



2023 YEAR OF THE CLAIMANT

ANNUAL PERFORMANCE PLAN 2023/2024

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1. FOREWORD BY THE MINISTER

I am pleased to present the RAF 2023/24 Annual Performance Plan, which sets out the Fund's strategic outcomes and their implementation. As we draw closer to the conclusion of the mandate of the sixth administration, it is important to note that the Road Accident Fund (RAF) plays a critical socio-economic role through compensating road accident victims for loss or damage caused by the driving of motor vehicles, in line with Section (3) of the Road Accident Fund Act.

The high rate of motor vehicle accidents remains a significant concern and the biggest cost driver for the RAF. The human factor continues to be the main cause of fatalities on our roads, accounting for 87% of all crashes. This is followed by road and environment factors at 8% with vehicle factors at 5%. During 2021, only road crash fatalities resulted in a R188 billion economic loss, which poses a significant burden on our economy and the RAF. It is therefore our collective responsibility to ensure that the RAF is more sustainable by significantly reducing crashes and fatalities on our roads.

Over the past three years, the RAF has made significant progress in addressing legacy challenges resulting from a highly litigious operating model, which led to high administration costs and very long turnaround times to settle claims. The RAF's new strategic focus on claims administration and implementation of a new litigation model in collaboration with the Office of the Solicitor General has resulted in the significant reduction legal costs in the three years of the RAF 2020-25 Strategic Plan.

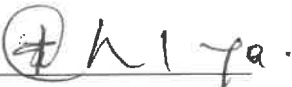
The RAF has also made significant changes to its actuarial function, moving away from a costly outsourced model to building inhouse capacity, resulting in reduced administrative costs. The RAF has also gazetted its medical tariffs, which will help reduce medical costs. Furthermore the 2023/24 APP has a strong focus on medical management that will ensure better medical outcomes for road accident victims.

I am pleased that the RAF has declared 2023/24 as the year of the claimant, with a strong focus on improving claimant experience.

The introduction of financial controls has led to the discovery and recovery of over R600 million in duplicate payments made to plaintiff firms. The RAF is continuing investigations in collaboration with law enforcement agencies to root out corrupt syndicates that have defrauded the Fund over the years.

Finally, the Department of Transport will continue to prioritise the finalisation of the RAF Act Amendments to provide the adequate legislative framework to support the transformation of

the RAF. With the 2023/24 APP outlining the RAF's strategic outcomes, key performance indicators, and annual targets, we are confident that we will continue on the journey of finally putting the RAF on a sustainable financial and operational path.



Ms SL Chikunga, MP
Minister of Transport

2.STATEMENT BY CHAIRPERSON OF THE BOARD

It is my pleasure to present the Road Accident Fund's Annual Performance Plan for the year 2023/24 financial year, which marks the third year of the 2020-2025 strategic plan that was developed to turn around the organization. This is also a proud moment for the board, as we have reached the end of our first three-year term in office.

When the RAF Board was appointed in the 2019/20 FY, we inherited an entity with longstanding challenges resulting from a financially unsustainable and ineffective operating model that had been in place for decades. These challenges date back to the Fund's establishment on May 1, 1946, as a compulsory insurance scheme under the Motor Vehicle Assurance Act 29 of 1942. The Fund's legislative framework has undergone six variations over the years, with no less than seven commissions of enquiries being established to enquire into the structural defects in its funding and operating models. All of these changes and interventions were aimed at finding solutions to the issues facing the RAF.

At the time of our appointment in 2019, the Fund had been technically insolvent since 1981. Some of the operational challenges included the following;

- The outstanding claims were increasing year on year as a result of increased registration of claims and slow settlement. During the 2018/19 financial year, these had increased by 26%.
- It took just under 5 years to settle a road accident claim. In fact, our predecessors had previously planned to settle claims within 1400 days.
- The operating model we inherited was anchored on litigation. As a result, we inherited personal claims backlog of 326 878 most of which were already litigated.
- Additionally, the litigious operating environment resulted in high administrative costs and delayed settlement of claims. During the 2018/19 FY, the average RAF legal & other costs had increased by 16% year on year to R10.3 billion. The RAF medical costs had increased by 45% in that financial year.
- The RAF owed its claimants (RNYP) about R14,9 billion as at 31 March 2020.
- Business processes which were highly manual with poor ICT infrastructure environment.

The Minister of Transport appointed us with a clear mandate to turn the Fund around, focusing on priorities such as investigating the escalating liability, reducing legal costs, reviewing the operating model, and digitizing the claims management process. We developed the 2020-25 RAF strategy as part of the turnaround plan for the Fund, and in the almost three years since its implementation, we have made significant progress in addressing the Fund's legacy challenges.

The following are some of the notable achievements.

- The RAF short term liability (RNYP) which was initially projected to increase to R36 billion in 2022 and only ended at R9.5 billion. This achievement is made more significant by the fact that the RAF has not received fuel levy increases for 3 financial years,
- We managed to finalise our inputs into the RAF Act Amendment proposals. These proposals will amongst others see the RAF ultimately able to settle its claims in annuities instead of lump sum payments.
- The RAF medical tariffs were gazzeted for implementation on the 19th of August 2022. This has resulted in the reduction of medical costs.
- A new RAF 1 form was introduced on the 4th of July 2022 this followed an audit in the backlog of claims lodged that revealed that almost 90 % of claims in the backlog did not have sufficient information to enable the RAF to settle these claims. The new form has resulted in drastic improvement in the quality of claims lodged, and thus improved ability to expedite the settlement of claims.
- The digitisation journey of the RAF is well on track, with the first go live of the integrated claims management system expected before the end of November 2023.
- We embarked on the review of the organizational structure for the RAF to ensure that it is fit for purpose. To this end, we have finalised the macro structure and finalized the appointment of the Chief Executive Officer, Chief Strategy and Transformation Officer and Chief Governance Officer. This bodes well for the Fund which had operated with acting executive management for long periods.
- Furthermore, the implementation of the new operating model resulted in significant reduction in administrative costs. Particularly the legal costs which reduced by just over 40%.

Although challenges remain, I am optimistic that the priorities outlined in the 2023/24 APP will lead to the achievement of strategic goals. The theme for the APP is centered around the claimant, with the RAF designating 2023/24 as "the year of the claimant". Numerous targets have been set to enhance the claimant experience with the RAF, including the establishment of a contact center and 21 customer experience centers across the country, which will address issues of unresponsiveness and access. Additionally, there will be a focus on improving medical management to ensure better outcomes for road accident victims, particularly during the critical golden hour.

Unfortunately, the dispute with the AGSA concerning the change in accounting policy is a concern that has attracted unwanted media attention and detracted from the many operational

accomplishments. However, I am hopeful that with the assistance of the Minister of Transport, a satisfactory resolution will be reached.

I would like to express my gratitude to the Minister for the political support throughout the challenging task of transforming the RAF. I also extend my appreciation to my fellow board members for their hard work and support. Lastly, this would not have been possible without the excellent work of the executive management team, led by the CEO, and the diligent efforts of the entire RAF staff. I remain hopeful and confident that the RAF's transformation journey is firmly on track.



Signature

Ms Thembelihle Msibi

Chairperson of the Board

3.STATEMENT BY CHIEF EXECUTIVE OFFICER

I am delighted to present the 2023/24 Annual Performance Plan (APP) for the Road Accident Fund (RAF). This plan details the essential strategic actions that the RAF will undertake to accomplish its turnaround objectives, as stated in the 2020/25 Strategic Plan.

The 2020–2025 RAF Strategy: The Journey thus far

At the outset I would like to reflect on the progress we have made in our efforts to turnaround the RAF. The RAF we inherited in 2019 was facing significant challenges, both in terms financial sustainability and operational efficiency.

