



UNIVERSITY of the
WESTERN CAPE

Reduction in pension pay-out time and narrowing of policy implementation and management gaps in the Government Pension Administration Agency: Case study with reference to Western Cape Education Department (2010–2017)

MARIO JOHNS

Student No: 3267677

A thesis submitted in fulfilment of the requirements for the degree

Master of Public Administration (MPA)

UNIVERSITY of the
WESTERN CAPE

School of Government

Faculty of Economic and Management Sciences

University of the Western Cape

Supervisor: Assoc Prof Leon G. Pretorius

March 2022

ACKNOWLEDGEMENTS

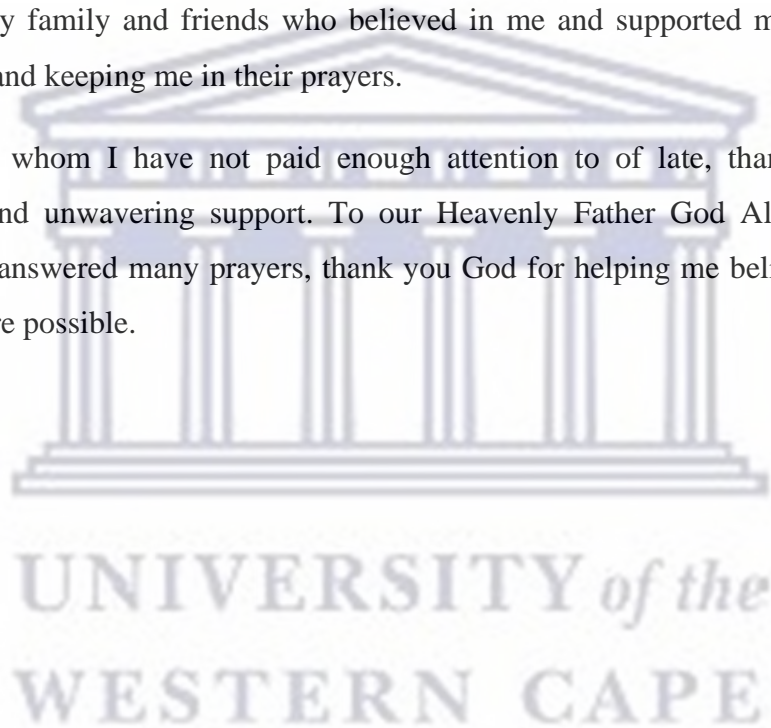
I am grateful for all the words of advice and guidance given to me by my supervisor, Dr Leon G. Pretorius.

I thank my amazing editor, Ursula Arends, Director of On Point Language Solutions (Pty) Ltd for her professional, caring and patient nature during the entire editing process.

In addition, I wish to affirm my appreciation to my wife, Lynne Andrea Johns for all the support and understanding of the many hours needed to complete this Master's degree.

Thanks to all my family and friends who believed in me and supported me with words of encouragement and keeping me in their prayers.

To my parents, whom I have not paid enough attention to of late, thank you for your understanding and unwavering support. To our Heavenly Father God Almighty who has blessed me and answered many prayers, thank you God for helping me believe that through You all things are possible.



DECLARATION

I, Mario Johns (student number 3267677) declare that the study *Reduction in pension pay-out time and narrowing of policy implementation and management gaps in the Government Pension Administration Agency: Case study with reference to Western Cape Education Department (2010–2017)*, is my own work, that it has never before been submitted for any degree or examination in any other university, and that all the sources I have used or quoted have been indicated, acknowledged and correctly referenced.

MARIO JOHNS

Signed:

Date:



ABSTRACT

The study aims to investigate whether delays occur within the pipeline of pension pay-outs, where these delays occur and what the policy implementations and management gaps are within the pension administration system. The study intends to produce findings that assist in reducing the aforementioned delays and increasing efficiency. The specific objectives of the study are threefold. Firstly, the study intends to outline the Government Pension Administration Agency's (GPAA) current policy and pipeline of procedures with specific reference to pension pay-out times. Secondly, it will identify pension pay-out delays and trends with reference to categories and periods of delay. Finally, it will identify the major areas of complaints, pipeline problems and constraints.

The methodology used is both a qualitative document analysis (QDA) and a descriptive analysis of the data. It is appropriate, suitable, cost-effective and common for desktop research. The corroboration of findings and confluence of evidence give credibility and thus triangulation of information is of immense value. The limitation of methodology, findings and results is specific to the Western Cape Education Department (WCED) which is the largest employer in the Western Cape Province.

This study found that the Government Employees Pension Fund (GEPF) and the GPAA adopted New Public Management (NPM) values and strategies. Furthermore, pension pay-outs exceeding 60 days have been reduced when compared to the period prior to modernisation in 2010. Despite this, delays in payment remain very high. Internal sources include the GEPF Benefits Admin Committee; email and / or telephonic portals (GEPF Call Centre – reactive). External sources include the Public Protector and the Presidential hotline. Finally, total interest paid on late payments in 2010 was R1,054 billion and increased to R1,901 billion by 2017.

The implication of these findings is expected to be further reductions in waiting times, as modernisation of the organisation continues. However, this cannot be a foregone conclusion because it will depend on the management of implementation.

The complaints system is inadequate and needs to be championed by a community of practice and a service delivery charter may be necessary. There is a need to improve working liaisons between the GEPF and WCED to expedite the submission of documents. Areas that require further research include interviewing the beneficiaries and other stakeholders, including the WCED and the payments section.

KEYWORDS AND PHRASES

- Policy implementation
- Pension pay-outs
- Administrative justice
- Socio-economic implications
- Public Sector Pension Fund
- Pension pay-out times
- Government Pensions Administration Agency
- Government Employees Pension Fund
- Western Cape Education Department



TABLE OF CONTENTS

ACKNOWLEDGEMENTS	i
DECLARATION	ii
ABSTRACT.....	iii
KEYWORDS AND PHRASES.....	iv
LIST OF FIGURES	viii
LIST OF TABLES.....	ix
ABBREVIATIONS AND ACRONYMS	xi
CHAPTER 1: INTRODUCTION AND CONTEXT	1
1.1. INTRODUCTION	1
1.2. BACKGROUND AND CONTEXT	2
1.2.1. Management and governance of the fund.....	5
1.2.2. Who belongs to the pension fund?.....	5
1.2.3. Rules of the fund.....	6
1.2.4. Size of the fund	6
1.2.5. Scope of GEPF administration and operation.....	7
1.3. PROBLEM STATEMENT.....	9
1.4. RESEARCH PURPOSE AND OBJECTIVES	9
1.4.1. Aim	9
1.4.2. Objectives.....	9
1.5. RATIONALE AND SIGNIFICANCE OF THE STUDY	10
1.6. RESEARCH QUESTIONS.....	10
1.7. RESEARCH METHODOLOGY.....	11
1.8. ORGANISATION OF THE STUDY	12
CHAPTER 2: LITERATURE REVIEW AND THEORETICAL FRAMEWORK	13
2.1. INTRODUCTION	13
2.2 KEY DEFINITIONS AND CONCEPTS	13
2.2.1 Government Employment Pension Funds	13
2.2.2. Good governance.....	14
2.2.3. The role of boards in governance	16
2.3. THEMES AND APPROACHES	17
2.3.1 Management theory and public administration.....	17
2.3.2. Principles of management	18
2.3.3. Critique of management.....	19
2.4. APPLICATION OF MANAGEMENT APPROACHES AND PERSPECTIVES.....	20

2.4.1. Traditional approaches and perspectives	20
2.4.2. Traditional public administration and its critique.....	22
2.4.3. New Public Management approach.....	22
2.4.4. Critique of New Public Management.....	23
2.4.5. Post-New Public Management reforms.....	24
2.4.6. Critique of Post-New Public Management Reforms	25
2.4.7. How the public service implements policy	25
2.4.8. South African application of management theories.....	26
2.5. SUMMARY	27
CHAPTER 3: METHODOLOGY	28
3.1. INTRODUCTION	28
3.2. SCOPE AND DELIMITATION.....	28
3.3. DATA COLLECTION AND RESEARCH TECHNIQUES	29
3.3.1. Rationale for using the methodology	29
3.3.2. Advantages and concerns of document analysis.....	30
3.4. ANALYSIS OF DATA.....	31
3.5. LIMITATIONS OF METHODOLOGY	31
3.6. ETHICS.....	31
3.7. SUMMARY.....	32
CHAPTER 4: INSTITUTIONAL AND LEGISLATIVE FRAMEWORK.....	34
4.1. INTRODUCTION	34
4.2. INSTITUTIONAL FRAMEWORK	34
4.2.1 Overview of Government Employees Pensions Fund	34
4.2.2. Legislative framework.....	37
4.2.3. Constitution of the Republic of South Africa (No 108 of 1996)	37
4.2.4. Administrative justice	39
4.3. PROCESS OVERVIEW	39
4.3.1. A common understanding	39
4.3.2. The pay-out pipeline	40
4.4. OVERVIEW OF PIPELINE PROCESS.....	40
4.5. SUMMARY.....	43
CHAPTER 5: FINDINGS, RESULTS AND ANALYSIS	44
5.1. INTRODUCTION	44
5.2. PART ONE: DATA FINDINGS, RESULTS AND ANALYSIS.....	44
5.2.1. Overview of national data.....	44

5.2.2. Modernisation trend.....	45
5.3. BREAKDOWN OF NATIONAL DATA INTO PROVINCES AND DEPARTMENTS.....	51
5.4. OVERVIEW OF THE WESTERN CAPE PROVINCE	52
5.5. OVERVIEW OF THE WESTERN CAPE EDUCATION DEPARTMENT (WCED).....	57
PART TWO: COMPLAINTS RECEIVED.....	62
5.6. DISCOVERY OF FINDINGS (CONTINUED).....	65
5.7. SUMMARY.....	67
CHAPTER 6: CONCLUSION AND RECOMMENDATIONS	68
6.1. INTRODUCTION	68
6.2. RECOMMENDATIONS.....	68
6.3. CONCLUSION.....	71
REFERENCES	72
APPENDICES	76



UNIVERSITY *of the*
WESTERN CAPE

LIST OF FIGURES

Figure 1: Pension pay-out process	40
Figure 2: Trend on total number of cases on interest paid on late payments per financial year	49
Figure 3: Complaints/Enquiries received by GPAA from the Public Protector for the 2015 calendar year	64



LIST OF TABLES

Table 1: Value and percentage of unclaimed benefits nationally	4
Table 2: Enquiries at the Western Cape walk-in centre.....	4
Table 3: Total number of members per financial year – 2009/2010 to 2016/2017	46
Table 4: Total number of paid exit claims – paid within 60 days and after 60 days per financial year.....	47
Table 5: Percentages of the total number of claims paid over 60 days and within 60 days per financial year.....	48
Table 6: Total number of cases and interest paid on late payments per financial year – 2009/2010 to 2016/2017	48
Table 7: Total number of exit cases paid per financial year – 2009/2010 to 2016/2017 from various departments	50
Table 8: Total number of exit cases paid – 2009/2010 to 2016/2017 from various departments	50
Table 9: Total number of exit cases paid – 2009/2010 to 2016/2017 from various departments per province	51
Table 10: Total number of cases paid – 2009/2010 to 2016/2017: All departments in the Western Cape	52
Table 11: Total number of retirement cases paid – 2009/2010 to 2016/2017 from all departments in the Western Cape	53
Table 12: Total number of resignation cases paid – 2009/2010 to 2016/2017 from all departments in the Western Cape	54
Table 13: Total number of death cases paid – 2009/2010 to 2016/2017 from all departments in the Western Cape	55
Table 14: Total number of transfer cases paid – 2009/2010 to 2016/2017 from all departments in the Western Cape	56
Table 15: Total number of retirement cases paid – 2009/2010 to 2016/2017 from the WCED	57
Table 16: Total number of retirement cases paid within 60 days per financial year	57
Table 17: Total number of retirement cases paid longer than 60 days per financial year	58
Table 18: Total number of resignation cases paid within 60 days per financial year.....	58
Table 19: Total number of resignation cases paid longer than 60 days per financial year.....	59

Table 20: Total number of death cases paid within 60 days per financial year.....	60
Table 21: Total number of death cases paid longer than 60 days per financial year.....	60
Table 22: Total number of transfer cases paid within 60 days per financial year	61
Table 23: Total number of transfer cases paid longer than 60 days per financial year	61
Table 24: Complaints/enquiries received by the GPAA for the 2015 calendar year.....	63
Table 25: Annual Report – external complaints 2016/2017	65
Table 26: Modes of submission, types of exit and period to pay for GEPP (2016-2018).....	76
Table 27: Total number of exit cases paid – 2009/2010 to 2016/2017 from various departments	78



