



# **ANNUAL PERFORMANCE PLAN**

**1 APRIL 2018 – 31 MARCH 2019**

**March 2018**

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## **Foreword**

Annual Performance Plans should be guided by the Strategic Plans, which reflect the government's long-term plans, the MTSF and subsequently political priorities. The OPFA has taken over all responsibility developing the performance targets for the present budget year of the OPFA.

At the beginning of the Annual Performance Plan the priorities which have guided the development of the plan are set out. The OPFA takes responsibility for ensuring that these priorities are in line with the Strategic Plan.

The OPFA remains committed to ensuring the implementation of this Annual Performance Plan by continuously striving to improve the disposal of complaints expeditiously, economically and in a procedurally fair manner.

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## **Sign-off**

It is hereby certified that this Annual Performance Plan:

Was developed by the management of the OPFA under the guidance of the Board of the FSB;

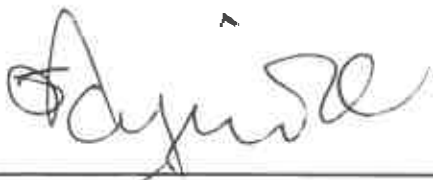
Was prepared in line with the mandate of the OPFA and its Strategic Plan.

Accurately reflects the performance targets which the OPFA will endeavour to achieve given the resources made available in the budget for the financial year 2018/2019



**MA Lukhaimane**

**Pension Funds Adjudicator**



**AM Sithole**

**Chairman of the FSB Board in  
capacity as Accounting Authority of  
the OPFA**

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**1 APRIL 2018 – 31 MARCH 2019**

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## DEFINITIONS

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|                |   |
|----------------|---|
| <b>ACT</b>     | Pension Funds Act, 24 of 1956;              |
| <b>BCM</b>     | Business Continuity Management              |
| <b>FSB</b>     | Financial Services Board;                   |
| <b>FSB Act</b> | Financial Services Board Act, 97 of 1990;   |
| <b>FSR Act</b> | Financial Sector Regulation Act, 9 of 2017; |
| <b>HR</b>      | Human Resources;                            |
| <b>ICT</b>     | Information and Communications Technology   |
| <b>NCU</b>     | New Complaints Unit;                        |
| <b>OPFA</b>    | Office of the Pension Funds Adjudicator;    |
| <b>PFA</b>     | Pension Funds Adjudicator;                  |
| <b>PFMA</b>    | Public Finance Management Act, 1 of 1999;   |
| <b>SAA</b>     | Senior Assistant Adjudicator                |

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## **ANNUAL PERFORMANCE PLAN OF THE PENSION FUNDS ADJUDICATOR 2018/19**

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### **PART A: STRATEGIC OVERVIEW**

#### **1. SITUATIONAL ANALYSIS**

##### **1.1 Legislative and other mandates**

The Office of the Pension Funds Adjudicator (OPFA) was established in terms of section 30B of the ACT with effect from 1 January 1998 to investigate and determine complaints lodged in terms of the ACT. It is funded in terms of section 30R of the ACT by way of a levy imposed by national legislation and collected by the Financial Services Board.

The mandate of the OPFA in terms of section 30D of the ACT is to ensure a procedurally fair, economical and expeditious resolution of complaints by:

- Ensuring that its services are accessible to all;
- Investigating complaints in a procedurally fair manner; and
- Reaching a just and expeditious resolution of complaints in accordance with the law.

The OPFA is committed to the National Development Plan 2030. The OPFA holds role players in the retirement fund industry to account as it reinforces measures put in place by the State (Social Protection) to make pensions safe and sustainable. By ensuring integrity in the system, the OPFA will lay the basis for more acceptance of envisaged mandatory savings. Through its involvement in the various tertiary institutions providing pension law training, the OPFA supports the development of specialised pension law programmes (further education and training), that in turn lay the basis for universities to conduct research in the sector.

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The OPFA has also established a formal graduate recruitment scheme to provide mentoring and training opportunities for graduates (building a capable and developmental state). To date, some of the graduates have been absorbed into the OPFA upon completion of their graduate programme.

In its internal programmes for employees dealing with ethics (fighting corruption), the OPFA has developed clear rules for its employees' business interests, has centralised oversight of tenders and has a toll-free anonymous fraud and corruption hotline that is open to employees and members of the public to report employees' corrupt activities.

Through its organisational development activities the OPFA strives to create a society where equal opportunities are granted and employees demonstrate their citizenry by accepting that they have both rights and responsibilities (nation building and social cohesion).

## **1.2 *Performance environment***

The OPFA operates in an environment where unskilled labour and low skilled labour is accommodated in large industrial sector funds or umbrella funds. Whilst there is a prevalence of non-compliance with fund contributions as required by the ACT in industrial sector funds, there is prevalence of fund liquidations in umbrella funds for the same reason. Whilst these funds offer economies of scale in terms of cost, this is lost owing to various non-compliance issues.

The OPFA has seen a steady increase of complaints to the office. Communication relating to unclaimed benefits within retirement funds has also contributed to this steady increase. It is envisaged that retirement funds and administrators will increase their efforts to trace the beneficiaries of these unclaimed benefits. Progress should be monitored with a view to introducing legislation forcing retirement funds to intensify their efforts if there is no improvement. Overall, the office is able to resolve most complaints within six (6) months, which is a vast improvement on service delivery.