When the 2020-25 strategy was developed in 2019, the actuarial projections for the RAF's short-term liability were expected to increase from just over R11billion in the 2019/20 financial year to over R51 billion in the 2022/23 financial year. This projection was based on the assumption that the RAF would continue on the same operational trajectory, with an inflationary adjusted fuel levy increase. However, the board and management realised that a more radical strategy was necessary to prevent this catastrophic scenario.

An analysis of the RAF's strategic plans between 2010 and 2019 showed that the organisation had planned itself into a huge deficit and claims backlog by setting weak targets such as settling claims within 1,400 days, reducing legal costs by only 2%, and spending up to 27% of fuel levy revenue on legal and other costs. The 2020-25 strategic plan introduced bold targets, including settling claims within 120 days, reducing legal costs by 75% by 2025, reducing medical costs by 35% by 2025, and reducing the backlog of claims older than three years by 25% in 2025.

In the first three years of implementing this new strategy, significant milestones have been achieved. For example, the short-term liability, or the amount owed to claimants on all settled claims, was projected to increase to R36 billion in 2022, but it only ended up at R9.5 billion. This represented a year-on-year decrease from the recorded amount in 2021 and was the first time the short-term liability had decreased. Legal costs have consistently decreased in the first two years of the strategic planning period, and the current unaudited reduction in Year 3 is recorded at 74.87%. Additionally, there has been a significant decline in other claims administrative costs, such as medical costs, actuary, and assessor costs over the same period. The introduction of RAF medical tariffs and improved medical bill review processes has contributed to the reduction in medical costs.

The reduced administrative costs have significantly contributed to the decreased short-term liability, as more resources were channelled towards claimants. It's noteworthy that this achievement was made even more remarkable by the fact that fuel levies have remained unchanged for two consecutive financial years and are expected to remain at the same level for the 2023/24 financial year.

In terms of claims administration, the claims backlog has been a major hurdle. Most of these claims were poorly handled, and in some cases, overinflated offers were made.

However, the most significant challenge was the insufficient information on these backlog claims that made it impossible for the RAF to settle them, resulting in high volumes of summonses against the Fund. Despite some challenges during the transition caused by the delay in the return of files by the RAF erstwhile panel attorneys, the implementation of the State attorney model to manage RAF litigation has stabilised, and the block settlement strategy has shown promising progress.

The RAF's viscous cycle of receiving invalid claims, which resulted in summonses, extended claim settlement periods, and a continued increase in claims liability, was finally broken by the introduction of the new RAF 1 form, which took effect in July 2022. This is evidenced by the fact that 97% of all claims that underwent the required pre-assessment using the new RAF form 1 were found to be non-compliant and were consequently not registered. This is significant because these 97% of claims would have led to summonses and perpetuated the vicious cycle.

Moreover, early indications from performance analysis suggest that the Fund is likely to exceed its target of settling claims within 120 days, which was set at 5% for the 2022/23 financial year. This is a significant improvement from the legacy of long turnaround times when the RAF aimed to settle claims within 1400 days. It also provides a solid foundation to ensure that the 2023/24 financial year truly becomes the year of the claimant.

Despite the great strides made to enhance the financial and operational sustainability of the Fund, the dispute with the AGSA over accounting policy change has unfortunately persisted and overshadowed the efforts to improve the Fund. To resolve this issue, we have made every effort to explore alternative dispute resolution mechanisms, as advised by the Minister of Transport, in order to avoid litigation. We are encouraged by the fact that the Classification Guide for South Africa, Public Sector Classifications Committee (PSCC), December 2022, has reaffirmed the RAF's classification as a social security fund, as per the Classification Guide for South Africa. That is crucial in addressing the core disagreement with the AGSA, who contend that the RAF is an insurance entity. We remain optimistic that a resolution will be reached as soon as possible. We also note that IFRS 4 has from the 01 January 2023 been replaced by IFRS 17 within the insurance space. IPSAS 42 also continues to be the only Social Benefit Accounting Standard globally and that there continues to be no GRAP Standard for Social Benefits.

Furthermore, we have made significant progress in implementing the organisational structure to support the new strategy. The transformation of the RAF is vital for these strategic changes to be sustained. In this regard we have placed particular emphasis on conducting a skills audit and changing the organisational culture. The skills audit has revealed that the RAF will require new skills such as actuarial and medical to support the new strategy. Additionally, we recognise that the success of our strategy hinges on dismantling the long-standing fraud and corruption culture within the RAF. In pursuit of this goal, our forensic investigation team is working closely with other law enforcement agencies to uncover and examine instances of corruption. We are also introducing organisational change management initiatives and administering cultural alignment evaluations for our employees to ensure that the RAF fosters a culture that upholds our core principles of integrity, compassion, accountability, respect, excellence and empathy. (ICARE²)

2023/24 Annual Performance Plan

To prioritise the needs of claimants, we have declared 2023/24 as the "year of the claimant" and added empathy as a core value alongside our existing I CARE values. This decision

was made in response to challenges faced by our customers and stakeholders when attempting to access RAF services. During my interactions with stakeholders, concerns were raised regarding unresponsiveness by RAF officials. Additionally, we have implemented a strategic outcome focused on enhancing claimant focus by establishing specific targets to improve their overall experience with the RAF.

A key strategic initiative in our 2023/24 APP is the inclusion of a pre-claims phase as part of our claims management value chain. This addresses a long-standing challenge faced by the RAF of not having enough information to conduct thorough investigations when a claim is lodged. Previously, the RAF only began gathering accident information when a claim was submitted, which could take up to three years after the incident. By establishing an accident and contact centre, we will close this information gap and ensure that the RAF collects all accident-related data. Additionally, implementing a customer relationship management (CRM) process will improve the customer experience for RAF claimants.

We are prioritising medical management to ensure better medical outcomes for road accident victims. This includes developing and implementing a case management framework and implementing injury-specific undertakings. Collaborating with hospital groups, emergency management services and provincial departments of health will be crucial to this effort. We also recognize the strain placed on public hospitals by the high number of motor vehicle accident victims and are implementing specific projects to improve trauma facilities and rehabilitation centres in hospitals located near road accident hotspots.

In the 2023/24 APP, the RAF has made its digital transformation journey a top priority. The implementation phase of "Project Bokamoso," which refers to the Integrated Claims Management System (ICMS), is underway, and the first Go-live launch is planned for the end of the third quarter of the fiscal year 2023/24.

The RAF aims to continue efforts to reduce its short-term liability (RNYP). Current indications suggest that the RNYP for the year ending March 31, 2023, is likely to decrease to around R9.4 billion, continuing the downward trend. I must emphasise that the initial actuarial projections in 2019 were that this liability will end up around R51 billion.

The RAF has submitted all its proposed RAF Amendment Act changes to the Department of Transport. The changes include payment in instalments, the removal of general damages, and the exclusion of claims from foreigners. These proposed changes are designed to ensure the RAF's financial and operational sustainability.

The high rate of motor vehicle accidents continues to be a significant area of concern and the largest cost driver for the RAF. In 2021 alone, road crash fatalities resulted in an economic loss of R188 billion, which poses a significant burden on the economy and the RAF. Road safety is, therefore, a top priority in the 2023/24 APP, and the RAF will implement several road safety initiatives. These initiatives include expanding the Driver Wellness Programme and focusing on road safety education, particularly among the youth.

CONCLUSION

The RAF has come a long way since the days its staff were uncertain when they would receive their salaries due to the Sheriff attaching its bank accounts, and when the Fund relied on a "letter of support" from National Treasury to continue operating because of its liquidity challenges. Additionally, there was a time when the Fund frequently needed bailouts from National Treasury or fuel levy increases to stay afloat. However, as we present the 2023/24 APP, the fact that the RAF has the financial resilience to withstand

three consecutive years of not receiving fuel levy increases is a testament to how far it has come.