ABBREVIATIONS AND ACRONYMS



AIDS:	Acquired Immunodeficiency Syndrome
ASGISA:	Accelerated and Shared Growth Initiative in South Africa
BOT:	Board of Trustees
CBD:	Central Business District
CEO:	Chief Executive Officer
CLO:	Client Liaison Officer
CRM:	Client Relationship Management
DOTP:	Department of the Premier
EEE:	Effective Efficient Economical
ESG:	Environmental, Social and Governance (factors)
GDP:	Gross Domestic Product
GEAR:	Growth Employment and Redistribution
GEPF:	Government Employees Pension Fund
GEPL:	Government Employees Pension Law
GPAA:	Government Pension Administration Agency
GSPF:	Government Service Pension Fund
HIV:	Human Immunodeficiency Virus
HR:	Human Resources
IMF:	International Monetary Fund
IT:	Information Technology
KZN:	KwaZulu-Natal
LPG:	Liberalisation Privatisation and Globalisation
MoF:	Minister of Finance
NDP:	National Development Plan
NPM:	New Public Management
NPS:	New Public Service
NT:	National Treasury
PAJA:	Promotion of Administrative Justice Act
PAR:	Public Administration Review
PESTEL:	Political Economical Social Technological Environmental Legal
PFMA:	Public Finance Management Act
PIC:	Public Investment Corporation

PP:	Public Protector
PRI:	Principles of Responsible Investment
PSA:	Public Service Act
QDA:	Qualitative Document Analysis
RDP:	Reconstruction and Development Programme
SAPS:	South African Police Services
SARS:	South African Revenue Service
SDIP:	Service Delivery Improvement Programme
SGB:	School Governing Body
SLA:	Service Level Agreement
SOP:	Standard Operating Procedure
SRI:	Socially Responsible Investing
TBVC:	Transkei, Bophuthatswana, Venda and Ciskei
TEPF:	Temporary Employees Pension Fund
WB:	World Bank
WC:	Western Cape
WCED:	Western Cape Education Department
WCH:	Western Cape Health
WCRO:	Western Cape Regional Office
WIC:	Walk-in Centre



UNIVERSITY *of the*
WESTERN CAPE

CHAPTER 1: INTRODUCTION AND CONTEXT

1.1. INTRODUCTION

This research focuses on the reduction of the pension pay-out time and the narrowing of policy implementation and management gaps with specific focus on beneficiaries in the Western Cape between 2010 and 2017.

Section 26 of the Government Employee Pension Law (GEPL) prescribes that government employees should be paid their pension gratuity and annuity within 60 days after they have exited government employment (RSA, 1996b). This is currently not the case because gratuities and annuities are not paid out within this period.

This delay in pay-outs has been the focal point of numerous articles in various national newspapers. The heading of one such article in the *Daily Dispatch* (November 5, 2014) in the Eastern Cape reads, “Four cops suffer as red tape delays pension pay-out”.¹ Quoted from the *Daily News*, “The KwaZulu-Natal Education Department continues to be inundated with calls from employees complaining about the delay and sometimes non-payment of pension claims, and is now trying to speed up the process” (Ndaliso, 2015). The articles featured the financial hardship experienced by Government Employees Pension Fund (GEPF) members because of delays in benefit pay-outs. Furthermore, this matter has been brought to the attention of the Public Protector (Report no 11 of 2008/2009), who reported that the pension pay-out process is problematic. These events highlight the need to conduct research on this public issue of administrative justice.

The issues at hand are the non-compliance with legislated time frames and delays in payment of pension funds to beneficiaries. These issues are separate, albeit related. There is a gap between policy objectives and implementation. The results of this disconnect include a negative effect on the GEPF image (reputational damage) and adverse socio-economic effects on beneficiaries. The same can be said for Western Cape Education Department (WCED) employees, who also need to access their retirement savings when leaving government service.

¹ One would have preferred to use an example from the education department; unfortunately, the police are more outspoken.

Recent pension fund reforms have placed the pension fund industry under public scrutiny. Although these reforms address the misalignment between intention and action, benefit pay-out delays persist (GPAA, 2012). Therefore, within the context of administration, it is vital that the GEPF ensures that pension pay-out times are reduced and the gap between policy objectives and policy implementation is narrowed.

This chapter is organised into the following sections: Section 1 – Introduction; Section 2 – Background and Context; Section 3 – Problem Statement with Central Question and Sub-questions; Section 4 – Aims and Objectives; Section 5 – Methodology (design and collection of data).

1.2. BACKGROUND AND CONTEXT

According to the National Treasury (NT), relative to South Africa's Gross Domestic Product (GDP), the country has one of the largest retirement fund industries in the world: "The total assets of private sector pension funds exceed R1 trillion and total about R2.4 trillion if the GEPF is included" (National Treasury, 2012a: 7). In South Africa the GEPF is an amalgamation of all Government Employee Pension Funds, including the former Transkei, Bophuthatswana, Venda and Ciskei (TBVC) States Pension Funds. These were combined in 1996 as a defined benefit arrangement. The GEPF separated the fund from its administrative arm in 2010, now known as the Government Pension Administration Agency (GPAA). The mandate of the GPAA is to provide payment of pensions and other employee benefits to persons in the employment of government on behalf of the GEPF and National Treasury, in compliance with Government Employee Pension Law (GEPL) and the Public Finance Management Act (PFMA) (RSA, 1999).

"In all, there are 9 million pension fund members (10.3 million including the GEPF) representing around 6 million workers" (NT, 2012a: 7). The NT (2012a) further suggests that global and local retirement funds are important institutional investors, pooling funds from employers and employees. The aim of these funds is to provide retirees and their beneficiaries with income when a member retires, dies or is disabled (NT, 2012a). "This consumption smoothing effect of retirement funds fulfils the important social objective of lessening poverty in old age and dependence on the state and family members in old age" (NT, 2012a: 8). To be able to have adequate retirement savings one requires an active public, an engaged government and an industry that is fit for purpose (NT, 2012b).

Non-compliance is regarded as a governance or management issue. Poor management generally leads to poor service delivery to the poor and disadvantaged members of society. The delay in pay-outs has a negative effect on both the GEPF and their beneficiaries. By implication, the reduction of the pay-out time and narrowing of the implementation gap would lessen the negative effect on the GEPF beneficiaries including members in the Western Cape Education Department (WCED).

The GEPF has implemented various reforms over the last decade. These measures led to decentralisation, outsourcing of non-core activities, greater reliance on systems and the reduction of employment opportunities in public service.

Government seeks to investigate factors such as the GPAA's non-compliance to the Service Level Agreements (SLAs) entered into between the GEPF and the NT as well as the delay in processing of payments to beneficiaries (PMG, 2017). For change and reforms to be implemented, policies must reflect this political will or intention of government.

Currently the timeline for pay-outs is 90 days. The first 30 days thereof are allocated to the exiting employer – in this instance the WCED. During this time the employee will have to work out their 30-day notice period while his employer compiles and submits their pension application. The remaining 60 days of the pipeline are allocated to the GEPF (during which time the GEPF must receive, do quality assurance, then process and make the payment to the beneficiary). Late payment interest accrues after 60 days from when the member terminated their service. Many of the pay-outs still take more than 90 days (refer to Table 2).

For the purpose of this study, the focus is limited to members who have completed exit documentation and to employer departments that have finalised and submitted these exit documentations to the GEPF.

This study obtained information predominantly from the Western Cape Regional Office (WCRO) Walk-in Centre (WIC). Every year government employs more staff. Most of these appointments are to replace those who exited service and where the need exists, new positions are created. It must be noted that enquiries dealt with by GPAA would not be impacted upon by this intake of new government staff. Any increase or decrease in GPAA enquiries therefore only reflects the level of adequacy of the administrator of NT and GEPF benefits. New appointments relate to condition of service; these issues are dealt with by the respective Human

Resources (HR) departments. The enquiries dealt with by GPAA relate to existing members, retired members, beneficiaries of members, beneficiaries of pensioners and third parties.

Table 1: Value and percentage of unclaimed benefits nationally

Year	Unclaimed R000	Benefit Paid (BP)R000	BP as a % of Unclaimed	Interest on late Payment R000	Interest as a % of Payment
2010	549 838	28 199	5.13%	130	0.46%
2011	574 556	29 857	5.20%	1 600	5.36%
2012	758 483	37 152	4.90%	1 845	4.97%
2013	583 095	43 242	7.42%	1 228	2.84%
2014	574 270	57 863	10.08%	1 574	2.72%
5-Yr. av.	608 048	39 263	6.46%	1275	3.25%

Source: GEFP Annual Reports 2010-2014

Table 1 above is drawn from the GEFP annual reports for the period 2010-2014 and contextualises the extent to which benefits are not paid out at the national level. The data indicates an increase in the value per annum of unclaimed benefits, benefits paid out and the interest on late payments nationally.

Table 2: Enquiries at the Western Cape walk-in centre

Year	Total Enquiries	Total Members	Total Employer Departments	All Others
2010	6552	2303	Not recorded	4249
2011	8428	3652	Not recorded	4776
2012	9865	3066	360	6439
2013	16135	7521	358	8614
2014	17493	9148	300	8045

Source: CRM Reports (GPAA, 2010-2014).

The available statistics are drawn from desktop reports² within the Western Cape WIC. Table 2 above provides an overview of the problem in the Western Cape Province and indicates a rapid increase in the number of total enquiries from 6 552 in 2010 to 17 493 in 2014. On the one hand, the upward trend in the total number of enquiries for the period 2010-2014 coincides

² The desktop reports referred to are collated manually daily by staff within the walk-in centre and are thus not available as system-generated reports.

with the increase in the number of unclaimed benefits not paid out nationally. This suggests that the institution is experiencing problems with delayed pay-outs of benefits at both the national and provincial levels. On the other hand, Table 2 also indicates a decrease in the total number of queries made by the employers of various employer departments using the services of the WIC. This suggests an increase in individual enquiries and a decrease in departmental enquiries. This is rather peculiar and will be elucidated through the investigation of the mini-thesis.

1.2.1. Management and governance of the fund

According to the GEPF (2012), at the last evaluation of the GEPF in 2010 by external auditors, the fund was 100% funded and all assets were managed by the Public Investment Corporation (PIC). In addition, this annual report also notes that good governance and ethical behaviour provide the basis for the GEPF to realise its aspiration to be a role model for pension funds worldwide. The GEPF complies with the requirements of the GEP Law and Rules; it also looks to the Pensions Fund Act for best practice, thus ensuring that the two are not in conflict. The GEPF is committed to transparency, integrity and accountability based on accepted corporate governance principles and practices.

1.2.2. Who belongs to the pension fund?

All civil servants employed in a permanent capacity, other than those specifically excluded from being members of the GEPF, are automatically admitted to the fund as members. Membership to the fund is compulsory and forms part of the conditions of employment. The GEPF active male membership accounts for 546 927 (44.28%), with female members at 688 121 (55.72%). The total active members (still contributing to GEPF) is estimated at 1 235 048. In addition, (non-contributing retired members – 205 011 – and surviving spouses of deceased members and pensioners – 108 405) of the total 331 026 pensioners and spouses (GEPF, 2010). Active members in the fund over the last five years for males increased to 549 249 and females increased to 738 111. Total active members increased to 1 287 360 (GEPF, 2014).

Currently, the Western Cape Regional Office (WCRO) renders a walk-in service to 119 132 active members, 61 033 pensioners (including spouses of deceased members and deceased pensioners) and less than 30 orphans, according to internal Client Relationship Management (CRM) internal reports (GPAA, 2016). The active members are employed and budgeted for by Provincial Treasury and are sub-divided into three main Provincial Employer Department

groupings, namely: Western Cape Education Department (WCED), Western Cape Health (WCH) and the Department of the Premier (DOTP). The remaining 11 government departments in the province are housed within the DOTP.

The WCED falls within this definition of provincial departments and is the focus of this study. From a socio-economic perspective, the WCED plays a very important role as it is the largest of the three provincial employers. The WCED has centralised its administration, which includes service conditions as well as pension administration. It is housed in the Central Business District (CBD) of Cape Town, making it easily accessible. Based on the importance and the value that the WCED plays in the province, it was selected as the focus of this study.

1.2.3. Rules of the fund

According to GEPL Sections 7 (1) and (2), government employees and their employer will contribute to the GEPL. Active members contribute 7.5% of their pensionable income monthly to the fund while the employer contributes 13%. An exception is made in the case of Uniformed Staff such as South African Police Services (SAPS) where the employer contributes an additional 2% per month. The GEPL Section 19 prescribes, “that a member shall have the right to retire on pension and shall be so retired on reaching the age determined by the law governing his or her employment” (RSA, 1996b). In South Africa the benchmark for retirement is 60 years of age and on retirement a pensioner will receive a lump sum, subject to a minimum of 10 years’ pensionable contributing service and a monthly pension payable for the duration of his or her natural life. In the case of death of the pensioner, within the guaranteed period, the remainder of the pension will be commuted into a lump sum and paid to the nominated beneficiaries. In addition, the fund will also pay a Spouse Pension to the surviving spouse or life partner at a pre-selected rate of either 50% or 75% of the pensioners’ monthly pension amount for the rest of their natural life and will cease upon the death of the spouse.

