DUTY

Table 14 provides basic information on injury on duty.

NATURE OF INJURY ON DUTY	NUMBER	% OF TOTAL
Required basic medical attention only	14	100%
Temporary total disablement	0	0%
Permanent disablement	0	0%
Fatal	0	0%
Total	14	100%

TABLE 14 – INJURY ON DUTY 1 APRIL 2011 TO 31 MARCH 2012

A total of 14 injuries on duty were reported for this period. All required basic medical attention.
No serious injury on duty cases were reported.

GLOSSARY

TERMS AND ABBREVIATIONS

GLOSSARY

Terms and abbreviations

TERM	DEFINITION
GEPF	The Government Employees Pension Fund, a pension fund governed by the Government Employees Pension (GEP) Law of 1996, as amended, administered by the GPAA on behalf of GEPF's Board of Trustees
GPAA	Government Pensions Administration Agency
TEPF	The Temporary Employees Pension Fund, as per the TEPF Act 75 of 1979, administered by the GPAA on behalf of National Treasury
AIPF	The Associated Institutions Pension Fund, as per the AIPF Act 41 of 1963, administered by the GPAA on behalf of National Treasury
BOT	Government Employees Pension Fund Board of Trustees (GEPF is governed by a Board of Trustees in terms of the GEP Law)
PSA	Public Service Act of 1994
Government component	A government component can be established through Proclamation by the President on a recommendation from the Minister of Public Service and Administration
Programme 7	National Treasury portfolio of non-contributory pension and post-retirement medical benefits, Military Pensions, Special Pensions, Injury on Duty payments and other benefits
PFMA	Public Finance Management Act (No1 of 1999 as amended by Act 29 of 1999)
GEP Law	Government Employees Pension Law of 1996, as amended
The Executing Authority of the GPAA	The Minister of Finance
SLA	Service Level Agreement
Client	A customer of a professional service provider, or the principal of an agent or contractor

TERM	DEFINITION
Stakeholder	A person, group or organisation that has a direct or indirect stake in an organisation because it can affect or be affected by the organisation's actions, objectives and/or policies. Key stakeholders in a business/organisation include creditors, customers, directors, employees, government (and its agencies), owners (shareholders), suppliers, unions and the community from which the business draws its resources
Customer	An entity that receives or consumes products (goods or services) and has the ability to choose between different products and suppliers or an entity directly served by an organisation
Shareholder	An individual, group or organisation that holds one or more shares in a firm, and in whose name the share certificate is issued
Government	The government of the Republic of South Africa
ICT	Information and communication technology
Employers	Any government entity employing persons in government services
External audit	Periodic or specific purpose (ad hoc) audit conducted by external (independent) qualified accountant(s). Its objective is to determine, among other things, whether: (1) the accounting records are accurate and complete, (2) records are prepared in accordance with the provisions of Generally Accepted Accounting Principles (GAAP), and (3) the statements prepared from the accounts present fairly the organisation's financial position and the results of its financial operations

TERM	DEFINITION	NOTES
Internal audit	A frequent or ongoing audit conducted by a firm's own (as opposed to independent) accountants to: (1) monitor operating results, (2) verify financial records, (3) evaluate internal controls, (4) assist with increasing efficiency and effectiveness of operations, and (5) to detect fraud. Internal audit can identify control problems and aims at correcting lapses before they are discovered during an external audit. Although the internal auditors are the firm's employees, they normally do not audit themselves or their own departments, but usually entrust this function to independent/external auditors	_____ _____ _____ _____ _____
Human capital	Health, knowledge, motivation and skills, the attainment of which is regarded as an end in itself (irrespective of their income potential) because they yield fulfilment and satisfaction to the possessor. In an organisational context, human capital refers to the collective value of the organisation's intellectual capital (competencies, knowledge, and skills)	_____ _____ _____ _____ _____
Key performance areas (KPAs)	Areas of focus that will determine an organisation's competitive edge/differentiation or competitive advantage	_____ _____ _____ _____ _____
Key performance indicators (KPIs) (indices)	Quantifiable, agreed-upon measurements that reflect the critical success factors of an organisation	_____ _____ _____ _____ _____
Elements of the KPI used for measuring (indicator /measure)	Quantitative or qualitative factors or variables that provide a simple and reliable means to measure achievement and/or to reflect the changes connected to an intervention	_____ _____ _____ _____ _____
Expected results	Outputs, outcomes or impacts	_____ _____ _____ _____ _____
Target milestone	Targets are milestones that lead to the achievement of expected results. They are expressed in terms of quantity or timeframes	_____ _____ _____ _____ _____
Strategic interventions	Strategic actions/interventions/projects to be undertaken to achieve expected results	_____ _____ _____ _____ _____
Output(s)	Products, capital goods and services which result from an intervention	_____ _____ _____ _____ _____
Outcome(s)	Short- and medium-term effects of an intervention's output	_____ _____ _____ _____ _____
Impact(s)	Long-term effects produced by an intervention	_____ _____ _____ _____ _____