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One should always consider the effectiveness of the OPFA to meet its mandate against the backdrop of regulatory prescripts. Most of the efficiencies are impacted by regulatory prescripts as exercised by the Financial Services Board's Registrar of Pension Funds. The manner in which the retirement fund industry is organised means that the following stakeholders are critical:

- Employers
- Retirement funds
- Administrators
- Value chain providers i.e. actuaries, asset managers, life insurers (group scheme benefits)
- Members

***Opportunities:***

- Leverage on current goodwill for stakeholder engagement. The OPFA's relation with its stakeholders aids in their cooperation in providing timely responses to complaints. Any negative goodwill can cause delays to responses and result in reputational damage to the organisation.
- Expand and strengthen relationship with government and media. The media and other government departments and entities play a significant role in creating the reputational image of the OPFA. The strengthening of relations aids in ensuring that the OPFA does not lose its share of voice in the media and government.
- The non-participation by the OPFA in legislative reforms may result in missed opportunities for the organisation to provide input on reforms for public interest.
- The implementation of the FSR Act resulting in the FSB becoming a market conduct regulator will allow for more synergies in terms of attempts to influence behaviour of stakeholders towards higher compliance rates.
- The education of stakeholders allows for a better informed public as to the mandate and jurisdiction of the OPFA while also highlighting the procedural



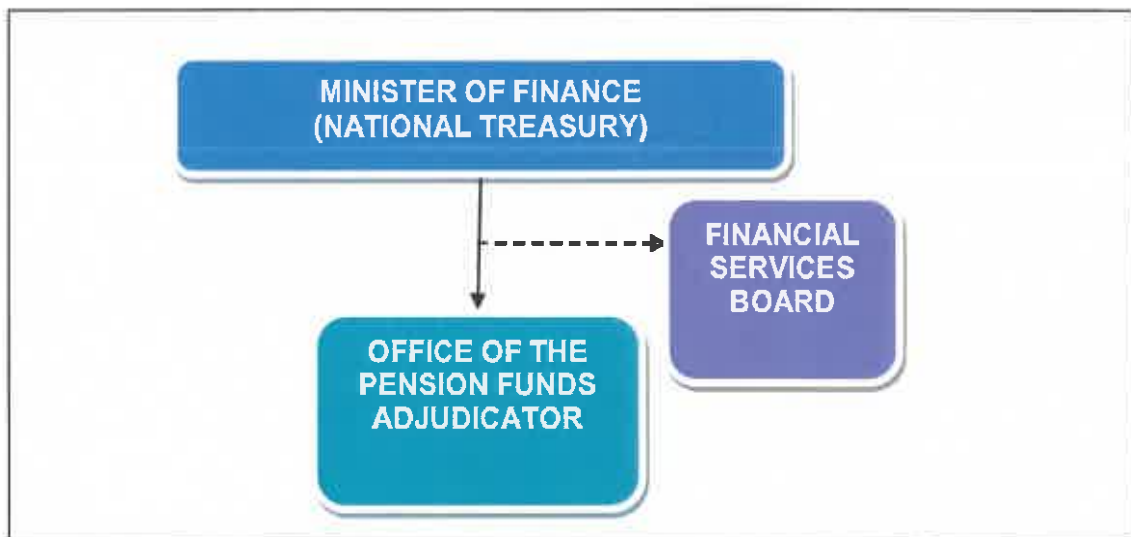
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processes required when lodging a complaint with the OPFA. Not only will this increase public awareness of the OPFA but also prevent potential reputational damage caused by delays and ill-informed expectations from the organisation.

- The OPFA, through its determinations, has the opportunity to address common misinterpretation and unbecoming practises within the industry. This will have an effect of educating fund trustees and allowing for reforms within the industry while also placing confidence in the determinations issued by the OPFA when upheld if contested in a court of law.

### **1.3 Organisational environment**

#### **OPFA Governance Structure**



The OPFA is presided over by the Pension Funds Adjudicator, who is also its Accounting Officer. The OPFA reports to the Minister of Finance in terms of the ACT. The OPFA is a Schedule 3A listed entity in terms of the PFMA. The FSB Board is the Accounting Authority of the OPFA.

The FSB Board has appointed sub committees designed to assist it in its function of governance over the OPFA. The sub committees comprise of a Risk

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Committee, an Audit Committee, a Human Resources Committee and a Remuneration Committee. The members of these committees consist of non-executive members of the FSB Board.

***Strengths:***

- Commitment to achievement of mandate;
- Support from Government and the Board of the Financial Services Board;
- The level of co-operation from the Industry and the Regulator;
- Continued improvement of performance – streamline business processes and enhance staff performance; and

***Weaknesses:***

- Response times. The OPFA continues to strive to improve its response times. Although most cases are handled within 6 months of being lodged, should we not continue to improve on our response times, this will affect the OPFA's credibility and lower consumer confidence in our ability to resolve complaints.
- Optimal IT infrastructure.
- Outdated records management and data warehousing systems. The OPFA needs to improve its records management systems to ensure that no internal records are misplaced/lost.
- Organisational development. The OPFA is a small organisation which could be negatively affected by an organisational culture that does not support its mandate. Therefore activities to monitor and reinforce the desired culture must be in place on a continuous basis.

***Threats:***

- Availability and mobility of skills to feed the organisation. The nature of the OPFA services is dependent on skilled staff to deliver on its mandate. The sourcing and training of competent personnel is costly and time consuming

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process. This coupled with an increasing workload has the potential to impact on the delivery of the OPFA's mandate. Therefore, the focus on encouraging employees in entry position to upskill themselves for other positions remains key.

## **2. MANDATE**

There have been no significant changes to the OPFA's legislative and other mandates.

## **3. OVERVIEW OF OPFA OPERATIONS**

### **3.1 *Expenditure estimates***

Refer to attached financial information (Annexure B)

### **3.2 *Relating expenditure trends to strategic outcome oriented goals***

In order to improve the turnaround time on resolving complaints, whilst maintaining or improving professional standards:

- Develop professional staff;
- Maintain support staff;
- Adhere to timelines set in the work flow process;
- Manage operational expenditure.

## **PART B: PROGRAMME AND SUBPROGRAMME PLANS**

### **4. COMPLAINTS DISPOSAL PROGRAMME**

Procedurally, fair, expeditious resolution of complaints regarding pension funds, in terms of the ACT.