1.2.4. Size of the fund

The GEPL is the entity responsible for civil service pensions and is Africa’s largest pension fund with more than 1.2 million active members, and more than 350 000 pensioners and beneficiaries as well as assets worth more than R1 trillion (GPAA 2014). According to Masilela (2009) the GEPL is the sixth biggest pension fund globally and only countries such as Japan, Norway, Korea, Taiwan and Canada have assets exceeding those held by the GEPL.

According to the size of pension funds on the African continent, South Africa is quoted as the largest in dollar terms at US\$ 322 billion followed by Nigeria at a distant US\$ 25 billion. Furthermore, of all the pension funds on the African continent, the “GEPF is the largest pension fund with assets of US\$124 billion. The Public Investment Corporation (PIC) manages the majority of GEPF’s assets. Established in 1911, PIC is one of the largest investment managers in Africa today” (Ashiagbor, Satyamurthy, Casey, and Asare, 2014).

Examining the value of assets under management in pension funds, private sector funds are by comparison far smaller than those of the public sector. According to Cameron (2014), “the biggest retirement fund manager in South Africa is Old Mutual, with more than R520bn under management.” Coronation is second with R434bn in assets under management and the Suid-Afrikaanse Nasionale Lewens Assuransie Maatskappy (SANLAM) is third in terms of the value of assets under management, which is estimated at R390bn. Investec is South Africa’s fourth largest asset manager, with R388bn invested, followed by the private asset management firm Allan Gray, which has just over R375bn in assets under management. Among the largest private funds Old Mutual is at least two-thirds behind that of the GEPF, which has R1.7 trillion worth of assets under management.

1.2.5. Scope of GEPF administration and operation

The current footprint of GEPF spans over the nine provinces in South Africa with each province accommodating a regional office. In addition, some provinces have district offices. There are two district offices in the Eastern Cape and one district office in each of the following provinces: Free State, KwaZulu-Natal (KZN), Gauteng and Limpopo. There are 11 mobile units nationally which provide administrative services to members.

In terms of membership size and not assets under management, the Western Cape is the fourth largest region after Gauteng, KZN and Eastern Cape. The WCRO, through its walk-in centre, mobile service and client liaison officers cover and render a service to the entire Western Cape Province which has total of 180 165 members, according to CRM internal reports (GPAA, 2016). The WCRO renders administration services on behalf of GEPF and NT to all its stakeholders, members, pensioners, beneficiaries, employer departments, labour unions and political parties. In terms of the services rendered by WCRO, the focus of this study in as far as employer departments are concerned, is narrowed to members employed by the WCED.

With the introduction of New Public Management (NPM) in the 1980s, 1990s and 2000s, government systems were modernised. NPM was geared at promoting greater efficiency and effectiveness, specifically in government administration. The GEPI too adopted and introduced a modernisation programme – a Service Delivery Improvement Programme (SDIP) which management adopted in response to service delivery challenges. The purpose of the programme is to transform the GPAA through the automation of bulk and repetitive tasks by the deployment of technology; thus, improving service delivery and impacting positively on pension pay-outs. Pension pay-outs are a challenge for the fund, according to General Manager Jay Morar. The current interest paid for late payment of benefits is estimated at between R5bn and R6bn per annum.

The mandate of the GPAA is to ensure that government departments at all levels, both nationally and provincially, process the pension pay-out to the member within 60 days, upon receipt of correctly completed exit documentation. The Western Cape Regional Office (WCRO) is directly aligned to two strategic goals namely, beneficial employer partnerships and satisfied customers and clients. This study is delineated and focuses on four objectives including: the accurate payment of benefits; the timely payment of benefits; the adherence to call centre service level targets; and the improvement of customer experience.

Members within the Western Cape employed by the WCED have been selected as the case study and form the basis of this research. Teachers and support staff who have received their benefits are excluded from this study because, in this instance, the Public Administrative Service has abided by the law. Delineation allows the research to focus on those who have not yet received their pay-outs in terms of gender, race, marital status, and age. The timeline specifically centres on the period after the separation of the GEPI fund and its administrator, the GPAA (i.e., 2010 to 2017).

The WCED has GEPI members exiting the pension system because of death (sub-rule 14.5), retirement (sub-rule 14.3), and resignation or absconding (sub-rule 14.1; 14.2; 14.4). When claiming benefits, members of the fund need to motivate or give reasons for their exit. When exiting government employment, the GEPI Section 14 (1); (2); (3); (4) and (5) prescribe how employees' pension gratuity and /or annuity may be paid (RSA, 1996b).

Human resources practitioners employed by the WCED are responsible for the finalisation of exit documents within the WCED. There are many processes in the chain and resultantly several major holdups. The process begins with the member who must make their intention of

exiting civil service known by notifying the employer (i.e., the department that employed them). Upon receipt and acceptance of the intention, the employer department, WCED starts the formal process of preparing an exit file.

On average, the WCRO deals with approximately 4 000 to 5 000 exits per annum of which at least 50% are WCED officials. Furthermore, at least 80% of these officials represent teachers and the remaining 20% constitute administrative and support staff.

1.3. PROBLEM STATEMENT

The aim of this study is to gain an in-depth understanding of why beneficiaries are not paid on time and why policy implementation and management gaps exist within government pension administration. In terms of governance and service delivery, policy analysis is used to understand what government does, how it is done and what difference it makes pertaining to public issues. The issue with the GEFP is twofold: non-compliance and delays in pension pay-outs. Government has adopted reforms to ensure that pension benefits pay-out times are reasonable and are reduced. These are not necessarily separate; they are related and are interdependent as there is a disconnect in terms of policy, policy objectives, and policy implementation.

1.4. RESEARCH PURPOSE AND OBJECTIVES

1.4.1. Aim

The aim of this study was to investigate the pension pay-out delays that occur within the pipeline and the policy implementation and management gaps within the pension administration system, with the intention to reduce delays and create more efficiency.

1.4.2. Objectives

The secondary and more specific objectives were to:

- a) survey the relevant literature on government pension fund policy implementation and management to identify and outline a theoretical and conceptual framework;
- b) outline the current policy procedures of the pay-out pipeline;
- c) identify the problem areas within the pipeline and what type of problems these are;
- d) identify the trends in pay-out period, nationally, in the Western Cape Province, and more specifically pertaining to the members of the Western Cape Education Department;

- e) identify the cost of the pay-out delays to the GPEF, the GPAA, members, and beneficiaries;
- f) draw a conclusion and make recommendations that address these problem areas.

1.5. RATIONALE AND SIGNIFICANCE OF THE STUDY

The study seeks to ensure that members and beneficiaries receive pension pay-outs on time and that all mechanisms within the GPAA value chain and the WCED are synchronised through:

- a) enhanced compliance with government policy: the GEPL Section 26 (1) and (2) South Africa (1996 b) prescribes that government employees should be paid their pension gratuity and annuity within 60 days after they have exited government employment;
- b) improved service delivery effectiveness (objective) and efficiency (output/input);
- c) reduced cost to GEPF since interest is paid on pay-out delays;
- d) reduced beneficiary stress and improved access to finance when entitled;
- e) contributing to knowledge about pension pay-out times of the largest employer and pension fund in the South African economy;
- f) steering policy intervention more specifically for beneficiaries within the WCED.

1.6. RESEARCH QUESTIONS

The central question is: How can the pension fund pay-out from an administration performance point of view (paying out less interest) be made more efficient for beneficiaries (money available faster)?

The research study discusses:

- a) procedures for pension pay-outs;
- b) roles of the administration and other stakeholders involved (i.e., GPAA, beneficiaries and employers within this pipeline);
- c) problems experienced by the administrator and other involved stakeholders (i.e., beneficiaries and employers);
- d) ways to mitigate problems experienced by the administrator and other stakeholders (i.e., beneficiaries and employers).

1.7. RESEARCH METHODOLOGY

A qualitative case study design was employed in this study. Qualitative research methods take place in natural settings, using multiple methods which are interpretive (Rule and John, 2011:60; Punch and Qancea, 2014:144). The study starts with the central question, articulating the policy implementation and management gaps in pension administration with specific reference to the WCED within the Western Cape for the period 2010 to 2017. The in-depth case study considers the extent of the problem by reviewing the current situation both provincially and departmentally.

The following steps were employed:

The methodology used is a qualitative document analysis (QDA) and a descriptive analysis of the data. This methodology is appropriate, suitable, cost-effective and common particularly for desktop research and both quantitative and qualitative research (Wesley, 2014 and Bowen, 2009). Bowen (2009) cautions against an over-reliance on documents in support of the rationale. The corroboration of findings and confluence of evidence affords credibility to the study and thus the triangulation of reports and newspapers etc. is of immense value in order to verify data.

The scope and delimitation focus on the GEPF and the GPAA administration, and management of, pension data with reference to all exit types. Furthermore, the focus is on the WCED during the period 2010 to 2017. The motivation for focusing on the WCED is because it is the largest employer in the Western Cape Province. The motivation for the period is because the process of modernisation with the objective of introducing greater efficiency started in 2010; 2017 is the date until which the most recent data is available. The type of data used includes secondary data (media and annual reports, accessible from the public domain) and primary data specifically generated in-house by the GPAA.

To avoid bias and present a balanced perspective, various sources such as company data, media, Public Protector reports and member complaints were used. The evidence is organised according to a thematic analysis (reliability, dates, levels, categories/types, voices, amounts, interest, etc.).

The limitation of this methodology is acknowledged that the non-random purposive selection of the WCED, its members and beneficiaries is not representative of South Africa, other provinces of South Africa, or other provincial departments in the Western Cape such as health

and municipal workers. The specific circumstances of the WECD means that caution should be exercised in the temptation to generalise the findings and results.

1.8. ORGANISATION OF THE STUDY

The mini-thesis is organised into several chapters.

CHAPTER 1 provides the introduction and context, background, motivation, problem statement, objectives, rationale, and significance as well research questions.

CHAPTER 2 discusses the literature and provides a theoretical framework (pension, literature on good governance, new public management, themes, debates, etc.).

CHAPTER 3 outlines the qualitative and descriptive methodology, its scope and delimitations, data gathering, data analysis and limitation of the methodology.

CHAPTER 4 presents the institutional and legislative (regulation) framework, pipeline, and process overview.

CHAPTER 5 presents the findings, results, and analysis according to the relevant themes or categories.

CHAPTER 6 provides the conclusion and some recommendations.



CHAPTER 2: LITERATURE REVIEW AND THEORETICAL FRAMEWORK

2.1. INTRODUCTION

This chapter discusses and provides an overview of the literature pertaining or relevant to the governance of public pension funds. Perusing the literature is important as it sheds light on the rationale with regards to how pension funds ought to be managed, as well as:

- good governance (Weiss, 2000; King, 2006; Cornforth, 2003);
- role of boards in governance (Cornforth, 2003; King, 2006);
- theoretical framework: Management Theory and Public Administration; this study focuses on the application of New Public Management (NPM) (Hood, 1995; Pollitt, 1995);
- institutional legislature and framework – Constitution, PSA, PFMA, GEPF, GPAA, PAJA.

The literature highlights and discusses key concepts relevant to the study. This study discusses the key themes in the study as well as the different approaches and perspectives.

The chapter is organised into several sections. The first section provides the introduction. The second section discusses key definitions and concepts. The third section discusses the themes and approaches with specific reference to debates on the direction governance should take. The fourth section summarises the main points.

2.2 KEY DEFINITIONS AND CONCEPTS

2.2.1 Government Employment Pension Funds

The GEPF is an amalgamation of all Government Employee Pension Funds, including the former bantustans – Transkei, Bophuthatswana, Venda and Ciskei (TBVC) – State Pension Funds into one fund in 1996 as a defined benefit arrangement. The GEPF separated the fund from its administrative arm in 2010, now known as the Government Pension Administration Agency (GPAA). The mandate is to provide payment of pensions and other employee benefits to persons in the employment of government on behalf of the GEPF and NT in compliance with the GEPL (RSA, 1996b) and the Public Finance Management Act (PFMA) (RSA, 1999). The GEPF is a juristic entity governed by the GEPL, Proclamation No. 21 of South Africa (RSA, 1996b).

Governments rely on agencies such as government pension fund administrators. These bureaucrats are often more knowledgeable than their political bosses. Furthermore, pension administration should not bear remnants of past practices, but should be inclusive of economy (spending less), efficiency (spending to maximise), effectiveness (spending to achieve goals), sustainability (having the resources to see it through) and having sound governance standards.

2.2.2. Good governance

According to Weiss (2000: 795) the term “governance” is fashionable, albeit from the past, and suggests that many academics and international practitioners refer to governance as a complex set of structures and processes. However, from his perspective both the public and private sector use the term synonymously with the term “government” (Weiss, 2000: 795). Weiss also suggests that the term “governance” refers to features that are commonly related to a system of national administration of government. Weiss further suggests a movement towards a shared view and that good governance does not necessarily mean less but rather more appropriate government (Weiss, 2000: 812). Weiss, (2000: 810) concludes that while we may understandably yearn for a uniform and top-down interpretation of governance, it seems to be misdirected in an ever-increasing decentralised world. Features of good governance are regarded as, “fairness, accountability, responsibility and transparency on a foundation of intellectual honesty” (King, 2006: ix). He goes on to state that good governance is a journey and a process – not an event in which flexibility still requires being effective (King, 2006:4). According to King (2006: 125) there are several benefits to be derived from practicing good governance and scandals could have been avoided as people can make mistakes in the application of their tasks when applying their minds honestly. He further states that by applying good governance, results are more sustainable, better employees are attracted, and reputation is protected – one of the most important assets (King, 2006: 126).