NOTES

NOTES

GPAA PROVINCIAL OFFICES

Gauteng (Pretoria) Head Office
34 Hamilton Street, Arcadia, Pretoria

Eastern Cape
No.12, Global Life Office Centre, Circular Drive, Bisho

Free State
No.2 President Brand Street, Bloemfontein

KwaZulu-Natal
3rd Floor, Brasfort House, 262 Langalibalele Street, Pietermaritzburg

Mpumalanga
19 Hope Street, Ciliata Building, Block A, Ground Floor, Nelspruit

North West
Mmabatho Mega City, Office No. 4/17, Ground Floor, Entrance 4, Mafikeng

Northern Cape
11 Id Main Road, Kimberley

Western Cape
21ste Floor, No. 1 Thibault Square, Long Street, Cape Town

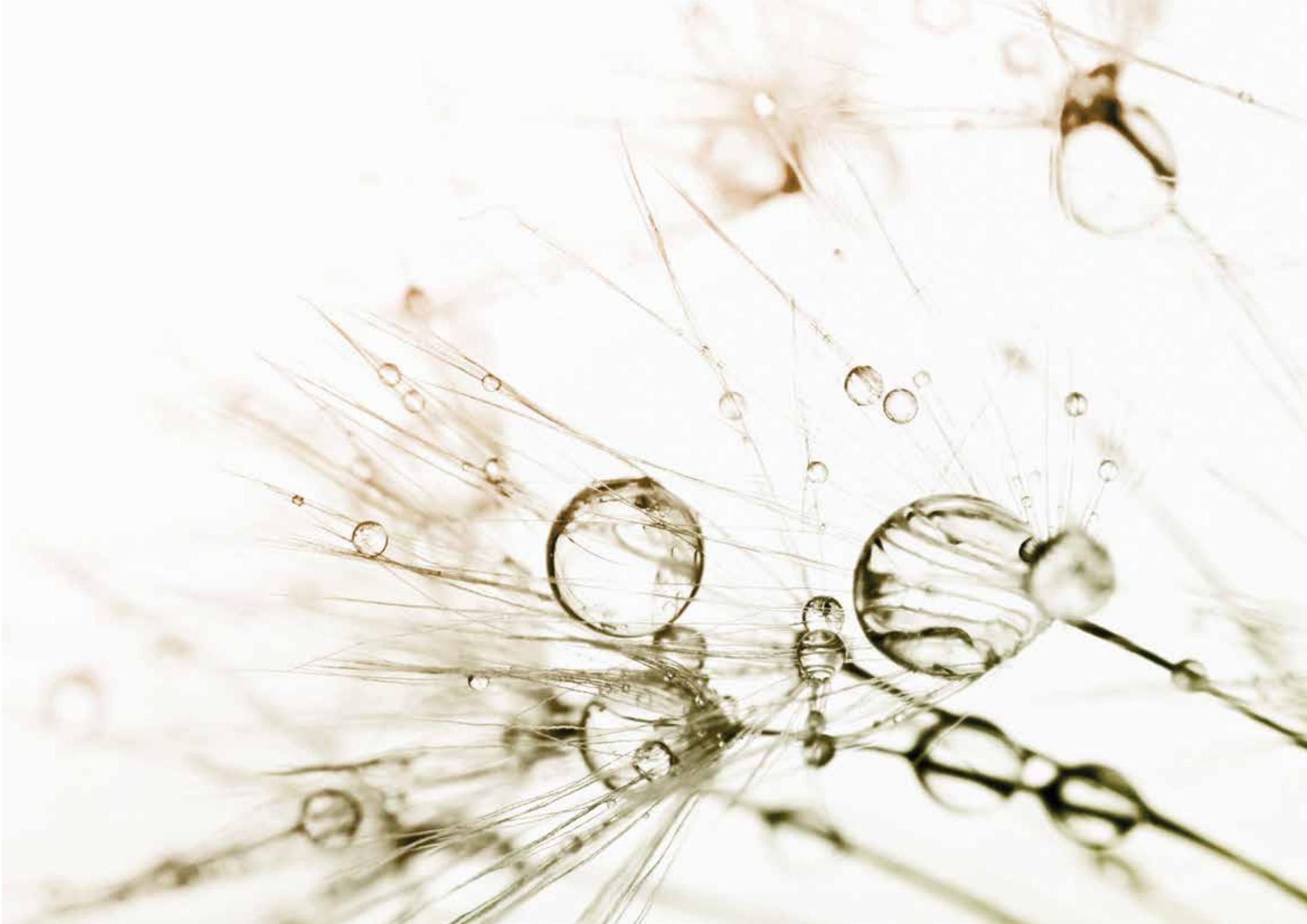
SATELITE OFFICES

Johannesburg
2nd Floor, Lunga House, 124 Marshall Street (Cnt Marshall & Eloff - Ghandi Square Precinct), Marshalltown

Port Elizabeth
Ground Floor, Kwantu Towers, Sivuyile mini-Square, next to City Hall

Mthatha
2nd Floor, PRD Building, Sutherland Street

Durban
8th Floor, Salmon Grove Chambers, 407 Anton Lembede Street





Toll Free Number: 0800 117 669 | **Fax:** +27 12 626 2507

The GPAA: 34 Hamilton Street, Arcadia, Pretoria, 0001



the gpaa

Department:
Government Pensions Administration Agency
REPUBLIC OF SOUTH AFRICA