**4.1 Strategic objectives, performance indicators and annual targets for 2018/2019**

| Strategic Objective               | Measurable objective   | Measurable Indicator   | Strategic plan target  | Estimated performance 2017/2018  | Performance Targets   |   |   |
|-----------------------------------|--|--|--|--|---|---|---|
|                                   |  |  |  |  | 2018/19   | 2019/2020   | 2020/21   |
| 1. Dispose of complaints received | To dispose of complaints through determinations, conciliation and settlements                                | Number of complaints resolved on the case management system  | Case management teams to finalise 80% of complaints within six months of receipt, 95% within nine months of receipt and 100% within eleven months of receipt | Case management teams to finalise 80% of complaints within six months of receipt, 95% within nine months of receipt and 100% within eleven months of receipt | Case management teams to finalise 85% of complaints within six months of receipt, 95% within nine months of receipt and 100% within ten months of receipt | Case management teams to finalise 85% of complaints within six months of receipt, 95% within nine months of receipt and 100% within ten months of receipt |   |
|                                   |  |  |  | Case management teams to finalise 80% of complaints within six months of receipt, 95% within nine months of receipt and 100% within eleven months of receipt | Case management teams to finalise 85% of complaints within six months of receipt, 95% within nine months of receipt and 100% within ten months of receipt | Case management teams to finalise 85% of complaints within six months of receipt, 95% within nine months of receipt and 100% within ten months of receipt |   |
|                                   |  |  |  | Case management teams to finalise 80% of complaints within six months of receipt, 95% within nine months of receipt and 100% within eleven months of receipt | Case management teams to finalise 85% of complaints within six months of receipt, 95% within nine months of receipt and 100% within ten months of receipt | Case management teams to finalise 85% of complaints within six months of receipt, 95% within nine months of receipt and 100% within ten months of receipt |   |
|                                   |  | Administration of case management system and adherence to the required workflow timeliness   | Complaints administered within the required workflow timeliness  | Quarterly Compliance reports   | 100% case management compliance with administrative workflow timeliness   | 100% case management compliance with administrative workflow timeliness   | 100% case management compliance with administrative workflow timeliness   |
|                                   | Percentage of determinations taken on review to the High Court   | Number of section 30P applications as a percentage of the number of determinations issued for the year                                     | ≤ 1% of signed off determinations taken on Sec 30P review  | ≤ 1% of signed off determinations taken on Sec 30P review  | ≤ 1% of signed off determinations taken on Sec 30P review.  | ≤ 1% of signed off determinations taken on Sec 30P review.  | ≤ 1% of signed off determinations taken on Sec 30P review.  |
|                                   | To close and allocate complaints received by the New Complaints Unit within the workflow document timeliness | Complaints closed as out of jurisdiction or reformulations, and allocated to case management teams within the workflow document timeliness | New Complaints Unit to finalise all matters received within 3 months.  | All matters received to be resolved within 3 months or allocated to case management teams as per approved  | All matters received to be resolved within 3 months or allocated to case management teams as per workflow document time lines                             | All matters received to be resolved within 3 months or allocated to case management teams as per workflow document time lines                             | All matters received to be resolved within 3 months or allocated to case management teams as per workflow document time lines |

| Strategic Objective               | Measurable objective   | Measurable indicator   | Strategic plan target  | Estimated performance 2017/2018  | Performance Targets  |  |  |
|-----------------------------------|--|--|--|--|--|--|--|
|                                   |  |  |  |  | 2018/19  | 2019/2020  | 2020/21  |
| 2. Achieve Operational Excellence | To remain within budget, and comply with all regulatory prescriptions applicable to the OPFA including the requirements of the PFMA and Treasury Regulations                                   | Audit opinion  | No material audit findings that give rise to a qualified audit opinion   | Unqualified audit opinion and submission of all required reports in line with Public Finance Management Act and Treasury Regulations     | No material audit findings that give rise to a qualified audit opinion   | No material audit findings that give rise to a qualified audit opinion   | No material audit findings that give rise to a qualified audit opinion   |
|                                   | To ensure that appropriate talent is recruited, developed and retained to support the execution of the PFA's mandate whilst complying with employment legislation and human resource policies. | Recruitment of staff in line with employment equity requirements | Vacancies filled in line with employment equity requirements<br>32% black employees<br>58% female employees<br>2% disabled employees | Recruitment of staff in line with employment equity requirements<br>36% black employees<br>61% female employees<br>0% disabled employees | Vacancies filled in line with employment equity requirements<br>32% black employees<br>58% female employees<br>2% disabled employees | Vacancies filled in line with employment equity requirements<br>32% black employees<br>58% female employees<br>2% disabled employees | Vacancies filled in line with employment equity requirements<br>32% black employees<br>58% female employees<br>2% disabled employees |
|                                   |  | % execution of training plan                                     | 100% of training plan executed   | 100% of training plan executed by 31 March 2018  | 100% of training plan executed by 31 March 2019  | 100% of training plan executed by 31 March 2020  | 100% of training plan executed by 31 March 2021  |
|                                   |  | No of policies reviewed  | 100% of HR policies reviewed   | 100% of HR Policies reviewed by 31 March 2018  | 100% of HR Policies reviewed by 31 March 2019  | 100% of HR Policies reviewed by 31 March 2020  | 100% of HR Policies reviewed by 31 March 2021  |

| Strategic Objective       | Measurable objective   | Measurable Indicator                                | Strategic plan target  | Estimated performance 2017/2018                                     | Performance Targets  |  |  |
|---------------------------|--|---|--|---|--|--|--|
|                           |  |   |  |   | 2018/19  | 2019/2020  | 2020/21  |
|                           | % adherence to performance management system   | % adherence to performance management system        | 100% adherence to performance management system                        | 100% adherence to performance management system                     | 100% adherence to performance management system                      | 100% adherence to performance management system                      | 100% adherence to performance management system                      |
|                           | To maintain and align ICT systems to support business needs and overall objectives of the OPFA | An approved ICT and implementation plan             | Alignment of the ICT plan to the overall OPFA business needs           | 100% achievement of milestones within the ICT plan                  | 100% achievement of milestones within the ICT plan                   | 100% achievement of milestones within the ICT plan                   | 100% achievement of milestones within the ICT plan                   |
|                           | To ensure business continuity in the event of a disaster                                       | An approved BCM Plan/policy and implementation plan | Alignment of the BCM plan to the overall OPFA risk management strategy | Maintain and comply 100% with the annual BCM Plan                   | Maintain and comply 100% with the annual BCM Plan                    | Maintain and comply 100% with the annual BCM Plan                    | Maintain and comply 100% with the annual BCM Plan                    |
| 3. Stakeholder Engagement | To collaborate and build relationships with stakeholders                                       | % of stakeholder engagement plan implemented        | 100% implementation of activities in the stakeholder engagement plan   | 50% implementation of activities in the stakeholder engagement plan | 100% implementation of activities in the stakeholder engagement plan | 100% implementation of activities in the stakeholder engagement plan | 100% implementation of activities in the stakeholder engagement plan |