According to Cornforth (2003: 2) until recently, public and academic interest had been lacking in the way organisations are governed; the focus was more on the way organisations were managed. Cornforth also suggests that boards play a vital part in ensuring that public and non-profit organisations are publicly answerable and perform well (Cornforth, 2003: i).

King defines governance as the way in which the activity of a public entity is directed and controlled (King, 2006: 1). He also states that national codes of best practice have been published setting out the guidelines on governance; therefore, ensuring that the Board of

Trustees has a responsibility to disclose compliance or non-compliance in accordance with these guidelines. The aim of the code is to improve the quality of governance and not to merely serve as a compliance checklist tool. He is of the opinion that currently, boards would rather be compliant than effective, and that form has replaced substance (King, 2006: viii). In other words, emphasis is to be placed on results and not just processes. The BOTs can therefore no longer make any business decisions purely on bottom line or profit. They must act in the best interests of the entity (i.e., public and private originations) and act responsively and responsibly to all stakeholders (King, 2006: 22). He further emphasises that ownership also creates responsibility which consequently leads to the development of triple bottom line reporting. This includes people, planet, and profits and which embraces issues relating to social, economic and environmental contexts (King, 2006: 62).

According to King (2006: 5) complaints about mismanagement, insider trading, excessive remuneration and lack of disclosure are common. A more recent example is the Enron Corporation that ultimately filed for bankruptcy early 2001 when good governance practices were found not to be followed. At the time of the scandal, accounting tricks such as off-balance sheet accounting were not really understood. Investors in large multinationals felt secure with the knowledge that the BOTs would represent their interests fairly. In the absence of a framework and defining what governance should be, the public and shareholders can no longer assume that they are kept informed or made aware on governance matters (King, 2006). A framework is required to regulate the relationship between the BOT, internal and external stakeholders, and local, national, and international communities (King, 2006: 133). The King I, King II, King III and King IV reports indicate that a business-as-usual approach can no longer apply to governance. Globalisation and the effects thereof, putting most people in touch with the rest of the world, bring about opportunities. So, too, can one view good governance as an opportunity; the marketisation of governance in which private sector approaches have been applied to public sector organisations.

Governance is beyond behaving in a responsible and responsive fashion. According to Phaladi, (2008: 1) the signatories to the Principles of Responsible Investment (PRI) agreed to certify that all their investment undertakings integrate environmental, social and governance factors (ESG) into the decision-making process and thus strive to put an end to business-as-usual investing. He also suggests that these factors are often disregarded by implying that they are not financially viable. He further states that socially responsible investing (SRI) is an

unconventional technique to address responsible investment and has been around for some time (Phaladi, 2008: 1). Although the essence of SRI refers to investment mandates and products that in one way or another consider ESG factors. The definition of SRI remains ambiguous, meaning diverse things to different people and countries (Phaladi, 2008: 1). In addition, he states that environmental investing, ethical investing, sustainable investing, socially responsible investing, are all criteria that can be linked to the extensive SRI banner.

2.2.3. The role of boards in governance

According to Cornforth (2003: i) while boards play an important role in organisations, some serious questions have been raised about the ability of boards to govern effectively, with increasing scrutiny, pressure and expectations following various failures and scandals. Cornforth (2003: 14) also states that the relationship between boards and management is seen differently within contrasting theoretical viewpoints such as the principle of Agency Theory and Stewardship Theory. Agency Theory stresses the significance of the board monitoring and controlling the activities of managers (the executives). In contrast, Stewardship Theory emphasises the role of the board as a partner to management, aimed at improving top management decision-making. He further states that although the board adds value through its contributions to the organisations' strategy in both descriptive and prescriptive roles, it is however concerning that some boards focus on conforming at the cost of performance (Cornforth, 2003: 77).

Information Technology (IT), and the use thereof, is no longer only regarded as a business enabler, it has also become of strategic importance (King, 2006: 74). He argues that BOTs must therefore ensure that they understand how the IT strategy is involved and aligned in the overall achievement and realisation of the business plan. He further argues of equal importance is transparency and governance of IT as there are recognised auditing and controls standards and ethics for how information systems are implemented and managed. Although the BOTs can delegate to IT, they cannot abdicate their responsibility and must remain accountable (King, 2006: 77).

2.3. THEMES AND APPROACHES

2.3.1 Management theory and public administration

The concept of public administration is not new even though it has been placed as a discipline outside the sphere of political science and is studied as a separate subject. Reference to the administrative style can be found dating back to Plato (348 BC) and Aristotle (384 – 322 BC). In writing during the period spanning the 1500 to 1700s, the Cameralists in Europe began the systematic study of public administration and undertook related research. After World War 1 in Europe the international community saw a shift from a focus on rural agriculture focus to that of urban industry. In nineteenth century, industrialisation gave rise to large scale organisations and the advocating of management movement and ultimately management concepts. The 1960s were characterised by great turbulence – riots, student protests, unemployment and a host of challenges which highlighted the gaps in public administration. With these shifts, so too would public administration's focus shift to keep pace with what was happening. In present times there exists the presence of large-scale fraud and corruption; service delivery protests; systemic poverty, unemployment, crime, unequal working conditions and student protests. These all point to additional gaps in public administration which will inevitably trigger a shift yet again. There is also a noticeable shift to a populist approach with themes of radical change emerging.

While there are various management theories and approaches, such as Traditional, New Public Management (NPM) and Post-New Public Management Reforms (PNPM), this study focuses on how NPM is applied to the GEPF and GPAA. The application of NPM reforms aimed to improve the quality of public services, reduce public spending, increase the efficiency of government processes, and ensure that policy implementation is more effective. The management of private and public organisations required several elements such as: planning, organising, staffing, directing, coordinating, reporting and budgeting.

Globalisation introduced market principles along with its benefits and disadvantages to various governments and companies. Neo-liberalism advocates that governments internalise approaches used in the private sector such as, deregulation, privatisation, cost-cutting and corporatisation of public entities. This model essentially transfers more power and control of economic factors, such as services, from the public sector to the private sector. In democracies, typically in neo-liberalism (welfare state) models, the reaction to the term public value which

demonstrates that the system favours a few people and overshadows that of the common good. The common wisdom is that the corporatisation and free-market approach are more conducive to more economically-viable, effective, and efficient use of resources.

2.3.2. Principles of management

The theory of management assumes that there is a common set of principles which inspires managerial performance (Kazmier, 1969: 2). Kazmier argues for the development of management theory to be influenced by scientific management, behavioural sciences and the systems approach to management. The principal methods of scientific management theory which Kazmier (1969: 20), claimed to have borrowed from Frederick Taylor, aim to have higher industrial efficiency through either higher productivity or lowering unit cost. He believes that planning of tasks needs to be separate from doing and to incentivise performance by paying more for higher production and the standardisation of working conditions (Kazmier, 1969: 2).

The behavioural science or functional approach to management theory focuses on planning, organisation, commanding, coordinating, and controlling. According to Kazmier, (1969: 6) Henri Fayol identified six activities in which all organisations had to be proficient namely: technical, commercial, financial, security, accounting and managerial. He further states that psychology, social psychology, and sociology influence behavioural science on management theory (Kazmier, 1969: 9). Recently, Richard Thaler, who was awarded the Nobel Prize in 2017 for Economics, corroborated and made contributions to behavioural economics helping us all understand peoples' economic decision-making by stating that humans do not act entirely rationally.

The systems approach to management primarily relates to the study of the whole situation rather than studying independent segments with the organisation (Kazmier, 1969: 14). The system approach theory is relatively new and although the technique is particularly associated with the activities of planning and controlling, the broader implication is for overall process management (Kazmier, 1969: 348).

According to Stillman (1984: 328), most scholars and public administration practitioners are aware that personnel issues can be crucial to the successful management of any public agency i.e., understanding the role of informal groups within organisations when applying the Elton Mayo theory (human emotions). Elton Mayo's discoveries in the field of human relations at

Western Electric in the 1920s expanded the traditional theories of public administration by showing how the human behaviour of individuals or groups can impact the management process. Early researchers accepted the basic goals of increased efficiency in organisations and sought ways by which management could make workers more productive. According to Kazmier (1969: 10), Mayo found that the use of piecework systems led to extensive conflicts between workers and that of time and- motion-study experts.

According to Reed (1999), stakeholder management theory is categorised as a theory of corporate responsibility or a normative theory of the firm, therefore as normative concepts. These normative concepts advocate for educating management about its obligations, and the provision of practical guidelines and decisions (Reed, 1999). He further states that there are three realms of practical reason being legitimacy, ethics and morals of which the latter two are explicitly normative in character (Reed, 1999).

2.3.3. Critique of management

In the above-mentioned management theories based on the principles of scientific management, behavioural sciences and the systems approach commonly used by management to inspire performance overlook some key issues. Scientific management views workers as expendable and employment opportunities. Wages can easily be reduced at the expense of increasing productivity and profits. Even from the employers' viewpoint, these systems could have huge capital layouts upfront; production can suffer while training and development takes place. Key staff could burn out and good skills could be lost in the process of chasing profits.

The theory of behavioural sciences is based on a narrow perspective that people do not like to do their work and must be coerced into performing their tasks. The use of punitive methods such as the carrot-and-stick approach, which forces out more production, is exploitive towards the workers. The employer might also have to cut back on profits to try and keep workers motivated.

In the systems approach, the main critique would be that outcomes are very predictable which could be exploited by workers. In other words, workers will only do what the system requires of them, nothing more or better than what the system expects. On the other hand, the employer could exploit the workers given that all the steps within the value chain have to be followed regardless of their long-term wellbeing. To implement a system and to ensure that all the steps

are followed within the system requires training, implementation, evaluation followed by refinement and could repeat itself until a good balance is reached.

Managerial activities encompass only the management personnel and not the ordinary workers, unite, implement, coordinate, monitor and control all operations to achieve organisational goals and objectives. However, it does not include technical, clerical or manual activities. According to Kazmier (1969: 9), throughout Henri Fayol's writings he places an emphasis on the fact that management and administrative processes are universal and will be of little value if on-going comparative studies are not conducted.

The activities of management to achieve organisational objectives such as planning, organising, directing, and controlling should not be confused with organisational functions which are essentially personnel (HR), finance, production and services such as sales. (Kazmier, 1969: 24). The management by objectives, which is an extension of the product or service objective, focuses on economic contributions (Kazmier, 1969: 49). The concept span of management also known as span of control, relates to the effective supervision or management of subordinates (Kazmier, 1969: 118). Although an important managerial function is to motivate people at work, the relationship between morale and productivity does not necessarily mean that high morale leads to higher production (Kazmier, 1969: 217). He further states that a positive motivation is to provide the opportunity for satisfying employees in contrast to threatening punishment for inappropriate behaviour seen as negative motivation (Kazmier, 1969: 219).

2.4. APPLICATION OF MANAGEMENT APPROACHES AND PERSPECTIVES

The period between the 1980s and 1990s saw a change from the traditional public administration approach to the adoption of the NPM approach. The ideas of NPM are applied to the public administration of the GPEF, GPAA, pension pay-outs and in the context of this thesis with reference specifically to members within the Western Cape. Government organisations being a public good are not driven by the profit motive, albeit that cost generally must be measured against certain outcomes namely: efficiency, effectiveness, and economy (Drechsler, 2005).

2.4.1. Traditional approaches and perspectives

Traditionally, the state managed public sector pension funds on behalf of the civil servants or public sector workers. The public sector workers were members of the public sector pension

fund, the Republic of South Africa had two pension funds namely the Government Service Pension Fund (GSPF) which was established by Section 3 of the Government Service Pension Act, 1973, and the Temporary Employees Pension Fund (TEPF) which was established by Section 3 of the Temporary Employees Pension Fund Act, 1979 (Act 75 of 1979). The six so called self-governing territories were served by two combined funds namely a permanent fund and a temporary fund. While Transkei and Venda also had two each respectively – one for permanent and one for temporary employees – Bophuthatswana and Ciskei had one fund each. Conventional wisdom held that the State as an employer of civil servants played a stewardship role in managing the fiduciary function of the public pension funds and pay-outs. It is also enshrined in the Constitution Section 197 (2) which states that the terms and conditions of employment must be regulated by national legislation and that these employees are entitled to a fair pension.

Initially the state conducted its activities and data records through paper data basis of: member records indicating start dates; contribution received; purchase of additional years of service; and exit documentation. Manual Processes included: capturing of exit type when terminating membership; submission of the exit documents; processing of the exit documents; verifying of the exit documents, contributions, and service periods; and calculating benefits. This relied on human intervention for monitoring, namely quality assurance of processed documents and benefit calculations; bank account validations and SARS directives; and the loading of bank payments.