These significant achievements could not have been possible without a competent and forever supportive RAF board. Therefore, I would like to thank the board for their support in executing this strategy and developing the 2023/24 APP.

I also extend my gratitude to the Minister of Transport, Deputy Minister of Transport, the Director-General of Transport, and the Department of Transport for providing political and administrative support respectively in the implementation of the RAF 2020-25 strategy and for their inputs to the 2023/24 APP.

Despite the challenges, I remain hopeful and confident that the journey to transform the RAF is firmly on track. These challenges are a reflection of the radical nature of the 2020-25 strategic path we have chosen.

Finally, I would like to thank my executive management and all RAF staff for the work done in the first 3 years of the strategy, and I will be counting on your continued support and hard work as the RAF continues on its transformation journey in the 2023/24 financial year.

A handwritten signature in black ink, consisting of a large, stylized 'C' followed by a series of loops and a final flourish.

Signature


Collins Phutjane Letsoale

Chief Executive Officer

4. OFFICIAL SIGN-OFF

It is hereby certified that this Final Draft 2023/24 Annual Performance Plan:

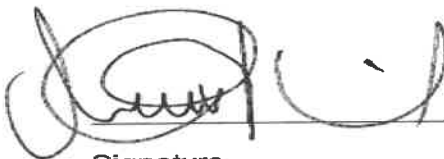
- Was developed by the Management of the Road Accident Fund (RAF) under the guidance of the RAF Board.
- Takes into account all the relevant policies, legislation, and other mandates for which the RAF is responsible.
- Accurately reflects the impact, outcomes, and outputs which the RAF will endeavour to achieve over the period of the revised 2020–2025 Strategic Plan.



Signature:
Phathutshedzo Lukhwareni
Chief Strategy and Transformation Officer



Signature
Bernice Porgieter
Chief Financial Officer



Signature
Collins Phutlane Letsoalo
Chief Executive Officer



Signature
Ms Thembelihle Msibi
Chairperson of the Board



Signature
Ms SL Chikunga, MP
Minister of Transport

4. ABBREVIATIONS

APP	Annual Performance Plan
B-BBEE	Broad-based Black Economic Empowerment
B/F	Brought Forward
CEO	Chief Executive Officer
C/F	Carried Forward
CPI	Consumer Price Index
CRMP	Compliance Risk Management Plan
CSC	Customer Service Centre
CSSS	Comprehensive Social Security System
DTIC	Department of Trade, Industry and Competition DTIC
DoE	Department of Education
DoT	Department of Transport
EA	Enterprise Architecture
ECM	Enterprise Content Management
ENE	Estimates of National Expenditure
ESD	Enterprise Supplier Development
HSC	Hospital Service Centre
IBNR	Incurred But Not Recognised
ICMS	Integrated Claims Management System
ICT	Information Communication Technology
IT	Information Technology
MoU	Memorandum of Understanding
MTEF	Medium-Term Expenditure Framework
NAAMSA	National Association of Automobile Manufacturers of South Africa
NDP	National Development Plan
NHI	National Health Insurance
NT	National Treasury
ORC	Open Registered Claims
PCoT	Portfolio Committee on Transport
POP	Patient Outreach Programme
PDPs	Public Driver Permits
RAF Act	Road Accident Fund Act, 1996

RNYP	Requested but Not Yet Paid
RTMC	Road Traffic Management Corporation
SAP	System Application and Products
SAPS	South African Police Service
SCM	Supply Chain Management
SOE	State-Owned Entity
SONA	State of the Nation Address
SOP	Standard Operating Procedure
SCA	Supreme Court of Appeal
WHO	World Health Organization
VV	Validation and Verification

5. PART A: OUR MANDATE

5.1 CONSTITUTIONAL MANDATE

The Fund was established in terms of the Road Accident Fund Act, 1996 (Act No. 56 of 1996), which outlines its mandate as the payment of compensation for loss or damage wrongfully caused by the negligent driving of a motor vehicle.

5.2 LEGISLATIVE AND POLICY MANDATES

The powers and functions of the Fund shall include:

- The stipulation of the terms and conditions upon which claims for the compensation contemplated in section 3 shall be administered.
- The investigation and settling, subject to the Act, of claims arising from loss or damage caused by the driving of a motor vehicle whether or not the identity of the owner or driver thereof, or the identity of both the owner and the driver thereof, has been established.
- The management and utilisation of the money of the Fund for purposes connected with or resulting from the exercise of its powers or the performance of its duties; and reinsurance for any risk undertaken by the Fund.

5.3 INSTITUTIONAL POLICIES AND STRATEGIES OVER THE FIVE-YEAR PLANNING PERIOD

The institutional policies and strategies of the Fund shall be developed in line with the objectives, functions, and powers of the RAF Act. The RAF will further develop and implement policies that support the national agenda. Such policies include, but are not limited to:

- the RAF's B-BBEE Policy;
- Disability Policy; and
- Gender Policy.

5.4 RELEVANT COURT RULINGS

Summary of relevant court rulings

Matter:	Description:
Mabunda Inc. and 41 Others v RAF and (2). Diale Mogashoa Inc. v RAF	<p>Mabunda Inc. and 42 others, Diale Mogashoa Inc. and Fisser Fourie Inc., Lindsay Keller & Partners and Pretoria Attorneys Associations launched several applications against the RAF. Mabunda sought; (a) an order to interdict the RAF from pursuing the handover of files following a notice of handover issued on 18 and 20 February 2020; (b) to review and set aside the decision by the RAF to hand over the files and the cancellation of the tender.</p> <p>Diale Mogashoa Inc. sought (a) an order to interdict the RAF from pursuing the handover of files; (b) review and set aside the decision to cancel the tender; and (c) to declare the extension (from November 2019 to 31 May 2020) of the Service Level Agreement (SLA) unlawful. The RAF brought a counter application for an order against the firm to return the files.</p> <p>Fisser Fourie Inc. sought an order to review and set aside the decision by the RAF to (a) discontinue the future use of panel attorneys; (b) cancel the tender; and (c) pursue the handover of files.</p> <p>The application for an interdict by Mabunda and others was heard on 18 March 2020. The application for an interdict by Diale Mogashoa was heard on 20 March 2020. Both applications were heard by Davis J. Judgment in respect of both applications was delivered on 27 March 2020 with the court dismissing the applications with costs and granted the RAF's counter application in the Diale Mogashoa application. Both the applicants brought applications for leave to appeal which was heard on 24 April 2020 and judgment was delivered on 30 April 2020. The applications for leave to appeal were dismissed with costs.</p>

Matter:	Description:
	<p>The Review applications by the Mabunda applicants, Diale Mogashoa Inc. and FSF applicants were heard on 05 May 2020, by Hughes J. It is important to note that the Black Lawyers Association (BLA) and the Law Society of South Africa (LSSA) were admitted as amicus curiae. Judgment was delivered on 01 June 2020 with the following orders having been made:</p> <ul style="list-style-type: none"> • The panel attorneys of the RAF as at the date of the launch of the Fisser Fourie Inc. review application shall continue to serve on the RAF panel of attorneys. • The RAF shall fulfil all of its obligations to such attorneys in terms of the existing SLA. • The order shall operate for a period of six months from this order. <p>On 09 June 2020, the applicants brought applications for the variation of the order of 01 June 2020 in terms of Rule 42(1) of the Uniform Rules of Court and the order was varied with the following orders being made:</p> <ul style="list-style-type: none"> • The decision of the respondent communicated in a letter dated 18 February and 20 February 2020 demanding that the panel attorneys should hand over all unfinalised files in their possession to the respondent was reviewed and set aside. • The decision of the respondent to cancel tender number RAF/2018/00054 on or about 26 February 2020 was reviewed and set aside. <p>The RAF launched an application for leave to appeal which was heard on 12 June 2020 and judgment was delivered on 19 June 2020, with the application for leave being dismissed with costs.</p> <p>The RAF subsequently petitioned the matter to the Supreme Court of Appeal (SCA), and the matter was set down for 15 August 2022. The judgment came out in favour of the RAF on 01 December 2022, as the SCA upheld the appeal.</p>
RAF vs LPC and 23 Others	The RAF issued an urgent application on 20 September 2021 seeking relief from court to extend an order of the full bench dated