#### 4.2 Quarterly targets for 2018/2019

| Strategic Objective               | Measurable objective  | Measurable Indicator   | Strategic plan target  | Annual target 2018/2019  | Quarterly Targets  |  |  |  |
|-----------------------------------|---|--|--|--|--|--|--|--|
|                                   |   |  |  |  | 1st  | 2nd  | 3rd  | 4th  |
| 1. Dispose of complaints received | To dispose of complaints through determinations, conciliation and settlements | Number of complaints finalised on the case management system   | Case management teams to finalise 80% of complaints within six months of receipt, 95% within nine months of receipt and 100% within eleven months of receipt | Case management teams to finalise 80% of complaints within six months of receipt, 95% within nine months of receipt and 100% within eleven months of receipt | Case management teams to finalise 80% of complaints within six months of receipt, 95% within nine months of receipt and 100% within eleven months of receipt | Case management teams to finalise 80% of complaints within six months of receipt, 95% within nine months of receipt and 100% within eleven months of receipt | Case management teams to finalise 80% of complaints within six months of receipt, 95% within nine months of receipt and 100% within eleven months of receipt | Case management teams to finalise 80% of complaints within six months of receipt, 95% within nine months of receipt and 100% within eleven months of receipt |
|                                   |   |  |  |  | Case management teams to finalise 80% of complaints within six months of receipt, 95% within nine months of receipt and 100% within eleven months of receipt | Case management teams to finalise 80% of complaints within six months of receipt, 95% within nine months of receipt and 100% within eleven months of receipt | Case management teams to finalise 80% of complaints within six months of receipt, 95% within nine months of receipt and 100% within eleven months of receipt | Case management teams to finalise 80% of complaints within six months of receipt, 95% within nine months of receipt and 100% within eleven months of receipt |
|                                   |   | Administration of case management system and adherence to the required workflow timelines              | Complaints administered within the required workflow timelines   | 100% case management compliance with administrative workflow timelines   | 100% case management compliance with administrative workflow timelines   | 100% case management compliance with administrative workflow timelines   | 100% case management compliance with administrative workflow timelines   |  |
|                                   | Percentage of determinations taken on review to the High Court                | Number of section 30P applications as a percentage of the number of determinations issued for the year | ≤ 1% of signed off determinations taken on Sec 30P review  | ≤ 1% of signed off determinations taken on Sec 30P review  | ≤ 1% of signed off determinations taken on Sec 30P review  | ≤ 1% of signed off determinations taken on Sec 30P review  | ≤ 1% of signed off determinations taken on Sec 30P review  |  |

| Strategic Objective               | Measurable objective   | Measurable Indicator   | Strategic plan target  | Annual target 2018/2019   | Quarterly Targets   |   |   |   |
|-----------------------------------|--|--|--|---|---|---|---|---|
|                                   |  |  |  |   | 1st   | 2nd   | 3rd   | 4th   |
|                                   | To close and allocate complaints received by the OPFA within the workflow document time lines  | Complaints closed as out of jurisdiction, and reformulations ; complaints allocated within the workflow document time lines              | New Complaints Unit to finalise all matters received within 3 months.  | All matters received to be resolved within 3 months or allocated to case management teams as per workflow document time lines   | All matters received to be resolved within 3 months or allocated to case management teams as per workflow document time lines | All matters received to be resolved within 3 months or allocated to case management teams as per workflow document time lines | All matters received to be resolved within 3 months or allocated to case management teams as per workflow document time lines | All matters received to be resolved within 3 months or allocated to case management teams as per workflow document time lines |
| 2. Achieve Operational Excellence | To remain within budget, and comply with all regulatory prescriptions applicable to the OPFA including the PFMA and Treasury Regulations   | Audit opinion  | No material audit findings that give rise to a qualified audit opinion   | No material audit findings that give rise to a qualified audit opinion  | Annual target   | Annual target   | Annual target   | Annual target   |
|                                   | To ensure that appropriate talent is recruited, developed and retained to support the execution of the PFA's mandate whilst complying with employment legislation and human resource policies. | Recruitment of staff in line with employment equity requirements<br>92% black employees<br>58% female employees<br>2% disabled employees | Vacancies filled in line with employment equity requirements<br>92% black employees<br>58% female employees<br>2% disabled employees | Recruitment of staff in line with employment equity requirements<br>92% black employees<br>58% female employees<br>2% disabled employees<br>50% training plan executed by 31 March 2018 | Vacancies filled in line with employment equity requirements  | Vacancies filled in line with employment equity requirements  | Vacancies filled in line with employment equity requirements  | Vacancies filled in line with employment equity requirements  |
|                                   |  | % execution of training plan   | 100% of training plan executed   | 25% of training plan executed by 31 March 2018  | 60% of training plan executed   | 60% of training plan executed   | 90% of training plan executed   | 100% execution of training plan   |