The Policy Approach was a pay-as-you-go system where the main source of revenue for pension payments was made from the active members' contributions to pay for the benefits of retired members. The various pension funds operated independently from each other until the amalgamation of all the funds into one single fund on 1 May 1996 to form the GEPPF. The GEPPF was a government department with traditional bureaucratic structures and processes. Government remained the guarantor of the GEPPF and thus had to maintain the reserve funding levels. During the 1980s the funding levels of the Government Services Pension Fund (GSPF) collapsed as a result of this pay-as-you-go system. Prior to the amalgamation, all the funds were actuarially assessed in terms of their known liabilities as well as those that were unknown. As a result of sombre record-keeping, additional reserves were set aside for each fund (Public Protector Report, 2013). The rules of the fund fell outside the ambit of the Pensions Fund Act,

as GEPF is governed by GEP Law (Proclamation No. 21 of 1996). Interest is paid to beneficiaries on late payments.

2.4.2. Traditional public administration and its critique

Some of the major draw backs of the traditional public administration system is that it was a closed system (public participation was not considered), there was evidence of wasteful expenditure as well as poor quality, centralisation, and the high price of services. The traditional way the State managed public sector pension funds on behalf of the civil servants or public sector workers using bureaucratic approaches had its limitations. The administrative footprint was centralised to Pretoria with limited access for members in any of the nine provinces. Members and the public nationally either had to make use of the call centre or make a journey to the main structure for a face-to-face contact session. The various government departments would serve as the administrative bridge for the submission of exit documentation between the member and GEPF. Prior to the amalgamations the funding levels collapsed as they were using a pay-as-you-go system and still functioning as a government department with rigid bureaucracy. The market or private sector approach to both administration and investment promised an alternative to the traditional approach's shortcomings with the effect which globalisation has had on public administration and the economy generally.

2.4.3. New Public Management approach

The introduction of New Public Management (NPM) and the marketisation of governance was influenced by globalisation, liberalisation, privatisation from the 1980s onwards. Another influence was the downsizing or neo-liberalism rolling-back of the state (Hood, 1995: 93). These were also the conditions that International Financial Institutions imposed when funding was made available by the International Monetary Fund (IMF) and the World Bank. To this end NPM within the public sphere has been the most important reform change of the last quarter of a century (Drechsler, 2005: 1).

According to Pollitt (1995: 133), there was consensus among the political leadership of various countries about what was wrong about the civil service. Measures were required to improve the efficiency of government, strengthen the hand of the elected in the shaping of public policy, enhance public participation and ensure that the measures had a reasonable chance of being implemented. Pollitt (1995: 133) describes eight features of NPM for states that wish to reform and modernise the public sector. According to Pollitt, (1995: 134) the eight elements comprise

of: cost cutting, capping budgets, and seeking greater transparency; disaggregating traditional bureaucratic organisations into separate agencies; decentralisation of management authority; separating the functions; introducing market type concepts; staff to work to performance targets; shift to performance-related pay; and emphasising service quality and charters. Pollitt (1995: 135) cautioned that a paradox exists; NPM requires intensive and accurate performance measurements and management. These changes formed a significant part of public accountability (Hood, 1995: 93). Since politicians are characteristically assumed to be corruptible, using their position in public office to enrich themselves, their friends and relations, and that dependence on private sector contracting for public services inescapably leads to high-cost low quality products. This is because of corrupt influence, because of organised crime, or both (Hood, 1995: 93). According to Newton and Van Deth (2005: 123) bureaucracies are powerful and anti-democratic and have the reputation for being rigid, inefficient, bound by red tape, secretive and impersonal.

During the apartheid era in South Africa, government was a rigid bureaucratic system, with little regard for the oppressed and benefitting only a privileged few. The obvious negatives of this system were that it was unsustainable, illegitimate, and unpopular, exclusionary, isolating, and discriminated against the majority.

In 1994, a new historical era dawned on all South Africans, the era of democracy, and all policies linked to the old regime were discarded and replaced. The new government abolished the existing departments of education to form one educational system. Senior management positions were given to politicians, many of whom fought in the struggle thus having very little experience or knowledge of educational matters (Mouton et al., 2012) who cited (Lawack, 2009). South Africa became a liberal democracy. In terms of Chapter 2 of the Constitution, the Bill of Rights is the cornerstone of this democracy and enshrines the rights of all citizens of the country and affirms the values of human dignity, equality, and freedom (RSA, 1996a). This freedom has a broad reference and is not limited to the movement of people in a political context but includes, amongst others, freedom of speech, and where this study's focus is on financial freedom.

2.4.4. Critique of New Public Management

According to Drechsler, (2005: 2) although some NPM-inspired reforms of the public sector might have been successful, the differences are more noticeable than the similarities when

looking at the public and private spheres. He also suggests that the state is signified principally by its domination of power, force, and coercion and its orientation for the public good, while the private sector focuses on maximisation of profit (Drechsler, 2005: 2). He further states that the use of business techniques within the public sphere confuses the basic requirements of any state, whereby sustainability, transparency and following due process are more important than low costs and speed.

Others such as Pollitt et al. (2007: 2), who suggest that public management proposes commonality and uniformity, vary immensely with regard to main concepts and their application. Although NPM seeks to promote efficiency and effectiveness, many implementers would cherry pick what they want to use or implement thus lending itself to contradiction (Pollitt et al., 2007: 3). Furthermore, Pollitt et al. (2007: 5) suggest that NPM is hard to demarcate. It is chameleon-like and paradoxical and springs up for different reasons in different places. Pollitt et al. (2007: 10) argue that the degree of convergence between public management reforms globally as a result of globalisation is overstated, given the fact that only a few countries introduced NPM.

2.4.5. Post-New Public Management reforms

In post-NPM, the discussion shifts from essentially a privatisation focus to that of public-private partnerships. Here the emphasis moves to collaboration and how to make the market and the private sector work for the citizen. In this shift we see a changing role of the public sector management by reducing their importance in the public sector and by creating an enabling environment for the private sector managerial approach. In a broad sense, the shift is the commercialisation or private-public partnership provision of public service with a focus on cost reduction and lost recoveries. Public managers are directed to "steer, not row" their organisations, and are encouraged to find new innovative ways to attain outcomes or to privatise services formerly delivered by government (Denhardt et al., 2000: 550). Government is encouraged to not only adopt the techniques of business administration, but business values as a normative model for public administration and public management (Denhardt et al., 2000: 551).

2.4.6. Critique of Post-New Public Management Reforms

According to Aladegbola and Jaiyeola (2016: 148), “the public service has become a big business” as opposed to “a big service for the people”. He also states that while the public service was intended to be a mechanism for development, “the dictum, it is business-as-usual” values entrepreneurship and productivity and not people and citizens. These systems do not in reality always translate into effective governmental policies for the benefit of ordinary citizens. The public is often annoyed by the poor service of officials who send them from pillar to post resultant from lack of good leadership, failure to delegate or officials who think they know best. In many instances it is a copy and paste exercise of what other countries have implemented or been coerced into by investors about what to prioritise and selectively implement.

2.4.7. How the public service implements policy

Governments across the globe, of which South Africa is no exception, spend much energy and money on developing policy. The greatest challenge remains that of policy implementation. O’Toole (2004: 309) refers to applying implementation theory to practice as a rarity. The reason being threefold namely: difficulty of the theoretical challenge, the varied needs of practitioners and complicating normative issues. Implementation also requires the skills of negotiation and bargaining, in so doing ensuring ‘buy-in’ from stakeholders involved in policy implementation. The authors also stress the significance of the relationship between policy content and policy context. Policy should be implemented within context thus implying that a ‘one size fits all’ approach to implementation should be avoided at all costs. Evidence has also shown that the link between policy intent and policy action is problematic in that policy can be misinterpreted. This results in inappropriate action (O’Toole (2004:309). Heystek (2007: 497) argues another point of contradiction when it comes to policy implementation in that the state has accepted the processes of neo-liberalism which has been created by governments as an illusion of power. In other words, leaders think they have the power to make decisions through neoliberal free-market principles, but they do not, as the government retains control through standardisation and control mechanisms built into national policies. On a high level, the efficacy of the structure cannot be faulted. Operationally, however, there is a wide gap between intention and performance. Many policies have not necessarily translated into the desired outcomes.

2.4.8. South African application of management theories

Government as a public good cannot be privatised and therefore has to function in a particular fashion. Government is not profit-driven, albeit that cost generally has to be measured against particular outcomes. These include efficiency, effectiveness and economy. According to Osborne et al. (2013), the business of government is not about pre-manufactured goods but rather public services. “Governments make policy and pass laws, but they are not involved in routine implementation and daily administration of policy” (Newton and Van Deth, 2005: 117). During the apartheid era in South Africa, government was a rigid bureaucratic system, with little regard for the oppressed, benefitting only a privileged few. The obvious negatives of this system were that it was unsustainable, illegitimate, and unpopular, excluding the majority who were isolated and discriminated against. According to Hague and Harrop (2013), a system “literally ruled by officials” whose primary role it is to give advice to the ruling politicians before policy is made, then accepted and eventually implemented by these same street level bureaucrats.

In 1994, a new historical era dawned on all South Africans, the era of democracy and all policies linked to the old regime were discarded and replaced. On a high level the efficacy of the previous structure cannot be faulted. Operationally, however, according to Allen-Ile et al. (2015) there was a wide gap between intention and performance. Many good policies were developed but have not necessarily translated into all the desired outcomes. Governments across the globe of which South Africa is no exception spend much energy and money on developing policy, but the greatest challenge remains that of policy implementation. O’Toole (2004: 309) refers to applying implementation theory to practice as a rarity. The reason being threefold namely: difficulty of the theoretical challenge, the varied needs of practitioners and complicating normative issues. Implementation also requires the skills of negotiation and bargaining, in so doing ensuring ‘buy-in’ from stakeholders involved in policy implementation.

Policy should be implemented within context; thus, implying that a “one size fits all” approach to implementation should be avoided at all costs. Evidence has also shown that the link between policy intent and policy action is problematic in that policy can be misinterpreted, resulting in inappropriate action (O’Toole, 2004: 309). Heystek (2007: 497) argues another point of contradiction when it comes to policy implementation in that the state has accepted the processes of neo-liberalism which have been created by governments as an illusion of power.

In other words, leaders think they have the power to make decisions through neo-liberal free-market principles. This is incorrect, as government retains control through standardisation and control mechanisms which are built into national policies.

Government, the custodian of public policy, deals with just about everything in our lives in ways which are obvious and sometimes not. In its broadest interpretation, it is what public officials, presumably on behalf of citizens, do or neglect to do about public problems, needs or issues. (Reference). Statements of public policy can be found in: the Constitution; legislation (in different levels of government); government regulations; case law (e.g. Constitutional Court rulings); executive decisions; and interpretation of policy by officials (street level bureaucrats). These governmental interventions may be pre-emptive (to avoid problems) or reactive (to deal with existing problems) and take place at all spheres of government be they national, provincial or local. Solutions to societal challenges, issues or problems can be affected by the government, the private sector, or a combination of the two.

2.5. SUMMARY

From all the above sections that is from introduction, management approach theories such as Traditional, New Public Management and Post-New Public Management Reforms and all the way to SA application, it can be assumed that reforms were aimed at improving the quality of public services in an effective, efficient, and economic fashion. While there is a good balance between the advantages and equally justified critiques of the various reforms, like with most wisdom, hindsight seemingly is the best science.

For the purpose of this study to further complement this chapter, chapter 4 will give an institutional outline which operates within the confines of the South African Constitution, applicable legislation and prescripts.

CHAPTER 3: METHODOLOGY

3.1. INTRODUCTION

The methodology used is a combination of a qualitative document analysis (QDA) and descriptive analysis of the data. This methodology is appropriate, suitable, cost effective and common for desktop research and both quantitative and qualitative format (Wesley, 2014; Bowen, 2009). Bowen (2009) cautions against an over-reliance on documents to support the rationale for document analysis. The corroboration of findings and confluence of evidence gives credibility and thus triangulation is of immense value.

Qualitative research methods take place in natural settings, using multiple methods which are interpretive. The central question of this study is to articulate the policy implementation and management gaps in pension administration with specific reference to the WCED within the Western Cape for the period 2010 to 2017. The in-depth case study also considers the extent of the problem by reviewing the current situation, both provincially and departmentally.

Apart from the limitation of the methodology used, the findings and results are specific to the WCED and should not be generalised to any of the other Western Cape provincial departments or South Africa as a whole.

3.2. SCOPE AND DELIMITATION

Scope and delimitation of the research is limited to the GEPPF; that is, the pension data of all exit types in the WCED for the period 2010 to 2017. The WCED is the largest employer in the Western Cape Province – the rationale and reasoning therefore is convenience and relevance. The type of data used is secondary data (media and annual reports, etc. in the public domain) and primary data, specifically generated in-house by the GPAA. To avoid bias and present a balanced perspective, various sources such as company data, media, Public Protector reports and members' complaints were used. Evidence was subjected to a thematic analysis (reliability, dates, levels, categories/types, voices, etc.).