Matter:	Description:
	<p>09 April 2021 with a further six months. The terms of the 09 April 2021 order were that writs of attachments and executions based on court orders already granted or settlements reached in terms of the RAF Act, which were older than 180 days as from the date of the court order or the date of the settlement reached were suspended.</p> <p>The urgent application was enrolled for 26 October 2021. However, the application was removed from the roll with a view that it required a special allocation since other interested parties had joined the application. Subsequent to various respondents filing Answering Affidavits, the RAF (the applicant) filed the Replying Affidavits replying to various respondents and filed the Supplementary Affidavit supplementing its main application on 10 June 2022.</p> <p>Furthermore, the RAF had served and filed the Rule 16A Notice on 23 June 2022 to give notice to all respondents and interested parties as the application had an impact on constitutional rights.</p> <p>The application was set down for 25 and 26 August 2022. On 25 August 2022, before Judge van der Westhuizen, the court ordered, amongst other things, that the order of the full court dated 09 April 2021 was extended for six months from the date of this order. In terms of the order, writs of attachments and warrants of execution based on court orders already granted or settlement reached in terms of the RAF Act, which were not older than 180 days as from the date of the court order or the date of settlement reached were suspended.</p> <p>Furthermore, all attorneys who represented claimants and whose matters had not been placed on the Requested but Not Yet Paid (RNYP) list needed to provide the RAF with a list of such claimants' claims which do not appear on the RNYP list by no later than 30 September 2022. The RAF was to pay all claims based on court orders already granted or settlements already reached in terms of the RAF Act, which were older than 180 days from the date of the</p>

Matter:	Description:
	<p>court order or date of settlement reached, on or before 30 October 2022.</p> <p>The RAF was to continue distributing the RNYP list to the attorneys on its database on a bi-monthly basis. The RAF was further ordered to continue with its process of making payment of the oldest claims first by the date of the court order or the date of a written settlement agreement a priore tempore.</p>
<p>Discovery Health (PTY) Ltd v RAF and Minister of Transport</p>	<p>Discovery Health (Pty) Ltd, a medical scheme, served the RAF with an urgent application wherein it sought the following orders:</p> <ul style="list-style-type: none"> • The directive issued by the Acting Chief Claims Officer of the RAF on 12 August 2022 to be declared unlawful. • The directive issued by the Acting Chief Claims Officer of the RAF to be reviewed and set aside. • The RAF to be interdicted and restrained from implementing the directive of 12 August 2022. <p>As an alternative to the prayers above, the RAF was called upon on a rule nisi wherein an interim order is granted to show cause on 13 September 2022 why the orders should not be made final.</p> <p>The RAF opposed the motion and filed its answering affidavit on 29 August 2022. The matter was heard on 01 September 2022 and the court reserved the judgment.</p> <p>On 27 October 2022, the court made the following orders:</p> <ul style="list-style-type: none"> • The directive issued by the Acting Chief Claims Officer on 12 August 2022 was declared unlawful. • The said directive was reviewed and set aside. • The RAF was interdicted and restrained from implementing the directive.

Matter:	Description:
	<p>The RAF decided to appeal the decision and Notice for Leave to Appeal was filed on 15 November 2022. The matter was heard on 04 December 2022 and judgment was reserved.</p>
<p>Adam Mudawo v Minister of Transport and the RAF</p>	<p>Adam Mudawo, the applicant in the matter, served the RAF an application which is set down for 07 September 2022 on an unopposed roll. The applicant sought the following orders:</p> <ul style="list-style-type: none"> • That the RAF 1 Form as amended and published by the Minister on 04 July 2022 is inconsistent with the constitution and invalid. This is because parts 6.1 and 12.1 require that if a claimant is a foreigner, proof of identity must be accompanied by documentary proof that the claimant was legally in South African at the time of the accident. • It was declared that the provisions of the RAF directive dated 21 June 2022 were unconstitutional and inconsistent with the Constitution in this way: <ul style="list-style-type: none"> ○ In respect of foreign claimants, it makes provision that proof of identity must be accompanied by documentary proof that the claimant was legally in South Africa at the time of the accident. ○ In respect of foreign claimants, they are required to show a passport with the entry stamp and/or exit stamp to be submitted. Where the foreigner left South Arica, the passport must have an exit stamp and if the foreigner claimant is still in the country, proof that the claimant is still in South Africa with an approved visa. ○ If foreign claimants do not have any stamp on a passport, the RAF will not be lodging such a claim. ○ The requirement that the passport of a foreign claimant can only be certified by the South African Police Service. • That the RAF 1 Form of 04 July 2022 and the RAF directive of 21 June 2022 be set aside. <p>The RAF opposed the application and records of proceedings were filed on 02 September 2022. After the RAF had opposed the application, the matter was removed from the unopposed roll and</p>

Matter:	Description:
	<p>was placed on an opposed motion roll. The RAF's answering affidavit was filed on 26 October 2022. The applicants must set the matter down, so that heads can be filled accordingly, and the matter can proceed to arguments.</p>
<p>The National Council of and for Persons with Disabilities and Another v RAF and The Minister of Transport and Others</p>	<p>The applicants, the National Council of and for Persons with Disabilities and Another had on 28 October 2022 served an urgent application on the RAF and Others in which they sought the following relief before court:</p> <p>Part A: Urgent application for an Interim Interdict</p> <ul style="list-style-type: none"> • Pending the final determination of Part B of this application, that the operation of the medical tariffs promulgated by the Minister of Transport on 19 August 2022 in the Gazette be suspended with retrospective effect from 01 January 2021. <p>Part B: Review application in terms of Uniform Rule 53</p> <ul style="list-style-type: none"> • That the impugned tariffs be reviewed, declared unlawful, and set aside, with retrospective effect from 01 January 2021. <p>The RAF opposed the application, and a corporate panel attorney was appointed to file opposition papers. The matter was set down for hearing on 15 December 2022. Having heard the argument of all parties, the court ordered that pending the final determination of Part B of this application, the operation of the medical tariffs promulgated by the Minister of Transport on 19 August in GNR 2395 of Government Gazette 46747 be suspended with retrospective effect from 01 January 2021. The RAF was ordered to pay the costs of Part A on an attorney and client scale.</p>

6. PART B: OUR STRATEGIC FOCUS

7. UPDATED SITUATIONAL ANALYSIS

7.1 EXTERNAL ENVIRONMENT ANALYSIS

A comprehensive assessment of the external environment is critical for strategy execution. The analysis enables the organisation to scan the horizon for changes and emerging trends which may influence the strategy. RAF's external environment has proven to be dynamic over the three years of implementing the strategy.

A PESTEL Analysis is a strategic tool used to evaluate the external environment by analysing relevant changes and emerging trends across Political, Economic, Social, Technological, Environmental, and Legal factors. As clearly illustrated by the outcomes of the PESTEL analysis, the RAF will have to implement the strategy against the backdrop of uncertain political environment, tough economic conditions, increasing levels of unemployment, inequality and poverty. Furthermore, the motor vehicle accident rate remains unacceptably high and is exacerbated by damages to road infrastructure due to increased natural disasters.