| Strategic Objective       | Measurable objective   | Measurable Indicator                                | Strategic plan target  | Annual target 2018/2019  | Quarterly Targets   |   |   |   |
|---------------------------|--|---|--|--|---|---|---|---|
|                           |  |   |  |  | 1st   | 2nd   | 3rd   | 4th   |
|                           |  | No of policies reviewed                             | 100% of HR policies reviewed   | 100% of HR Policies reviewed by 31 March 2018                        | 100% of HR Policies reviewed  | 50% of HR Policies reviewed   | 100% of HR Policies reviewed  | -   |
|                           | % adherence to performance management system   | Adherence to performance management system          | 100% adherence to performance management system                      | 100% adherence to performance management system                      | Annual target   | Annual target   | Annual target   | Annual target   |
|                           | To maintain and align ICT systems to support business needs and overall objectives of the OPFA | An approved ICT strategy and implementation plan    | Alignment of the ICT plan to the overall OPFA business needs         | 85% achievement of milestones within the ICT plan                    | 100% Quarterly plan initiatives implemented                           | 100% Quarterly plan initiatives implemented                           | 100% Quarterly plan initiatives implemented                           | 100% Quarterly plan initiatives implemented                           |
|                           | To ensure business continuity so that the overall objectives of the OPFA are met               | An approved BCM Plan/policy and implementation plan | Alignment of the BCM plan to the overall OPFA risk management        | Maintain and comply 100% with the annual BCM Plan                    | 100% Quarterly planned initiatives of the annual BCM Plan implemented | 100% Quarterly planned initiatives of the annual BCM Plan implemented | 100% Quarterly planned initiatives of the annual BCM Plan implemented | 100% Quarterly planned initiatives of the annual BCM Plan implemented |
| 3. Stakeholder Engagement | To collaborate and build relationships with stakeholders                                       | % of stakeholder engagement plan implemented        | 100% implementation of activities in the stakeholder engagement plan | 100% implementation of activities in the stakeholder engagement plan | 25% Implementation of activities in the stakeholder engagement plan   | 60% implementation of activities in the stakeholder engagement plan   | 75% implementation of activities in the stakeholder engagement plan   | 100% implementation of activities in the stakeholder engagement plan  |

**4.3 Reconciling performance targets with the Budget and MTEF**

Refer to attached financial information (Annexure B)

**PART C: LINKS TO OTHER PLANS**

Not Applicable. No links to other plans.

## Technical Descriptions

## GOAL 1

|   |   |
|---|---|
| <b>Indicator title</b>                        | <b>Resolve complaints in accordance with our mandate</b>  |
| <b>Short definition</b>                       | Resolve complaints in accordance with our mandate   |
| <b>Purpose/importance</b>                     | To resolve complaints in a procedurally fair, economical and expeditious manner by complying with the ACT within the available budget and in line with set targets. |
| <b>Link to the National Developments Plan</b> | OUTCOME 13: SOCIAL PROTECTION   |
| <b>Source/ collection of data</b>             | Case management system  |
| <b>Method of calculation</b>                  | Complaints finalised within period / total number complaints for the year x 100   |
| <b>Data limitations</b>                       | Dependent on the accuracy of the data base  |
| <b>Type of Indicator</b>                      | Output  |
| <b>Calculation type</b>                       | Cumulative  |
| <b>Reporting cycle</b>                        | Quarterly   |
| <b>New indicator</b>                          | No  |
| <b>Desired performance</b>                    | Case management teams to finalise 80% of complaints within six months of receipt, 95% within nine months of receipt and 100% within eleven months of receipt        |
| <b>Indicator responsibility</b>               | PFA   |

### Key Performance Indicator 1.1

|   |   |
|---|---|
| <b>Indicator title</b>                        | <b>Dispose of complaints received</b>   |
| <b>Short definition</b>                       | Dispose of new complaints expeditiously   |
| <b>Purpose/importance</b>                     | This measures how soon complainants can expect the resolution of their complaints   |
| <b>Link to the National Developments Plan</b> | OUTCOME 13: SOCIAL PROTECTION   |
| <b>Source/ collection of data</b>             | Case management system  |
| <b>Method of calculation</b>                  | Complaints finalised within period / total number complaints for the year x 100   |
| <b>Data limitations</b>                       | Dependent on accuracy of the data base  |
| <b>Type of indicator</b>                      | Output  |
| <b>Calculation type</b>                       | Cumulative  |
| <b>Reporting cycle</b>                        | Quarterly   |
| <b>New indicator</b>                          | No  |
| <b>Desired performance</b>                    | Case management teams to finalise 80% of complaints within six months of receipt, 95% within nine months of receipt and 100% within eleven months of receipt. |
| <b>Indicator responsibility</b>               | PFA   |

### Key Performance Indicator 1.2

|   |   |
|---|---|
| <b>Indicator title</b>                        | <b>Dispose of complaints received</b>   |
| <b>Short definition</b>                       | Administration of case management process in adherence to the required workflow document timelines. |
| <b>Purpose/importance</b>                     | This measures administration of complaints in terms of the approved workflow document timelines     |
| <b>Link to the National Developments Plan</b> | OUTCOME 13: SOCIAL PROTECTION   |
| <b>Source/ collection of data</b>             | Case management system  |

|                          |  |
|--------------------------|--|
| data                     |  |
| Method of calculation    | Complaints administered within the required workflow document timelines    |
| Data limitations         | Accuracy of database   |
| Type of indicator        | Output   |
| Calculation type         | Cumulative   |
| Reporting cycle          | Quarterly  |
| New indicator            | No   |
| Desired performance      | Case Management process adheres 100% to the workflow documented timelines. |
| Indicator responsibility | PFA  |

### Key Performance Indicator 1.3

|  |  |
|--|--|
| <b>Indicator title</b>                 | <b>Dispose of complaints received</b>  |
| Short definition                       | Dispose of new complaints in accordance with applicable law  |
| Purpose/Importance                     | Benchmark enables the executive and the accounting authority to assess the standard of determinations signed off |
| Link to the National Developments Plan | OUTCOME 13: SOCIAL PROTECTION  |
| Source/ collection of data             | Number of cases taken on review to the High Court  |
| Method of calculation                  | Number of applications/Number of determinations x 100  |
| Data limitations                       | No specific limitation   |
| Type of indicator                      | Outcomes and impact  |
| Calculation type                       | Cumulative   |
| Reporting cycle                        | Quarterly  |
| New indicator                          | No   |
| Desired performance                    | ≤1% of determinations taken on review  |
| Indicator responsibility               | PFA  |