Teachers and support staff are essentially appointed using one of three different forms of employment contracts: permanently with the WCED; on contract with the WCED with two options i.e., with benefits or an inclusive package; or by appointment of a School Governing Body (SGB). The significance of those appointed by the SGB is that they fall outside the scope

of this research in that their pensions are not administered by the public administration system. Staff employed on contract with the WCED, on an inclusive package, are in many respects similar to those appointed by the SGB. However, they are employed by a much bigger entity, namely the WCED. The scope of this research is therefore limited to teachers and support staff who are employed by the WCED permanently, as well as those teachers and support staff who are on contract and are contributing members to the GEPF. Teachers and support staff who are employed by the WCED on contract but are in receipt of a 37% salary allowance in lieu of benefits, are excluded.

3.3. DATA COLLECTION AND RESEARCH TECHNIQUES

The case study method facilitates an in-depth understanding of the gaps and what the implications are for the administrators as well as the teachers and support staff. The focus of the case study is on members who did not get the pension fund money as anticipated, and the role which the various stakeholders play within the value chain. The case study has a narrow focus with the aim of gaining a deep understanding of the policy implementation and management gaps and interpreting the situation in a particular context.

The data collected comes from the GPAA reports prepared for GEPF and tabled in parliament as well as data collected from monthly reports which are generated specifically to reflect the monthly activity per province and more specifically, that of WCRO.

3.3.1. Rationale for using the methodology

This section discusses and provides the rationale for using document analysis as the primary source of data collection and an overview of the benefits and credibility of using this approach. The analytic process involves the findings, selecting, appraising and synthesising of data contained in documents (Bowen, 2009). According to Wesley (2014), although qualitative document analysis remains most common as analysis in corporate manifestos, media reports and other documents as evidence in their studies, methodologically it remains misunderstood. He says few understand the sophistication when applying quantitative methods. Recent innovations in statistical analysis have created advances that vastly outstripped those in the interpretive field. He suggests that we move beyond “armchair interpretations”. The lack of detailed methodological discussions is disconcerting when it comes to QDAs as data collection is dominated by interviews, focus groups, content analysis and field studies.

He therefore advocates that whether approaching work from a quantitative or non-quantitative perspective, researchers must adhere to disciplinary standards that can be considered trustworthy when building bridges between these two traditions. According to Wesley (2014), the prevailing model governing quantitative research is that positivism elevates two key concepts – validity and reliability. While he states that the information contained in the documents must be objectively identifiable, yet both reliable and valid, when the evidence is analysed, it is important that discerning patterns exist. He warns that quantitative researchers must employ well-established rules of analysis in deciding whether evidence for or against their theory is valid. He suggests that qualitative researchers lack this skill as they rely on convincing analysis to establish the value of their conclusions.

According to Bowen (2009), who warns against an over-reliance on documents in support of the rationale for document analyses, the corroboration of findings and the confluence of evidence gives credibility and thus triangulation is of immense value.

3.3.2. Advantages and concerns of document analysis

According to Bowen (2009: 30) documents provide background, context, verification of findings from other data sources, and remain the most effective means of gathering data. The gathering of data in document analysis has a much stronger emphasis on what is being selected because the data collection will only come from the selection made. Document analysis involves superficial examination (skimming), thorough examination (reading with understanding and focus) and interpretation, which combines content analysis and thematic analysis (Bowen, 2009). He suggests that the advantages derived from document analysis are that many documents are available in the public domain, it is less time consuming as researchers only work with the selection, and it is very cost effective in relation to other methods (Bowen, 2009). He further states that in the research process, documents are unassuming and non-reactive, thus bringing about stability, exactness and broad coverage.

On the flip-side, according to Bowen (2009), although the advantages of document analysis outweigh the limitations, documents were produced as part of another body of research, thus giving insufficient detail or biased selectivity. Sometimes documents are either difficult to retrieve or not retrievable at all. He also states that although documents are a rich form of data, documents should not necessarily be treated as precise, accurate or complete recordings and therefore emphasises that it is of utmost importance that all documents should be evaluated and assessed for completeness. According to Wesley (2014), with quantitative research, the

impartiality of observations, preservation of objectivity and ensuring that conclusions are only drawn from the evidence at hand, remain key to achieving confirmability.

3.4. ANALYSIS OF DATA

When analysing the primary and secondary data, this study observes and articulates the trends. The method of data analysis starts with the data filtering process, that is, an in-depth analysis. This is followed by the grouping or arranging of data. This includes linking the data for the purpose of drawing up a report which will give a more balanced and accurate reflection depicting the interpretations, concepts, drawing of conclusions and findings.

3.5. LIMITATIONS OF METHODOLOGY

The result of this study is only relevant to members who are either employed in a permanent capacity or on contract by the WCED and who are contributing members to the GEPF. These teachers and support staff employed by WCED are not representative of the entire province nor all provincial departments nor the whole of South Africa.

3.6. ETHICS

The purpose of the research is to seek improved programme effectiveness, all things being equal. The choice of topic was in no way motivated by the GPAA or the WCED and thus has no agenda. This study conforms to the University of Western Cape's (UWC) research ethics protocols. The relevant forms for clearance of this study were obtained before commencing with interviews and observations.

Research ethics approval was obtained, thus ensuring that the rights and interests of anyone affected by this study are safeguarded. The study obeys legislation on human rights and dignity, data protection and maintains good quality research. The researcher obtained ethical approval from the office of the CEO at the GPAA to interact with stakeholders, access GPAA data and use GPAA data for academic purposes only.

The research is self-funded through a payback bursary scheme and is purely for academic purposes. Participants were not paid and everybody involved in the research remains anonymous. Participation was voluntary with full consent. The researcher maintained the confidentiality and anonymity of all participants involved in the study. This study does not include any member of society who is vulnerable, feels under pressure to participate, and does

not cause stress or harm them in any form. Participants had the option to withdraw from the research at any stage.

All government institutions within the study are clearly referenced. All people who assisted with the research are acknowledged and disclosure of any conflict-of-interest resultant from the researcher's position as both a public official and academic has been declared.

This chapter discusses and provides the rationale for using document analysis as the primary source of data collection and an overview of the benefits and credibility of using this approach for this study. "A document is an artefact or written text created by individuals or groups during their ordinary practices" (Mogalakwe, 2006). The study involved consulting various documents ranging from mission statements, annual reports, policy manuals, strategic plans, journals, newspapers training manuals and standard operational. According to Bowen (2009) "document analysis is a systemic technique to review and evaluate printed or electronic documents to gain understanding and develop empirical knowledge." While the generally accepted norm would be to collect or generate data by engaging with persons, communities and interest groups as a primary source, other methods are indeed possible and available. According to Mogalakwe (2006: 222) there are two types of documents – primary documents which could be referred to as an eye-witness account and secondary documents which are produced by people who were not present or who may have read the eye-witness account. He further states that documents range from public which would include government publications to private which could range from civil society, trade unions, non-government, and private individuals. Organisational and institutional documents are essential in qualitative research (Bowen, 2009). Understanding the desktop data collection approach as the primary source conforms to all the necessary requirements of being valid, reliable and can stand the test of cross references. Nevertheless, the advantages and concerns in the adoption of this method are mentioned.

3.7. SUMMARY

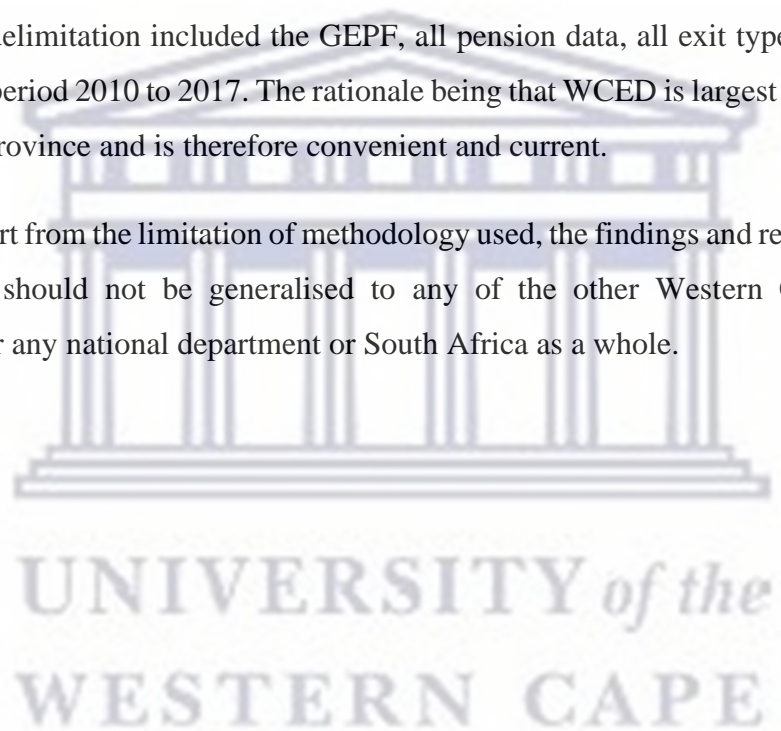
The methodology used constituted both a qualitative document analysis and descriptive analysis of the data. This highlights the advantages that this methodology provides i.e., appropriate, suitable, cost effective and common for desktop research and both quantitative and qualitative format.

The corroboration of findings and confluence of evidence gives credibility and thus triangulation is of immense value. Bowen (2009) cautions against an over-reliance on documents in support of the rationale for document analysis. The types of data used include secondary data (media and annual reports etc. in public domain) and primary data which is specifically generated in-house by the GPAA.

Furthermore, to avoid bias and to present a balanced perspective, various sources such as company data, media, public protector report (Sukdev, 2016) and members' complaints were used. All the data and evidence were subjected to a thematic analysis for reliability, dates, levels, categories/types, voices and the like.

The scope and delimitation included the GEPP, all pension data, all exit types of the GPAA, WECD, for the period 2010 to 2017. The rationale being that WCED is largest employer within Western Cape Province and is therefore convenient and current.

Importantly, apart from the limitation of methodology used, the findings and results are specific to WCED and should not be generalised to any of the other Western Cape Provincial departments, nor any national department or South Africa as a whole.



CHAPTER 4: INSTITUTIONAL AND LEGISLATIVE FRAMEWORK

4.1. INTRODUCTION

The institutional and legislative framework forms the cornerstone structure of this study. Every organisation should have an institutional framework. More importantly, in the case of a public entity, adherence to a legislative framework is paramount for good governance. With reference to Chapter 2, observation of key definitions and concepts such as good governance; management theory and public administration; South African application of management theories and how public service implements policy, are important in the context of institutional and legislative frameworks.

This chapter discusses the institutional and legislative framework as well as the process overview within the GPAA. It provides an introduction to and discusses the institutional and legislative framework. It also discusses the importance of having a common understanding of what happens within the pay-out pipeline by all stakeholders (further elucidated through a diagram of the pay-out pipeline). Finally, this chapter describes the pay-out pipeline, including with the various steps, and closes with a brief summary.

4.2. INSTITUTIONAL FRAMEWORK

4.2.1 Overview of Government Employees Pensions Fund

The existence of the GPAA is enshrined in Chapter 10 of the Constitution which relates to Public Administration (RSA, 1996a). The GPAA has an obligation to comply with various legislative provisions including the provision of the Public Service Act (PSA) from a human resource perspective and Public Finance Management Act (PFMA) from a financial perspective. The GPAA's current structure comprises of five business units or programmes (as was the case with GEPP before separation) of which programme 4 has six sub-programmes. The GEPP embarked on a national expansion drive in 2008 to broaden its footprint and access, with the opening of provincial offices under programme 2, sub-programme 3, of which Western Cape Regional Office (WCRO) was one.

According to GPAA (2011) the focus of government is on the management of public resources, that is critical input and key activities for the achievement of specific adopted outcomes. The GPAA has committed to outcome 12: “An efficient, effective and development-oriented public

service and an empowered, fair and inclusive citizenship”. Outcome 12 has four outputs which translate into a delivery agreement namely: service delivery quality and access; HR management and development; business processes, systems, decision rights and accountability management; reducing corruption in the public service. According to the GPAA (2011) its relevance draws its mandate from various legislation and policies, discussed below.

The GEPL, 1996 – in which the BOT shall ensure effective, efficient, and economical (EEE) administration of the fund. It shall report to the Minister of Finance (MoF) regarding the situation, business, and financial position of GEPL, whether financial objectives were achieved and if the performance and application of resources were EEE. Batho Pele Principles: These principles are consultation; service standards; access; courtesy; information; openness and transparency; redress and value for money. It advocates for the improvement of public service delivery and transformation of the public service into a citizen centred one. Improving Government Performance i.e., GPAA's Approach: Resultant from government delivery that must be outcomes-based, all ministers are required to sign delivery agreements (specifying outcomes related to their ministries and their outputs) with the president. Half-yearly report-back meetings are held to evaluate advancement and provide direction on how to surmount obstacles. The institutional culture at the GPAA, and therefore factors that affect the functioning and have an influence on how activities are conducted, are varied both internally and externally (macro-environment). According to the GPAA (2011) these factors are the "PESTEL" factors: "Political, Economic, Social, Technological, Environmental, as well as Legal."