The table below summarise some of the key changes and trends which may impact the RAF's strategy.

7.2 PESTEL ANALYSIS

POLITICAL		ECONOMICAL	
<ul style="list-style-type: none"> • Up Coming National Elections • Unstable local government and political environment • Cabinet reshuffle 		<ul style="list-style-type: none"> • Inflation leading to High Cost of living • Recession leading to lower-than-Expected fuel sales • Unemployment rate 	
SOCIAL		TECHNOLOGY	
<ul style="list-style-type: none"> • Infrastructure decay • Financial Literacy • Lump sum pay-outs 		<ul style="list-style-type: none"> • Cyber security risk • Introduction of Electric Vehicle's and hybrid cars • Hacking of Electric Vehicle's vehicles leading to increased in car accident 	
ENVIRONMENTAL		LEGAL	
<ul style="list-style-type: none"> • Global warming affecting road/pipeline Infrastructure • Energy supply risk/Eskom • Climate change 		<ul style="list-style-type: none"> • RAF amendment act and regulations • Non-Approval of RAF amendment bill and regulation • Unfavourable court rules 	

8.INTERNAL ENVIRONMENT ANALYSIS

As part of analysis of internal environment, a SWOT analysis is critical to understand the RAF's strengths, Weaknesses, Threats, and Opportunities. The table below summarise the internal environment analysis as reflected through a SWOT.

8.1 SWOT

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none">• Reliable revenue stream• Board support• Fit for purpose organizational structure• New operating model	<ul style="list-style-type: none">• Manual based claims process• Fraud and corruption• Poor customer experience• Executive vacancies
OPPORTUNITIES	THREATS
<ul style="list-style-type: none">• Technology and innovation• Strategic partnerships• New operating model• Instalment payment	<ul style="list-style-type: none">• Political change• External corruption, wastage and abuse• Litigation against new model• Inadequate legislative framework

8.2 ALIGNMENT OF THE RAF 2020-2025 STRATEGY TO THE 1998 WHITE PAPER ON THE ROAD ACCIDENT FUND SATCHWELL RECOMMENDATIONS

The white paper on the Road Accident Fund of 1998 sought to identify the challenges which made the RAF unsustainable. This resulted in the establishment of the Satchwell Commission which enquired into the RAF. It is thus important to ensure alignment of the RAF 2020-25 strategy with both the white paper and the Satchwell commission's recommendations.

The tables below summarise alignment of the 1998 White Paper on RAF, the 2003 Satchwell Commission and the RAF 2020-25 Strategy.

Alignment of the White Paper, Satchwell Commission Report and RAF 2020-2025 Strategy

1998 White Paper on the RAF	Satchwell Commission Report 2003	2020–2025 RAF Strategy
Recommended the establishment of the Satchwell Commission	Principles: Reasonableness, Equity, Affordability and Sustainability	ICARE ² Values: Integrity, Compassion, Accountability, Respect, and Excellence
<p>Premise:</p> <ul style="list-style-type: none"> • The present compensation system and levels of compensation cannot be reconciled with funding by means of the fuel levy system. • The rapidly mounting actuarial deficit which stood at R7 233 million at the end of 1997. • High settlement costs, which are disproportionate to the actual compensation paid and ultimately received by the road accident victim. 	<p>Premise:</p> <ul style="list-style-type: none"> • The present system is financially unsustainable. Measures need to be taken to achieve a system that is affordable and stable in the long term and yet be able to offer a reasonable set of benefits. • The system needs to be made more efficient in reducing the present high cost in terms of time, effort and expertise incurred in the process of delivering the benefits. • The system should be more effective in avoiding the present shortcomings, anomalies, and inequities. 	<p>Premise:</p> <ul style="list-style-type: none"> • The Fund had incurred annual deficits over decades with the RNYP claims projected to be at R41 billion as at March 2022. • The current RAF legislative framework is inadequate with the unsustainable funding model in place, where the benefits offered are much more costly than the funding that is available.

1998 White Paper on the RAF	Satchwell Commission Report 2003	2020–2025 RAF Strategy
Recommended the establishment of the Satchwell Commission	Principles: Reasonableness, Equity, Affordability and Sustainability	ICARE ² Values: Integrity, Compassion Accountability, Respect, and Excellence
Key Objectives: <ul style="list-style-type: none"> • Protection of negligent drivers against claims by victims. • Compensation for real economic loss • Interests of the majority of victims. • Interests of the seriously impaired • Easy access to benefits and speedy compensation. • Curtailment of settlement costs. • Reduction of road accidents. • Adequate healthcare. • A more even distribution of resources among victims. • An increasing share of resources being allocated to seriously impaired victims. 	Key Objectives: <ul style="list-style-type: none"> • The lump sum awards should be reduced, first, by paying healthcare providers directly, and second, by paying income and family support on a monthly pension basis. • Apart from preventing abuse of large monetary sums, it would reduce costs should claimants later return to work or pass away. • Funeral and family benefits adjustment should be paid as flat rate lump sum amounts, and life enhancement benefits should also be paid as lump sums according to a published schedule. • Healthcare providers, whether provincial or private, should be paid immediately according to the tariff, and paid direct to the supplier. 	2020–2025 Strategy: Key Outcomes <p>A Transformed and Sustainable RAF:</p> <ul style="list-style-type: none"> • RAF Business Operating Model. • RAF Amendment Act proposal submitted to the DoT. • % of all new personal claims settled within 120 days. • % of new personal claims. validated and verified within 60 days. • % reduction of average age of old claims. • % reduction of legal costs. • RAF medical tariffs implemented. • Developed medical treatment protocols. • % reduction of medical costs. • RAF funding model finalised. • Debt restructuring finalised (RNYP). <p>System Modernisation</p> <ul style="list-style-type: none"> • ICMS

1998 White Paper on the RAF	Satchwell Commission Report 2003	2020–2025 RAF Strategy
Recommended the establishment of the Satchwell Commission	Principles: Reasonableness, Equity, Affordability and Sustainability	ICARE ² Values: Integrity, Accountability, Respect, and Excellence Compassion and Excellence
	<ul style="list-style-type: none"> As a social security scheme, it would need to be integrated within the system of comprehensive social protection. It should provide a safety net only, with limitations on the benefits provided. Victims would still retain the common law right to sue wrongdoers for greater amounts. The Commission listed the various cost reduction proposals such as reviewable periodic payments, no foreign currency payments, managed healthcare, waiting periods, time limits, thresholds and payments based on a declared income basis. 	<p>The other key outcomes that the RAF is focusing on in the 2020–2025 Strategy are:</p> <ul style="list-style-type: none"> Improved governance and strengthened control environment Improved claimant focus

9. UPDATED KEY RISKS AND MITIGATION

Outcome	Key Risks	Risk Mitigation
A transformed and sustainable RAF	<ul style="list-style-type: none"> Financial sustainability Fraud, corruption, and unethical behaviour People Management Customer Centricity Regulatory Framework 	<ul style="list-style-type: none"> Reviewing the RAF Funding Model and exploring other possible sources of revenue to sustain the organisation. Regularly assessing and optimising the Cash Management and Investment Strategies to respond to cash constraints including extending the Payment Strategy of paying all claims older than 180 days. Finalising and implementing the Asset and Liability Matching Strategy. Collaborating with all key stakeholders and lobbying for political support. Prioritising the legislative process to move to the instalment payments, i.e., Board engagement with the shareholder and submission of the Draft Bill to the DoT. Introduction of various stringent financial management and cost-cutting controls, e.g., the optimisation of the Internal State Attorneys and Assessors, etc. Enhancing the internal and external fraud prevention and detection measures. Collaboration with law enforcement agencies to deal with fraud and corruption related matters. Implementing the new structure and the requisite resources following consultative processes with the affected stakeholders. Implementing appropriate change management interventions to introduce a high-performance culture and ethics across the organisation.