## Key Performance Indicator 1.4

|  |   |
|--|---|
| <b>Indicator title</b>                   | <b>Dispose of complaints received</b>                                     |
| <b>Short definition</b>                  | To close and allocate complaints received by the OPFA                     |
| <b>Purpose/Importance</b>                | This measures how soon complaints received will be referred to resolution |
| <b>Link to National Development Plan</b> | OUTCOME 13: SOCIAL PROTECTION   |
| <b>Source/ collection of data</b>        | Case management system  |
| <b>Method of calculation</b>             | Complaints closed and allocated within the required timelines             |
| <b>Data limitations</b>                  | Accuracy of database  |
| <b>Type of indicator</b>                 | Output  |
| <b>Calculation type</b>                  | Cumulative  |
| <b>Reporting cycle</b>                   | Quarterly   |
| <b>New indicator</b>                     | No  |
| <b>Desired performance</b>               | New Complaints Unit to finalise all matters within 3 months               |
| <b>Indicator responsibility</b>          | PFA   |

## GOAL 2

### Key Performance Indicator 2.1

|   |   |
|---|---|
| <b>Indicator title</b>                        | <b>Operational Excellence</b>   |
| <b>Short definition</b>                       | Remain within budget, and comply with all regulatory prescripts applicable to the OPFA. |
| <b>Purpose/Importance</b>                     | Ensure financial soundness  |
| <b>Link to the National Developments Plan</b> | OUTCOME 5: A SKILLED AND CAPABLE WORKFORCE TO SUPPORT AN INCLUSIVE GROWTH PATH          |
| <b>Source/ collection of data</b>             | Auditors management report  |

|                          |  |
|--------------------------|--|
| Method of calculation    | No material findings giving rise to a qualified Audit opinion. |
| Data limitations         | No specific limitations  |
| Type of indicator        | Outcome and impact   |
| Calculation type         | Non – Cumulative   |
| Reporting cycle          | Annually   |
| New Indicator            | No   |
| Desired performance      | Unqualified audit opinion                                      |
| Indicator responsibility | PFA  |

## Key Performance Indicator 2.2

|  |   |
|--|---|
| <b>Indicator title</b>                 | <b>Operational Excellence</b>   |
| Short definition                       | To develop and implement an employee value proposition that will ensure that the OPFA retains the necessary talent to achieve its goals whilst complying with employment legislation and human resource policies. |
| Purpose/Importance                     | Talent management   |
| Link to the National Developments Plan | <b>OUTCOME 5: A SKILLED AND CAPABLE WORKFORCE TO SUPPORT AN INCLUSIVE GROWTH PATH</b>   |
| Source/ collection of data             | Human resources management reports  |
| Method of calculation                  | Implementation of human resources operational plan  |
| Data limitations                       | No baseline information   |
| Type of indicator                      | Outcome and impact  |
| Calculation type                       | Cumulative  |
| Reporting cycle                        | Quarterly   |
| New indicator                          | Yes   |
| Desired performance                    | Alignment of the HR strategy to the overall OPFA strategy   |
| Indicator responsibility               | PFA   |

### Key Performance Indicator 2.3

|  |   |
|--|---|
| <b>Indicator title</b>                 | <b>Operational Excellence</b>   |
| Short definition                       | To manage the OPFA's ICT and BCM risks.   |
| Purpose/Importance                     | Continuity of OPFA business, with minimal impact, in the event of a disaster/interruption or technological advancements |
| Link to the National Developments Plan | <b>OUTCOME 5: A SKILLED AND CAPABLE WORKFORCE TO SUPPORT AN INCLUSIVE GROWTH PATH</b>                                   |
| Source/ collection of data             | ICT and BCM Plan, Reports and Testing   |
| Method of calculation                  | % Implementation of the ICT and BCM Plans for the year  |
| Data limitations                       | No baseline information   |
| Type of indicator                      | Outcome and impact  |
| Calculation type                       | Non-cumulative  |
| Reporting cycle                        | Quarterly   |
| New indicator                          | Yes   |
| Desired performance                    | Alignment of the ICT and BCM Plan to the overall OPFA risk management strategy  |
| Indicator responsibility               | PFA   |

### GOAL 3

|  |   |
|--|---|
| <b>Indicator title</b>                 | <b>Stakeholder Engagement</b>   |
| Short definition                       | Engagement of key stakeholders involved in industry, public and governing bodies to enhance performance, accountability, and public confidence. |
| Purpose/Importance                     | Identify areas for improvement and take corrective measures   |
| Link to the National Developments Plan | <b>OUTCOME 12: AN EFFICIENT, EFFECTIVE AND DEVELOPMENT ORIENTED PUBLIC SERVICE</b>  |
| Source/ collection of data             | Annual Stakeholder plan implementation  |



|                                 |   |
|---------------------------------|---|
| <b>Method of calculation</b>    | <b>Completed activities as per the annual plan</b>  |
| <b>Data limitations</b>         | <b>No specific limitations</b>  |
| <b>Type of Indicator</b>        | <b>Outcome and impact</b>   |
| <b>Calculation type</b>         | <b>Non – Cumulative</b>   |
| <b>Reporting cycle</b>          | <b>Annually</b>   |
| <b>New indicator</b>            | <b>No</b>   |
| <b>Desired performance</b>      | <b>Honour invitations, feedback from stakeholders and collaboration with regulatory bodies and conduct an annual road show through identified provinces of the country.</b> |
| <b>Indicator responsibility</b> | <b>PFA</b>  |