- Political factors are mostly external constituting of government regulations and policies, should a change occur then it would necessitate a change in the GPAA's approach to the way in which it conducts business.
- Economic factors are also external. Budget cuts to the GPAA may necessitate and affect the allocation of resources for delivery of services.
- Social factors such as the prevalence of HIV/AIDS may result in high rates of absenteeism and have an adverse effect on the GPAA's production, generation and well-timed submission of reports.
- Technological factors, which include the GPAA's business function, must remain relevant and efficient by being abreast of current technology such as the development and utilisation of an automated system.

- Environmental factors such as disasters caused by floods, fire and the like may affect the smooth undertaking of business activities.
- Legal factors relating to any changes in law that governs the administration of government pensions and other related benefits may affect what is ordinarily expected with regards to the GPAA's performance.

On a high level, the efficacy of the structure cannot be faulted; however, operationally, according to Allen-Ile et al. (2015), “there is a wide gap between intension and performance”. Many good policies were developed but have not necessarily translated into all the desired outcomes. According to the GPAA (2011) their vision is to be the “leading and preferred benefits administrator and the mission is to administer fund benefits effectively and efficiently.” It is intended that the GPAA will be a sustainable organisation and that its vision will realise the following factors namely: “satisfied customers and clients; modernised efficient administration; satisfied stakeholders; satisfied, efficient employees; beneficial employer partnerships.”

In 2010 additional reforms within the GEPP were introduced, namely the separation of the fund from its administration. The Public Investment Corporation (PIC) will deal exclusively with all the investments and the various investment instruments. The GPAA is to exclusively deal with all administration related matters of the GEPP and introduce an all-inclusive procedure blueprint for all government employer departments i.e., procedure and business rules when interacting with GPAA. The GPAA, established as a National Government Component in terms of the Public Service Act and listed in Schedule 3, is required to conform to the Framework for Strategic Plans and Annual Performance Plans as well as the Framework for Managing Programme Performance Information as issued by National Treasury in terms of its mandates as set out in section 215 and 216 of the Constitution (RSA, 1996a). The GPAA would in addition also introduce a long-term modernisation strategy with the capability to support the GPAA turnaround strategy. In 2011 the GPAA launched its modernisation programme at a cost of 8% of total expenditure.

In the context of the title of this thesis, the GPAA policies never intended that teachers should wait way past the legislated 60 days for their pension pay-outs. This could be one of the theories applied by both the GPAA and WCED to increase productivity. Max Weber, as cited by Newton and Van Deth (2005: 127), defined bureaucracy as “the most efficient method of performing large scale administrative tasks”, as is the case with pension exits for educators in

the Western Cape. McGregor (cited by Stillman, 1984: 329) states that contemporary, second-generation personnel specialists like, Douglas McGregor (1906-1964) a social psychologist were one of the leading proponents of being humanistic. From a legislative perspective, the Constitution of South Africa, the Batho Pele Principles, the Public Servants Act and the GEP Law form the nucleus of this research.

Tjosvold (1984: 2) suggests that organisations improve productivity when peers pursue the same goals to cooperate (positive) and compete (negative). Organisational members depend on each other; they join forces to complete projects. The GEPF must unlock all the mediums, as cash inflow stimulates the economy, creates jobs, reduces poverty, and generally allows government to realise what voters expect.

The Educators Act in South Africa makes provision for educators to retire at the age of 50 while the rest of civil servants may retire at 55. As the retirement age for civil servants is age 60 it therefore means that all those who choose to retire early i.e., before attaining the retirement age, must pay penalties for early termination. What has made this very popular are the results from the “rule of eighty” according to Hansen (2008: 13-14) which simply means that an educator could enjoy retirement benefits for the equal duration of working.

4.2.2. Legislative framework

According to Hague and Harrop (2013), the study of academic politics started off as a subdivision of law which later evolved to operate hand and glove from four dimensional perspectives namely: constitution making in the late twentieth century, stimulated by the legal charter whereby judges entered the political arena, with a growing emphasis on human rights, utilising international law which has an impact on domestic politics.

4.2.3. Constitution of the Republic of South Africa (No 108 of 1996)

Chapter 10, subsections 195, 196 and 197 of the Constitution of South Africa (1996a) are clear and specific as to what the commitment of government in the context of public administration is intended. It is regarded internationally as one of the best, albeit that South Africa has enormous challenges with the implementation thereof. Educators are entitled to public administrative services, so enshrined, and civil servants within administration must oblige.

According to Hague and Harrop (2013), South Africa is a liberal democracy. In terms of Chapter 2 of the Constitution, the Bill of Rights is the cornerstone of this democracy and

enshrines the right of all citizens of the country and affirms the values of human dignity, equality, and freedom. This freedom has a broad reference and is not limited by movement of people in a political context but includes amongst others freedom of speech and when applied to the this suggests financial freedom.

The financial freedom of having a pension administration system that ensures that pension benefits pay-out times are reasonable and that gaps between policy, policy objectives and the implementation thereof are reduced is crucial. Hence the focus on non-compliance is a governance issue. According to Shah (2008), by improving efficiency and equity of public services provision, one will underpin accountability and governance of institutions. Poor governance generally leads to poor service delivery of public services to the poor and disadvantaged members of society. Pension administration should be deemed not to bear remnants of these past practices. It should be an inclusion of economy (spending less), efficiency (spending to maximise), effectiveness (spending to achieve goals), sustainability (having the resources to see it through) and with sound governance standards.

It is of utmost importance that members have an understanding why pension funds are important to the economy, how money is invested by both the fund and ultimately its beneficiaries. According to Ettema (2011: 16):

Academic interest in teacher pensions specifically is a relatively new phenomenon, so the literature on teacher retirement is limited. However, a body of theoretical and empirical work exists documenting the function of pensions for both employers and employees, and employee response to retirement incentives in public and private pension plans as well as in the Social Security System.

On the other hand, an education system is an important societal need and should not in any way be distracted from operating as such i.e., teachers and support staff should educate learners and not have to worry about possible financial hardship upon termination of service resultant from system failures or errors. There should be greater collaboration between government departments who serve the same community and that the one department should not deem their service of function more superior to the other department. One can put forward an argument that there should also be coherence across departments especially when policies are implemented both internally and externally across departments.

4.2.4. Administrative justice

The Promotion of Administrative Justice Act (PAJA) 2000 No 3 of 2000 (RSA, 2000) aims to make administration effective and accountable for people. Together with the Constitution it embraces the Batho Pele principles and promotes South African citizens' right to just administration. Section 33 of the constitution guarantees that administrative action will be reasonable, lawful, and procedurally fair. It makes sure that people have the right to ask for written reasons when administrative action has a negative impact on them (RSA, 1996a).

PAJA (RSA, 2000) does the following:

- It ensures that administrative procedures are fair.
- It gives people the right to ask for reasons.
- It gives citizens the right to have administrative action reviewed by the courts.

4.3. PROCESS OVERVIEW

4.3.1. A common understanding

There are different versions of reality based on limited experience and perspectives. Many different perspectives could be raised depending on whom one asks about the process overview on when a teacher who is employed by WCED and who is a member of the GEPF exits (i.e., death, resignation or retirement) of the fund. There would essentially be six different views namely: the member / teacher/ support staff, the HR official, the Standard Operating Procedure of the employer / WCED, the Client Liaison Officer who acts as the conduit between the employer and the fund, the Standard Operating Procedure of the GPAA, the GEP law and rules of GEPF. From the date that the member makes their intention clear, and their employer accepts the request to terminate service, the WCED has 30 days in which to submit correctly completed documents. Similarly, the GEPF has 60 days from receipt of correctly completed exit documents to finalise and pay the member all their benefits. Should there be any delay which causes the process to surpass the total of 90 days, interest becomes due to the member, in addition to the qualified benefits. The differences often involve disputes on GEPF unresponsiveness and members not following the correct procedures or completing the forms incorrectly.

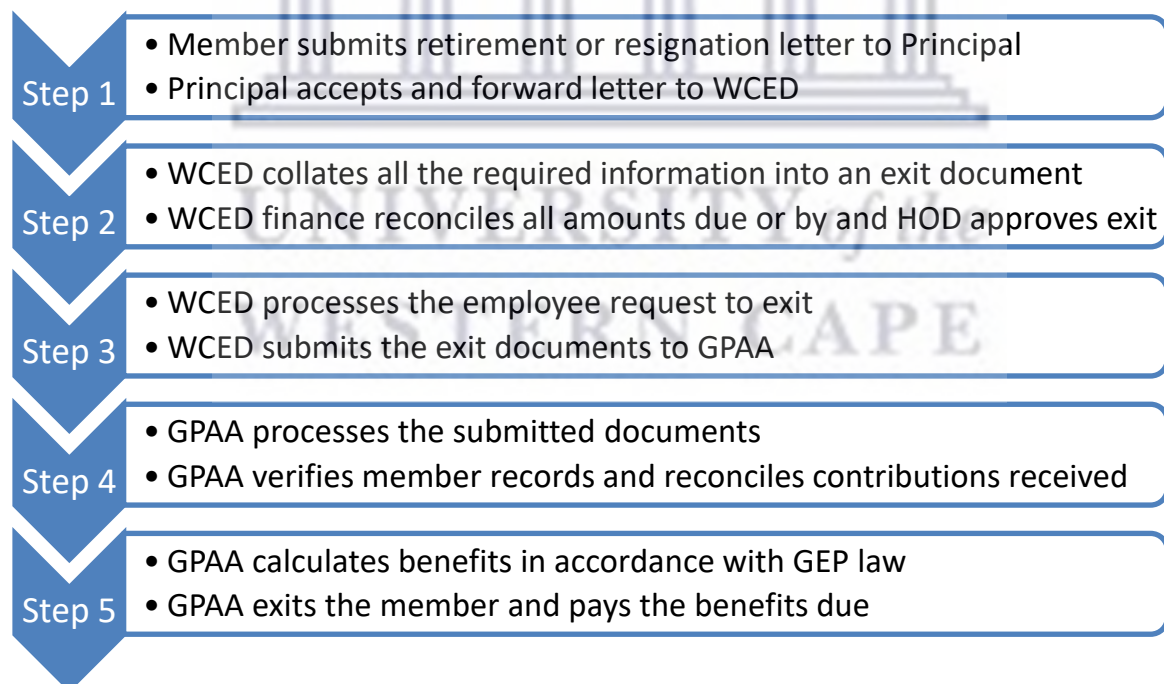
The exit documents can be submitted manually i.e., in paper form, and require that the Client Liaison Officer (CLO) would have to verify all the information and collate all the supporting

documents with the employer when collecting the documents. They should then do a system verification at GPAA before the capturing process can begin. The exit documents can also be submitted electronically by the employer, which would not require any upfront verification by the CLO as the system has built-in parameters and fields which require data inputs. Both these methods of document submission require correctly completed exit documents. Should any discrepancies be detected, the exit process will be stopped and documents will be returned in the same method of original submission. What is important to highlight, should this occur, is that the time clock in terms of GEPF does not continue and reverts to zero days as the documents were deemed not have been completed correctly. Although these documents are deemed not to be completed correctly the member would still qualify for interest should the total duration since the date of acceptance by his employer surpass the 90 days within the value chain.

4.3.2. The pay-out pipeline

Figure 1 below presents the five-step framework of the pay-out process.

Figure 1: Pension pay-out process



Source: Researcher's own design

4.4. OVERVIEW OF PIPELINE PROCESS

STEP 1: Member and school principal action

- Employee (teacher) notifies the line manager (school principal) of their intention to terminate service either by resignation or retirement.
- Line manager informs employer (WCED) who in turn advises on the termination notice period.
- In the case of a resignation, the period would be 30 days' notice period, whereas a retirement would be 3 months.
- During the notice period the WCED must submit a stop payment and allocate an exit code to indicate to the GEPF the exit type.
- WCED will start the exit process online using an external portal on the GEPF website.

Step 2: WCED action by HR: Capturer

- Collect required documentation from member (Certified ID Copy, Beneficiary Nomination Form, Bank Form, acknowledgement of debt if applicable) from WCED finance (Clearance or signed agreement in terms of any outstanding debt) as well as HOD exit approval.
- Login to GEPF Online application.
- View and update employee information on electronic Z102.
- Scan and upload supporting documentation.
- Pend an application for required details.
- Apply corrections where indicated.
- Submit Z102 for approval.
- View details of submitted applications.
- GEPF system notifies member by SMS that the exit process has been initiated by WCED.

Step 3: WCED action by HR: Verifier

- Login to GEPF Online application.
- View Employee Information on electronic Z102 with attachments.
- Approve submit application to GEPF/Reject application back to the capturer to correct any errors.
- View details of submitted applications.