Outcome	Key Risks	Risk Mitigation
		<ul style="list-style-type: none"> • Implementing relevant and targeted employee assistance programmes. • Establishing and operationalising the Customer Contact Centres.
Systems modernisation	<ul style="list-style-type: none"> • Information and Communication Technology • Financial sustainability • Service delivery • Reputational risk 	<ul style="list-style-type: none"> • Implementing Phase 1 of the ICMS following the appointment of a service provider and ensuring continuous alignment with the revised Operating Model as well as integration with Forensic Investigation Department (FID) tools. • Reviewing the ICT environment and current ICT Architecture. • Developing the ICT Strategy and Transformation Plan. Re-writing the Legacy Applications and acquiring new technology to align with the organisational requirements. • Increasing infrastructure capacity, e.g., communication bandwidth and increasing storage capacity. • Developing a security improvement roadmap for the RAF to ensure resilience to cybersecurity and ICT continuity risks. • Acquiring and implementing a permanent Security Operations Centre. • Enhancing and implementing the ICT Disaster Recovery Strategy.
Improved governance and strengthened control environment	<ul style="list-style-type: none"> • Fraud and corruption • Financial sustainability • People Management • Service delivery 	<ul style="list-style-type: none"> • Implementing recommendations from the Board Performance and King IV Governance Assessment. • Reviewing, monitoring, and reporting on adherence to the Governance Framework to the Risk, Governance and Actuarial Committee.

Outcome	Key Risks	Risk Mitigation
	<ul style="list-style-type: none"> Regulatory Framework Reputational risk Governance/Leadership Customer Centricity 	<ul style="list-style-type: none"> Enforcing and analysing the Declaration of Interest for the Board and all employees. Implementing the recommendations from the Ethics Survey and improving the internal controls based on the outcome of the FID trend analysis reports. Developing and implementing the Privacy Office governance documents. Continuous monitoring, advising, and reporting on compliance requirements. Implementing the Ethics Strategy and Plan. Monitoring implementation of the new Organisational Values. Conducting focused ethics and fraud awareness sessions for internal and external stakeholders. Participation of assurance providers in the development of new business processes within claims to identify vulnerabilities for fraud and corruption. Procuring cyber tools and conducting cyber investigations. Expediting the filling of all Executive positions. Rigorous monitoring of supplier performance in line with existing contractual obligations. Developing and implementing processes to ensure adherence to customer service standards and regulations, e.g., POPIA.
<ul style="list-style-type: none"> Improved claimant focus 	<ul style="list-style-type: none"> Fraud and corruption Financial sustainability People Management Service delivery 	<ul style="list-style-type: none"> Implementing the Claims Operating Model with a focus on positive customer experience and settling claims within 120 days. Increasing the RAF footprint and implementing the Customer Relations Management (CRM) IT System.

Outcome	Key Risks	Risk Mitigation
	<ul style="list-style-type: none"> • Reputational risk • Information and Communication Technology • Regulatory Framework • Customer Centricity 	<ul style="list-style-type: none"> • Developing and implementing the RAF Training Strategy and Skills Plan in line with the Skills Audit outcome. • Capacitating the Complaints Unit in line with the Complaints Strategy and Policy. • Developing and implementing a Complaints Management Strategy. • Subscribing to relevant platforms to respond to complaints, e.g., Hellopeter.com. • Implementing monitoring tools to assess the levels and impact of customer satisfaction, renewing the relevant Memoranda of Understanding (MOUs) and media monitoring contract. • Optimising the State Attorney Model to reduce the exposure of undefended matters. • Improving the relationship with the Judiciary and Solicitor-General's Office. • Mapping out the Summons Management Process to enhance monitoring and avoid default judgement. • Initiating the process of procuring a panel of Cost Consultants. • Monitoring court orders and settlement agreements and ensuring timeous requests of payments. • Capturing the claims on the pre-assessment system, objecting within 60 days, and requesting outstanding information. • Implementing the Litigation Strategy to defend summons issued on non-compliant claims. • Implementing and monitoring the Stakeholder Plan.

Outcome	Key Risks	Risk Mitigation
	<ul style="list-style-type: none"> • 	<ul style="list-style-type: none"> • Implementing the Corporate Communications Strategy and the Crisis Communication Plan. • Optimising the Social Media Function. • Integrating ICMS with relevant external parties. • Developing and implementing processes, templates, and systems for Emergency Management, Medical and Hospital Case Management.

PART C: INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

10. PART C: INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

10.1 REVISED 2020–25 STRATEGIC PLAN: OUTCOMES, OUTPUTS, PERFORMANCE INDICATORS, AND TARGETS

Outcome 1. A transformed and sustainable RAF

OUTCOME	OUTPUTS	OUTPUT INDICATOR	ANNUAL TARGETS					MTEF PERIOD		
			AUDITED/ACTUAL PERFORMANCE		ESTIMATED PERFORMANCE					
			2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	
A transformed and sustainable RAF	RAF proposed regulations submitted to the DoT	RAF proposed regulations submitted to the DoT	-	-	-	-	Submission of proposed regulations to the DoT	-	-	
	Claims processed within 120 days	% of all new personal claims settled within 120 days	-	0.30 %	0.21%	5%		15%	20%	
	% of claims validated and verified within 60 days	% of all new personal claims validated and verified	-	59.0 %	52.69%	55%		85%	90%	

OUTCOME	OUTPUTS	OUTPUT INDICATOR	ANNUAL TARGETS					MTEF PERIOD		
			AUDITED/ACTUAL PERFORMANCE			ESTIMATED PERFORMANCE	2022/23	2023/24	2024/25	2025/26
			2019/20	2020/21	2021/22					
		within 60 days								
	Reduction of three-year-old open claims	% reduction of three-year-old open claims	-	44% Increase	14.45%	20%	20%	25%	30%	
	Reduction of legal costs	% reduction of legal costs	-	27.74%	60.33%	30%	55%	75%	-	
	Improved Medical Management	Implementation of Pre-authorization Framework					Level 1 Pre-authorization Framework implemented	Level 2 Pre-authorization Framework implemented	Level 3 Pre-authorization Framework implemented	
		% of new undertakings issued with basket of care					80% of new undertakings issued with basket of care (injury specific)	90% of new undertakings issued with basket of care (injury specific)	95% of new undertakings issued with basket of care (injury specific)	

OUTCOME	OUTPUTS	OUTPUT INDICATOR	ANNUAL TARGETS					MTEF PERIOD			
			AUDITED/ACTUAL PERFORMANCE			ESTIMATED PERFORMANCE					
			2019/20	2020/21	2021/22		2022/23	2023/24	2024/25	2025/26	
	Improved Medical Management	Case Management Framework developed	-	-	--	--		Development of Case Management Framework	Implementation of Case Management Framework	Implementation of Case Management Initiatives	
		% of motor vehicle accidents reported to the RAF	-	-	-	-		-	20%	50%	
		% reduction of medical costs	-	-	No target for financial year	10%		10%	15%		
		Implemented initiatives in collaboration with the Department of Health (DoH) to improve trauma care	-	-	-	-		50% implementation of trauma care unit and rehabilitation centre initiatives for road accident victims	60% implementation of trauma care unit and rehabilitation centre initiatives for road accident victims	70% implementation of trauma care unit and rehabilitation centre initiatives for road accident victims	