## ANNEXURE B

### BUDGETED COST FOR THE PERIOD 2019 to 2021

|  | Expenditure outcomes |        |        | Adjusted appropriation | Medium-term expenditure estimates |        |        |
|--|----------------------|--------|--------|------------------------|-----------------------------------|--------|--------|
|  | 2015                 | 2016   | 2017   | 2018                   | 2019                              | 2020   | 2021   |
| Rand thousand                          | R'000                | R'000  | R'000  | R'000                  | R'000                             | R'000  | R'000  |
| <b>Objective/Activity</b>              |                      |        |        |                        |                                   |        |        |
| <b>Total annual budget</b>             |                      |        |        |                        |                                   |        |        |
| <b>Current payments</b>                |                      |        |        |                        |                                   |        |        |
| <b>Current payments</b>                | 48,077               | 47,858 | 51,994 | 66,760                 | 70,898                            | 75,378 | 80,141 |
| <b>Compensation of employees</b>       | 21,897               | 22,320 | 24,454 | 33,045                 | 29,479                            | 28,347 | 23,548 |
| Salaries and wages                     | 26,079               | 26,914 | 29,112 | 39,339                 | 41,778                            | 44,452 | 47,297 |
| Social contributions                   | -                    | -      | -      | -                      | -                                 | -      | -      |
| <b>Goods and services</b>              | 19,938               | 20,744 | 22,882 | 27,421                 | 29,121                            | 30,927 | 32,844 |
| <b>Of which<sup>1</sup></b>            |                      |        |        |                        |                                   |        |        |
| Agency and support/outsourced services | -                    | -      | -      | -                      | -                                 | -      | -      |
| Communication                          | 423                  | 516    | 688    | 880                    | 935                               | 993    | 1,054  |
| Computer services                      | 3,414                | 4,046  | 4,083  | 4,828                  | 5,127                             | 5,445  | 5,783  |
| Consultants                            | 2,134                | 1,868  | 903    | 1,115                  | 1,184                             | 1,298  | 1,338  |
| Contractors                            | -                    | -      | -      | -                      | -                                 | -      | -      |
| Inventory                              | -                    | -      | -      | -                      | -                                 | -      | -      |
| Lease payments                         | 5,565                | 5,636  | 5,929  | 6,040                  | 6,538                             | 9,068  | 9,830  |
| Repairs and maintenance                | 52                   | 79     | 102    | 63                     | 67                                | 71     | 75     |
| Research and development               | -                    | -      | -      | -                      | -                                 | -      | -      |
| Training and staff development         | 308                  | 184    | 149    | 420                    | 446                               | 474    | 503    |
| Travel and subsistence                 | 498                  | 357    | 107    | 525                    | 558                               | 592    | 629    |
| Other                                  | 4,523                | 4,623  | 7,363  | 6,954                  | 7,385                             | 7,843  | 8,329  |
| Depreciation                           | 3,019                | 3,382  | 3,544  | 4,596                  | 4,881                             | 5,184  | 5,505  |
| <b>Losses from</b>                     |                      |        |        |                        |                                   |        |        |
| Sale of fixed assets                   | -                    | -      | -      | -                      | -                                 | -      | -      |
| <b>Total Expenditure</b>               | 48,077               | 47,858 | 51,994 | 66,760                 | 70,898                            | 75,378 | 80,141 |

|  | Expenditure outcomes |               |               | Adjusted appropriation | Medium-term expenditure estimate |               |               |
|--|----------------------|---------------|---------------|------------------------|----------------------------------|---------------|---------------|
|  | 2015                 | 2016          | 2017          | 2018                   | 2019                             | 2020          | 2021          |
| Rand thousand  | R'000                | R'000         | R'000         | R'000                  | R'000                            | R'000         | R'000         |
| <b>Objective/Activity</b>                                |                      |               |               |                        |                                  |               |               |
| <b>Resolve complaints in accordance with our mandate</b> |                      |               |               |                        |                                  |               |               |
| <b>Current payments</b>                                  |                      |               |               |                        |                                  |               |               |
| <b>Current payments</b>                                  | 38,844               | 40,290        | 47,268        | 56,517                 | 54,703                           | 53,138        | 51,862        |
| <b>Compensation of employees</b>                         | 21,807               | 22,320        | 27,699        | 33,045                 | 29,479                           | 26,347        | 23,548        |
| Salaries and wages                                       | 21,807               | 22,320        | 24,745        | 33,438                 | 35,511                           | 37,784        | 40,202        |
| Social contributions                                     | -                    | -             | -             | -                      | -                                | -             | -             |
| <b>Goods and services</b>                                | 17,037               | 17,970        | 19,567        | 23,472                 | 25,224                           | 26,789        | 28,114        |
| <b>Of which <sup>1</sup></b>                             |                      |               |               |                        |                                  |               |               |
| Agency and support/outsourced services                   | -                    | -             | -             | -                      | -                                | -             | -             |
| Commodation  | 423                  | 516           | 666           | 860                    | 935                              | 993           | 1,054         |
| Computer services  | 3,278                | 3,849         | 3,981         | 4,663                  | 4,973                            | 5,282         | 5,610         |
| Consultants  | 1,758                | 1,464         | 704           | 870                    | 924                              | 981           | 1,042         |
| Contractors  | -                    | -             | -             | -                      | -                                | -             | -             |
| Inventory  | -                    | -             | -             | -                      | -                                | -             | -             |
| Lease payments   | 5,665                | 5,538         | 5,929         | 8,040                  | 8,536                            | 9,068         | 9,630         |
| Repairs and maintenance                                  | 52                   | 79            | 102           | 63                     | 67                               | 71            | 75            |
| Research and development                                 | -                    | -             | -             | -                      | -                                | -             | -             |
| Training and staff development                           | -                    | -             | -             | -                      | -                                | -             | -             |
| Travel and subsistence                                   | -                    | -             | -             | -                      | -                                | -             | -             |
| Other  | 2,944                | 3,045         | 4,829         | 4,340                  | 4,908                            | 5,210         | 5,198         |
| <b>Depreciation</b>                                      | 3,019                | 3,362         | 3,544         | 4,596                  | 4,881                            | 5,184         | 5,505         |
| <b>Losses from</b>                                       |                      |               |               |                        |                                  |               |               |
| Sale of fixed assets                                     | -                    | -             | -             | -                      | -                                | -             | -             |
| <b>Total Expenditure</b>                                 | <b>38,844</b>        | <b>40,290</b> | <b>47,268</b> | <b>56,517</b>          | <b>54,703</b>                    | <b>53,138</b> | <b>51,862</b> |

|  | Expenditure outcomes |              |              | Adjusted appropriation | Medium-term expenditure estimate |               |               |
|--|----------------------|--------------|--------------|------------------------|----------------------------------|---------------|---------------|
|  | 2015                 | 2016         | 2017         | 2018                   | 2019                             | 2020          | 2021          |
| Rand thousand                          | R'000                | R'000        | R'000        | R'000                  | R'000                            | R'000         | R'000         |
| <b>Objective/Activity</b>              |                      |              |              |                        |                                  |               |               |
| <b>Operational excellence</b>          |                      |              |              |                        |                                  |               |               |
| <b>Current payments</b>                |                      |              |              |                        |                                  |               |               |
| <b>Current payments</b>                | 8,358                | 8,090        | 7,898        | 9,850                  | 10,164                           | 10,807        | 11,825        |
| <b>Compensation of employees</b>       | 4,199                | 4,727        | 4,367        | 5,901                  | 5,262                            | 5,668         | 7,095         |
| Salaries and wages                     | 4,199                | 4,727        | 4,367        | 5,901                  | 5,262                            | 5,668         | 7,095         |
| Social contributions                   | -                    | -            | -            | -                      | -                                | -             | -             |
| <b>Goods and services</b>              | 4,159                | 3,363        | 3,531        | 3,949                  | 3,902                            | 4,139         | 4,731         |
| <b>Of which <sup>1</sup></b>           |                      |              |              |                        |                                  |               |               |
| Agency and support/outsourced services | -                    | -            | -            | -                      | -                                | -             | -             |
| Communication                          | -                    | -            | -            | -                      | -                                | -             | -             |
| Computer services                      | 138                  | 198          | 122          | 145                    | 164                              | 163           | 173           |
| Consultants                            | 1,756                | 1,464        | 199          | 345                    | 260                              | 277           | 294           |
| Contractors                            | -                    | -            | -            | -                      | -                                | -             | -             |
| Inventory                              | -                    | -            | -            | -                      | -                                | -             | -             |
| Lease payments                         | -                    | -            | -            | -                      | -                                | -             | -             |
| Repairs and maintenance                | -                    | -            | -            | -                      | -                                | -             | -             |
| Research and development               | -                    | -            | -            | -                      | -                                | -             | -             |
| Training and staff development         | 308                  | 194          | 149          | 420                    | 448                              | 474           | 503           |
| Travel and subsistence                 | 498                  | 357          | 107          | 525                    | 558                              | 592           | 628           |
| Other                                  | 1,461                | 1,160        | 2,754        | 2,614                  | 2,479                            | 2,623         | 3,131         |
| <b>Depreciation</b>                    | -                    | -            | -            | -                      | -                                | -             | -             |
| <b>Losses from</b>                     | -                    | -            | -            | -                      | -                                | -             | -             |
| Sale of fixed assets                   | -                    | -            | -            | -                      | -                                | -             | -             |
| <b>Total Expenditure</b>               | <b>8,358</b>         | <b>8,090</b> | <b>7,898</b> | <b>9,850</b>           | <b>10,164</b>                    | <b>10,807</b> | <b>11,825</b> |

|  | Expenditure outcomes |            |            | Adjusted appropriation | Medium-term expenditure estimate |            |            |
|--|----------------------|------------|------------|------------------------|----------------------------------|------------|------------|
|  | 2015                 | 2016       | 2017       | 2018                   | 2019                             | 2020       | 2021       |
| Rand thousand                              | R'000                | R'000      | R'000      | R'000                  | R'000                            | R'000      | R'000      |
| <b>Objective/Activity</b>                  |                      |            |            |                        |                                  |            |            |
| <b>Stakeholder relationship management</b> |                      |            |            |                        |                                  |            |            |
| <b>Current payments</b>                    |                      |            |            |                        |                                  |            |            |
| <b>Current payments</b>                    | 369                  | 521        | 291        | 521                    | 553                              | 587        | 634        |
| <b>Compensation of employees</b>           |                      |            |            |                        |                                  |            |            |
| Salaries and wages                         |                      |            |            |                        |                                  |            |            |
| Social contributions                       |                      |            |            |                        |                                  |            |            |
| <b>Goods and services</b>                  | 369                  | 521        | 291        | 521                    | 553                              | 587        | 634        |
| <b>Of which <sup>1</sup></b>               |                      |            |            |                        |                                  |            |            |
| Agency and support/outsourced services     |                      |            |            |                        |                                  |            |            |
| Communication                              |                      |            |            |                        |                                  |            |            |
| Computer services                          |                      |            |            |                        |                                  |            |            |
| Consultants                                |                      |            |            |                        |                                  |            |            |
| Contractors                                |                      |            |            |                        |                                  |            |            |
| Inventory                                  |                      |            |            |                        |                                  |            |            |
| Lease payments                             |                      |            |            |                        |                                  |            |            |
| Repairs and maintenance                    |                      |            |            |                        |                                  |            |            |
| Research and development                   |                      |            |            |                        |                                  |            |            |
| Training and staff development             |                      |            |            |                        |                                  |            |            |
| Travel and subsistence                     | 251                  | 341        | 121        | 340                    | 361                              | 384        | 407        |
| Other                                      | 118                  | 180        | 170        | 180                    | 192                              | 204        | 216        |
| <b>Depreciation</b>                        |                      |            |            |                        |                                  |            |            |
| <b>Losses from</b>                         |                      |            |            |                        |                                  |            |            |
| Sale of fixed assets                       |                      |            |            |                        |                                  |            |            |
| <b>Total Expenditure</b>                   | <b>369</b>           | <b>521</b> | <b>291</b> | <b>521</b>             | <b>553</b>                       | <b>587</b> | <b>634</b> |