OUTCOME	OUTPUTS	OUTPUT INDICATOR	ANNUAL TARGETS					
			AUDITED/ACTUAL PERFORMANCE			ESTIMATED PERFORMANCE	MTEF PERIOD	
			2019/20	2020/21	2021/22		2023/24	2024/25 2025/26
		and rehabilitation centres for road accident victims						
	Implementation of road safety initiatives	% road safety initiatives implemented	-	-	-		75 % of Road Safety Initiatives implemented	80 % of Road Safety Initiatives implemented 90% of Road Safety Initiatives implemented
	Improved financial sustainability	Asset and Liability Strategy implemented	-	-	Asset and Liability Strategy developed and approved	Asset and Liability Strategy implemented	Asset and Liability Strategy initiatives implemented	Asset and Liability Strategy initiatives implemented

Outcome 2. System modernisation

OUTCOME	OUTPUTS	ANNUAL TARGETS				
		AUDITED/ACTUAL PERFORMANCE			ESTIMATED PERFORMANCE	MTEF PERIOD
		2019/20	2020/21	2021/22	2022/23	2023/24
System modernisation	ICMS	-	Planned initiatives not achieved	Phase 1 of the ICMS initiatives completed (i.e. On-boarding of the implementing partner)	ICMS Plan initiatives implemented	Roll out Release 1 of ICMS
	Release 1 of ICMS					Roll out Release 2 of ICMS
						Roll out Release 3 of ICMS

Outcome 3. Improved governance and strengthened control environment

OUTCOME	OUTPUTS	OUTPUT INDICATOR	ANNUAL TARGETS				
			AUDITED/ACTUAL PERFORMANCE			ESTIMATED PERFORMANCE	MTEF PERIOD
			2019/20	2020/21	2021/22	2022/23	2023/24
Improved governance and strengthened	Adequate responses to Parliament questions	Percentage responses to Parliament questions	-	-	100%	100%	100%

OUTCOME	OUTPUTS	OUTPUT INDICATOR	ANNUAL TARGETS					MTEF PERIOD			
			AUDITED/ACTUAL PERFORMANCE			ESTIMATED PERFORMANCE		2023/24	2024/25	2025/26	
			2019/20	2020/21	2021/22						
control environment	Resolution of reported incidents of fraud and corruption	Percentage of resolution of reported incidents of fraud and corruption	-	-	57.4%	85%		85%	90%	95%	
	Functionality of ethics structures and adequate capacity	Report on the status and operations of the Ethics Committee	-	-	Report on the status and operations of the Ethics Committee submitted to the DoT	Report on the status and operations of the Ethics Committee submitted to the DoT		Report on the status and operations of the Ethics Committee submitted to the DoT	Report on the status and operations of the Ethics Committee submitted to the DoT	Report on the status and operations of the Ethics Committee submitted to the DoT	
	Implementation of action plan to address audit findings	Percentage implementation of action plans to address audit findings	-	67.74%	Target could not be assessed for performance due to the pending Auditor-General of	65%		75%	80%	85%	

OUTCOME	OUTPUTS	OUTPUT INDICATOR	ANNUAL TARGETS					MTEF PERIOD		
			AUDITED/ACTUAL PERFORMANCE			ESTIMATED PERFORMANCE	2022/23	2023/24	2024/25	2025/26
			2019/20	2020/21	2021/22					
					South Africa (AGSA) Report					
	Unqualified Audit Report	Regulatory Audit Outcome by the AGSA	-	-	Target not assessed for performance due to pending litigation with the AGSA	Unqualified Audit Report with no significant findings		Unqualified Audit Report	Clean Audit	Clean Audit
	Elimination of wasteful and fruitless expenditure	Report on cases of wasteful and fruitless expenditure	-	-	Target not assessed for performance due to the low base reported on the 2021 financial year	Report on cases of fruitless and wasteful expenditure		Report on steps taken on cases of fruitless and wasteful expenditure	Report on steps taken on cases of fruitless and wasteful expenditure	Report on steps taken on cases of fruitless and wasteful expenditure

OUTCOME	OUTPUTS	OUTPUT INDICATOR	ANNUAL TARGETS					MTEF PERIOD			
			AUDITED/ACTUAL PERFORMANCE			ESTIMATED PERFORMANCE		2023/24	2024/25	2025/26	
			2019/20	2020/21	2021/22						
	Reduction of irregular expenditure	Report on cases of irregular expenditure	-	-	88.89%	Report on cases of irregular expenditure		Report on steps taken on cases of irregular expenditure	Report on steps taken on cases of irregular expenditure	Report on steps taken on cases of irregular expenditure	
	100% compliance to 30 days supplier payment requirements	100% compliance to 30 days supplier payment requirements	-	-	75.57%	Report on steps taken to ensure compliance with the 30-day payment requirement		100% compliance to 30 days supplier payment requirements	100% compliance to 30 days supplier payment requirements	100% compliance to 30 days supplier payment requirements	
	Organisational structure implemented	% of organisational structure implemented	-	Conceptual model and functional structure endorsed at Board level	Work study and organisational structure developed	30%		60% Initiatives implemented	100% Initiatives implemented	-	

OUTCOME	OUTPUTS	OUTPUT INDICATOR	ANNUAL TARGETS					ESTIMATED PERFORMANCE			MTEF PERIOD		
			AUDITED/ACTUAL PERFORMANCE					2022/23	2023/24	2024/25	2025/26		
			2019/20	2020/21	2021/22	2022/23	2023/24						
	Skills Report implemented	Outcomes of Skills Audit Report implemented	-	Skills project approved by CEO	Skills finalised and approved	Year 1: implementation of Skills Audit Report Outcomes	Year 2: implementation of Skills Audit Report Outcomes	Year 3: implementation of Skills Audit Report Outcomes	-				
	% of Enterprise Supplier Development (ESD) spent/committed on women-owned enterprises	% ESD spent/committed on women-owned enterprises	-	-	ESD Plan spent/committed for women empowerment developed	30%	35%	40%	45%				

Outcome 4. Improved claimant focus

OUTCOME	OUTPUTS	OUTPUT INDICATOR	ANNUAL TARGETS					MTEF PERIOD		
			AUDITED/ACTUAL PERFORMANCE			ESTIMATED PERFORMANCE		2023/24	2024/25	2025/26
			2019/20	2020/21	2021/22					
Improved Claimant Focus	Implementation of Stakeholder Management Strategy Initiatives	% Of Stakeholder Management Strategy initiatives implemented	-	Stakeholder Management Strategy approved by the CEO and recommended to the Board	50%	75%		85%	100%	100%
	Customer Satisfaction Survey conducted	% Customer Satisfaction Survey rating	-	-	-	50%		-	-	-
	Improved responsiveness to claimants	Improved responsiveness to claimants	-	-	-	-		Established Customer Relationship Management (CRM) Solution	% resolution of claimants enquiries	% resolution of claimants enquiries

OUTCOME	OUTPUTS	OUTPUT INDICATOR	ANNUAL TARGETS						MTEF PERIOD		
			AUDITED/ACTUAL PERFORMANCE			ESTIMATED PERFORMANCE	2022/23	2023/24			
			2019/20	2020/21	2021/22						
	Implementation of the customer servicing model	Customer servicing model implemented						Customer servicing model initiatives implemented	Customer servicing model initiatives implemented	Customer servicing model initiatives implemented	

PART D: 2022/23 QUARTERLY TARGETS

11. PART D: 2023/24 QUARTELY TARGETS

Output Indicators		2023/24 Target	Q1	Q2	Q3	Q4
1.	RAF Regulations proposal submitted to DoT	RAF Regulations proposal submitted to DoT	-	-	-	Submission of proposed regulations to DoT
2.	Percentage of all new personal claims settled within 120 days	10%	10%	10%	10%	10%
3.	Percentage of all new personal claims validated and verified within 60 days	80%	80%	80%	80%	80%
4.	Percentage reduction of three-year-old open claims	20%	5%	10%	15%	20%
5.	Percentage reduction of legal costs	55%	55%	55%	55%	55%
6.	Implementation of Pre-authorisation Framework	Level 1 Pre-authorisation Framework implemented	-	-	-	Level 1 Pre-authorisation Framework implemented
7.	% of new undertakings issue with basket of care	80% of new undertakings issued with basket of care (injury specific)	-	-	-	80% of new undertakings issued with basket of care (injuries specific)

	Output Indicators	2023/24 Target	Q1	Q2	Q3	Q4
8.	Case Management Framework developed	Development of Case Management Framework				Development of Case Management Framework
9.	% Reduction of medical costs	10%	10%	10%	10%	10%
10.	Implemented initiatives in collaboration with DoH to improve trauma care and rehabilitation centres for road accident victims	50% implementation of trauma care unit and rehabilitation centre initiatives for road accident victims				50% implementation of trauma care unit and rehabilitation centre initiatives for road accident victims
11.	Road Safety Initiatives implemented	75 % of Road Safety Initiatives implemented	-	-	50% Road of Safety Initiatives implemented	75 % of Road Safety Initiatives implemented
12.	Asset and Liability Strategy implemented	Asset and Liability Strategy initiatives implemented	-	-	-	Asset and Liability Strategy initiatives implemented
13.	Implemented ICMS	Roll out Release 1 of ICMS	-	-	-	Roll out Release 1 of ICMS
14.	Percentage responses to Parliament questions	100% responses to Parliament questions	-	-	100% responses to Parliament questions	100% responses to Parliament questions

	Output Indicators	2023/24 Target	Q1	Q2	Q3	Q4
15.	Percentage resolution of reported incidents of fraud and corruption	85% resolution of reported incidents of fraud and corruption	-	-	85% resolution of reported incidents of fraud and corruption	85% resolution of reported incidents of fraud and corruption
16.	Report on status and operations of Ethics Committee	Report on status and operations of Ethics Committee	-	-	Report on status and operations of Ethics Committee submitted to the DoT	Report on status and operations of Ethics Committee submitted to the DoT
17.	Percentage implementation of action plans to address audit findings	75%	-	-	-	75%
18.	Regulatory Audit Outcome by the AGSA	Unqualified Audit Report	-	-	-	Unqualified Audit Report
19.	Report on cases of wasteful and fruitless expenditure	Report on steps taken on cases of fruitless and wasteful expenditure	-	-	Report on steps taken on cases of fruitless and wasteful expenditure	Report on steps taken on cases of fruitless and wasteful expenditure
20.	Report on cases of irregular expenditure	Report on steps taken on cases of irregular expenditure	-	-	Report on steps taken on cases of irregular expenditure	Report on steps taken on cases of irregular expenditure

	Output Indicators	2023/24 Target	Q1	Q2	Q3	Q4
21.	100% compliance to 30 days supplier payment requirements		-	-	100% compliance to 30 days supplier payment requirements	100% compliance to 30 days supplier payment requirements
22.	% Of Organisational structure implemented	60% Initiatives implemented	-	-		60% Initiatives implemented
23.	Outcomes of Skills Audit Report implemented	Year 2 of implementation of Skills Audit Report Outcomes				Year 2 implementation of Skills Audit Report Outcomes
24.	% Of Enterprise Supplier Development (ESD) spent/ committed on women-owned enterprises	35%				35%
25.	% Of Stakeholder Management Strategy initiatives implemented	85% of Stakeholder Management Strategy initiatives implemented	-	-	-	85% of Stakeholder Management Strategy initiatives implemented
26.	Improved responsiveness to claimants	Established Customer Relationship Management Solution				Established Customer Relationship Management (CRM) Solution

	Output Indicators	2023/24 Target	Q1	Q2	Q3	Q4
27.	Implementation of the customer servicing model	Customer servicing model implemented				Customer servicing model implemented (CEC's and refined HSC's)

12. PART E: TECHNICAL INDICATORS (TID)

Technical indicators have been developed and will be annexed to the Final 2023/24 APP document.

13. PART F: ANNEXURES

ANNEXURE A: CHANGES TO THE 2020–25 STRATEGIC PLAN

ANNEXURE B: MISSION, VISION, AND VALUES

ANNEXURE C: FUNDING MODEL (ENE)

Annexure A

PART F: CHANGES TO 2020-25 STRATEGIC PLAN

2022/23 OUTPUTS, INDICATOR & TARGETS	2023/24 CHANGES
35% reduction of three-year-old open claims	Target decreased: 20% reduction of three-year-old open claims
Output: Reduced medical costs	Output renamed: Improved Medical Management
ICMS Project Plan initiatives implemented	Target re-named: Release 1 of ICMS implemented
30% of ESD spent on women-owned enterprises	Target increased: 35% of ESD spent on women-owned enterprises
Organisational structure implemented	Target moved from Outcome 4 to Outcome 3
Skills Audit Report implemented	Target moved from Outcome 4 to Outcome 3
Report on steps taken to ensure Compliance to 30-day payment requirement	Target renamed: 100% compliance to 30 days supplier payment requirements
Outcome 4: Improved Service Delivery	Outcome 4 renamed: Improved claimant focus
50% Customer Satisfaction Survey rating	Target retired
2020–2025 Strategic Plan Impact Assessment	Target retired

Annexure B

MISSION, VISION, AND VALUES



VISION

An equitable and sustainable compensation system for motor vehicle accident victims.



MISSION

To provide appropriate benefits to all qualifying road users within the borders of South Africa and support safe use of roads.



CORE VALUES

Integrity **C**ompassion **A**ccountability **R**espect **E**xcellence **E**mpathy
ICARE²

Annexure C

FUNDING MODEL (ENE)

RAF Funding Model 2023FY

Cash Flow Statement	2022	2023	2024	2025	2026
Fuel Levy Received	47 058 716	47 907 540	48 290 800	48 677 126	48 823 158
Fuel Sold (litres) ('000)	23 592 833	23 850 047	24 040 847	24 233 174	24 305 874
Total fuel levy (cents per litre)	218.0	218.0	218.0	218.0	218.0
Gross fuel levy revenue ('000)	51 071 891	51 993 102	52 409 047	52 828 320	52 986 805
Refunds + Recoupment	4 013 175	4 085 563	4 118 247	4 151 193	4 163 647
Net fuel levy revenue ('000)	47 058 716	47 907 540	48 290 800	48 677 126	48 823 158
+Loan Facility					
+Cash assets at start of year	4 684 204	867 641	904 314	5 546 295	38 023 876
-Expenses paid and Purchasing of assets	2 532 206	3 232 958	3 454 799	3 629 697	3 814 608
-Loan Repayment					
-Claims Paid	48 559 700	44 862 222	40 431 876	13 518 184	15 136 428
Claims Settled	42 802 818	43 154 267	38 522 770	33 182 774	33 182 774
+Investment income	216 627	224 314	237 857	948 336	2 372 605
Available funds at year-end	867 641	904 314	5 546 295	38 023 876	70 268 603

Income Statement	2022	2023	2024	2025	2026
Income	48 278 184	48 105 553	48 380 207	48 767 248	48 857 224
Fuel levy	48 278 164	48 105 553	48 380 207	48 767 248	48 857 224
Other	20	-	-	-	-
Expenditure	46 719 631	46 529 849	41 642 388	36 226 586	39 693 923
Claims Expenditure	43 915 506	43 284 001	38 183 786	32 597 758	35 887 743
Admin and Employee Expenditure	2 804 125	3 245 848	3 458 602	3 628 827	3 805 180
Investment income	222 770	239 083	253 512	964 931	2 390 196
Surplus (Deficit)	1 781 323	1 814 787	6 991 331	13 505 593	11 553 497