Step 4: GPAA action

- GPAA online system notify member by SMS application have been received.
- The start of 60-day, clock starts ticking away.
- GPAA administrator verifies information on electronic Z102 with attachments, then barcode, link, scan and index all documents.
- GPAA administrator either approved by forwarding electronically to benefits processing /rejects application by forwarding application to GPAA supervisor
- GPAA supervisor confirms rejection by rejecting application electronically back to WCED together with a rejection notification by email with an error message.
- GPAA online system notifies member by SMS of the rejection as well as the nature of the error.
- The 60-day clock stops and goes back to zero as GPAA no longer has an application.
- The process reverts and starts at step 2, through to 3 and 4 and repeats if more errors are detected.

Step 5: GPAA action

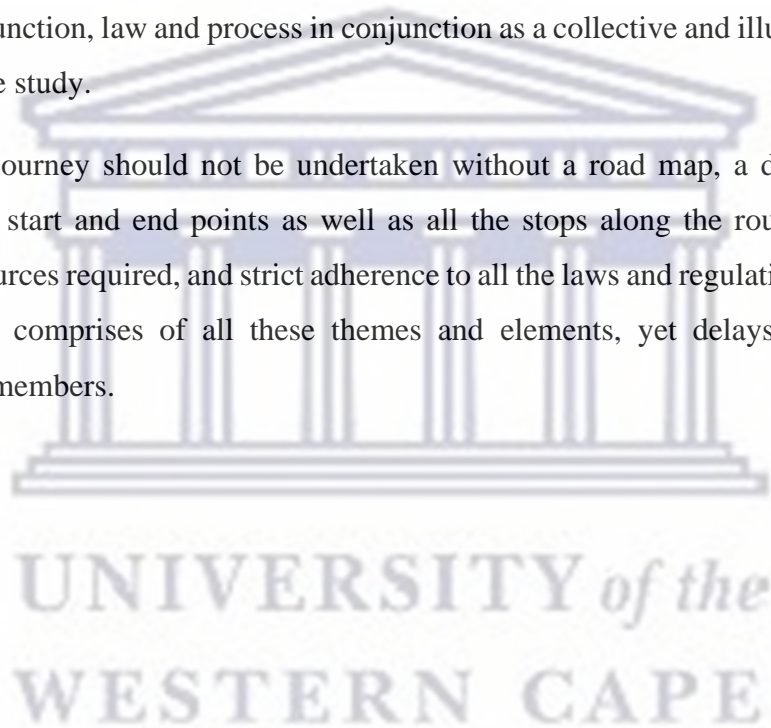
- GPAA benefits processing consisting of four phases.
- Phase 1 is where the membership functions relating to member contribution and status is confirmed.
- Phase 2 is where employee benefits are calculated in line with phase 1.
- Phase 3 is where all third party functions are activated with Home Affairs (ID validation and Married Status), SARS (Tax Directive), banks or external funds and National Treasury (for amounts greater than R1m) as well as the legal section (divorce settlement or a court maintenance orders).
- GPAA system notifies member by SMS that TAX directive was received from SARS or was declined and member has to contact SARS.
- Phase 4 is where the payment function is created and money is transferred to external approved funds or the beneficiary's personal bank account.
- The end of the 60-day process, all days past the mandated time frame will automatically accrue interest in favour of the teacher or their nominated beneficiaries.
- The case can at any of the phases be referred to forensics which will automatically freeze the entire process and will only continue along the pipeline should the system warning be lifted.

4.5. SUMMARY

The essence of this chapter was to highlight that the institutional and legislative framework, as well as the process overview within an organisation such as GPAA, all needs to be in sync. Although these three elements are separate, they are all intertwined and interdependent as a collective mechanism which enables pension administration. These elements must flow smoothly from the admission of members to the GEPF fund, and the way the finances are managed until a member exits the fund.

Throughout this chapter there is an overarching theme. This emphasises and endeavours to understand the function, law and process in conjunction as a collective and illustrates the issues raised in the case study.

In summary, a journey should not be undertaken without a road map, a detailed itinerary, highlighting the start and end points as well as all the stops along the route, the right and appropriate resources required, and strict adherence to all the laws and regulations. The pension pay-out journey comprises of all these themes and elements, yet delays persist and are experienced by members.



CHAPTER 5: FINDINGS, RESULTS AND ANALYSIS

5.1. INTRODUCTION

The approach taken for this chapter is done in two parts including, (a) data, findings, results and analysis; and (b) complaints. In part one, this chapter seeks to evaluate the data and articulate the content thereof into a proverbial funnel or cone shape whereby the general national picture is illustrated narrowing it down to provincial and ultimately departmental level. The approach taken is desktop research whereby the data collection process was generated by the ICT data warehouse department within GPAA. Of significance, is that both GEPF and GPAA adopted New Public Management (NPM) values and strategies, also electing to roll out modernisation in a phased approach.

The second part of this chapter discusses some of the most popular complaints received by the fund, i.e., looking at the different models of how complaints occur. Complaints as a concept can take various forms regardless of whether the GPAA has a framework for dealing with them.

It is important to note, according to the VIP complaints section within the GPAA, the definition of a complaint is: “an expression of dissatisfaction by a citizen/ institution on behalf of a citizen about the level of service/or lack thereof of pension related matters, by GPAA which in the opinion of the complainant requires resolution and redress (DPSA Complaints and Compliments Framework, 2013).” It also further states that, “it is important to separate complaints from queries and that when clients complain they should have exhausted all the normal channels as per the definition of the DPSA’s framework.”

5.2. PART ONE: DATA FINDINGS, RESULTS AND ANALYSIS

5.2.1. Overview of national data

An analysis and evaluation of the document submission trends looking through a modernisation lens at the GEPF, from manual i.e., paper-based, to electronic, to paperless i.e., electronic data for all exit types. In addition, the total number of members nationally for the period under review was segmented into categories including active members, retired, deceased, and those who resigned from the GEPF.

5.2.2. Modernisation trend

Table 26: Modes of submission, types of exits and period to pay for GEPP (2016-2018) is in the appendices because the table is very large. Table 26 describes the national GEPP total exited cases paid for the period 2010 to 2017, (the data for the periods 2010 to 2015 is not available) also indicating how these exit documents were submitted. In addition, it describes the finalisation of the various exit types ranging from retirement, resignation, and death cases of members over the corresponding period. The data is also presented in terms of how long it took to pay- out in these cases. This is expressed as a percentage taking into account categories of duration in days.

Table 26 describes the national GEPP total exited cases for the period 2010 to 2018 (given that the study only includes 2017, the data for 2018 will be ignored). In addition, the table also depicts the age analysis of cases paid with the prescribed timeframe of 60 days and those taking longer than the prescribed timeframe (some of the data for 2010 is not available). The data is narrowed down in terms of days and a percentage as follows:

- The overall trend for paid cases over the period 2016 to 2017 was downward, (barring 2010 to 2015 where no data was available). Although the submission of exit cases includes all three types namely manual, old e-channel and Pension Case Management (PCM) a constant shift towards electronic platforms in contrast to that of manual submissions is recorded. In total from the overall paid cases, those older than 60 days expressed as a percentage, is substantially lower than those paid cases within the legislated periods.
- Although there was a significant shift in the mode of submission from manual to electronic, the dependency on manual remains substantial. Irrespective of the mode of submission manual or electronic, the percentage of death paid cases longer than 60 days remains the highest.
- The resignation paid cases shows an identical trend to the overall paid cases trend i.e., those older than 60 days expressed as a percentage is substantially lower than those paid cases within the legislated periods.
- The retirement paid cases shows an identical trend to the overall paid cases trend i.e., those older than 60 days expressed as a percentage is substantially lower than those paid cases within the legislated periods albeit slightly upward throughout.

- The transfer to external funds of paid cases showed fluctuations between the various modes of exit types of submissions i.e., those older than 60 days, expressed as a percentage, is substantially lower than those paid cases within the legislated periods.

Table 26 referred to above specifies and describes the national GEPP total exited cases paid for the period 2010 to 2017, (the data for the periods 2010 to 2015 is not available) also indicating how these exit documents were submitted. In addition, the table indicates the finalisation of the various exit types ranging from retirement, resignation, and death cases of members over the corresponding period as well as the breakdown in terms of long it took to pay these cases. This is expressed as a percentage considering categories of duration in days. There was a migration from manual processes to electronic processes (King report good governance). There is no documentary data pre-2016. This is suggestive of the inefficiency of the manual system as well as its inability to retrieve reliable data timeously.

Total active members, retirements, resignations and death

The following table presents the total number of active members per financial year. It also includes the total number of received exit claims because of retirement, resignation and death per financial year.

Table 3: Total number of members per financial year – 2009/2010 to 2016/2017

FY	2010	2011	2012	2013	2014	2015	2016	2017
Active members	1 195 663	1 233 291	1 265 730	1 275 206	1 276 753	1 266 101	1 269 948	1 273 784
Retired members	22 575	20 969	23 867	26 203	27 761	30 447	30 759	32 139
Resigned members	22 260	20 843	31 705	26 025	30 166	43 280	40 717	33 143
Deceased members	10 041	9 882	7 811	8 332	8 147	7 178	7 304	7 663

Source: GEPP Data Warehouse Unite Khoza and Thabo Manamela (23 August 2019)

Table 3 presents details of the national active membership for the period 2010 to 2017 as well as the finalisation of the various exit types of members over the corresponding period ranging from retirement, resignation, and death cases. From Table 3 above, national government employment trends and GEPP exit trends can be observed statistically:

- Apart from the two significant membership growth from 2010 to 2011 by 3.1% and then again between 2011 and 2012 by 2.6%, there is no significant increase or decrease of active membership for the remainder of the period under review with the average being 1 257 059 which could be indicative of a government employability.

- The combined total number of exit cases received for the period 2010 to 2017 was 529 267 with an annual combined average of 66 158. The combined average for retirements and resignations was 57 863 while the death cases average per annum declined to 8 294.
- In addition, there was also significant reduction in all exit types between 2010 and 2011, albeit for the period 2012 to 2017, the retirement and resignation cases showed significant increases. For the same period the death cases continued on a downward spiral.

Table 4 below presents the total number of cases paid within 60 days and cases paid over 60 days per financial year from 2010/2011 to 2016/2017.

Table 4: Total number of paid exit claims – paid within 60 days and after 60 days per financial year

Financial Year	2010	2011	2012	2013	2014	2015	2016	2017
Total paid	61 615	54 830	61 174	54 607	62 771	75 329	79 783	73 764
Payments less than 60 days	No info	14 696	17 306	15 432	18 107	25 637	26 083	25 709
Payments longer than 60 days	No info	40 004	43 847	39 175	44 664	49 692	53 700	48 055

Source: GEPP Data Warehouse Unite Khoza and Thabo Manamela (23 August 2019)

Table 4 above describes the national GEPP total if exited cases for the period 2010 to 2017, (some of the data for 2010 is not available) depicting cases paid with the prescribed timeframe of 60 days and those taking longer than the prescribed timeframe. The national GEPP paid cases for the period under review reflects cases paid within and those longer than the legislated timeframes of 60 days:

- The overall trend for paid cases over the period 2010 to 2017 was upward, barring 2011 and 2013 where a slight decline in paid cases was recorded against a combined total of 523 0873 cases paid with an annual average of 65 484.
- The overall trend for paid cases less than 60 days for the period 2011 to 2017 was upward, barring 2013 where a slight decline was recorded albeit with a combined total of 142 970 cases paid with an annual average of 20 424.
- The overall trend for paid cases more than 60 days during the period 2011 to 2017 was also upward, barring 2013 where a slight decline was recorded albeit with a combined total of 319 137 cases paid with an annual average of 45 591.

Table 5: Percentages of the total number of claims paid over 60 days and within 60 days per financial year

Financial Year	2010	2011	2012	2013	2014	2015	2016	2017	Average
Total paid	61 615	54 830	61 174	54 607	62 771	75 329	79 783	73 764	66 037
Payments less than 60 days	No info	27%	28%	28%	29%	34%	33%	35%	31%
Payments longer than 60 days	No info	73%	72%	72%	71%	66%	67%	65%	69%

Source: GEPF Data Warehouse Unite Khoza and Thabo Manamela (23 August 2019)

Table 5 above describes the national GEPF total exited cases for the period 2011 to 2017 (ignoring 2010 as some of the data for 2010 is not available) depicting a percentage change for cases paid within the prescribed timeframe of 60 days and those taking longer than the prescribed timeframe.

- The overall trend expressed as a percentage for paid cases over the period 2011 to 2017 was upward against a combined average of 66 037.
- The overall trend expressed as a percentage for paid cases less than 60 days the period 2011 to 2017 as a percentage was upward, with an annual average of 31%.
- The overall trend expressed as a percentage for paid cases more than 60 days during the period 2011 to 2017 as a percentage was slightly downwards with an annual average of 69%.

Table 6 below presents the total number of cases and the corresponding amount paid to members as interest on late payments.

Table 6: Total number of cases and interest paid on late payments per financial year – 2009/2010 to 2016/2017

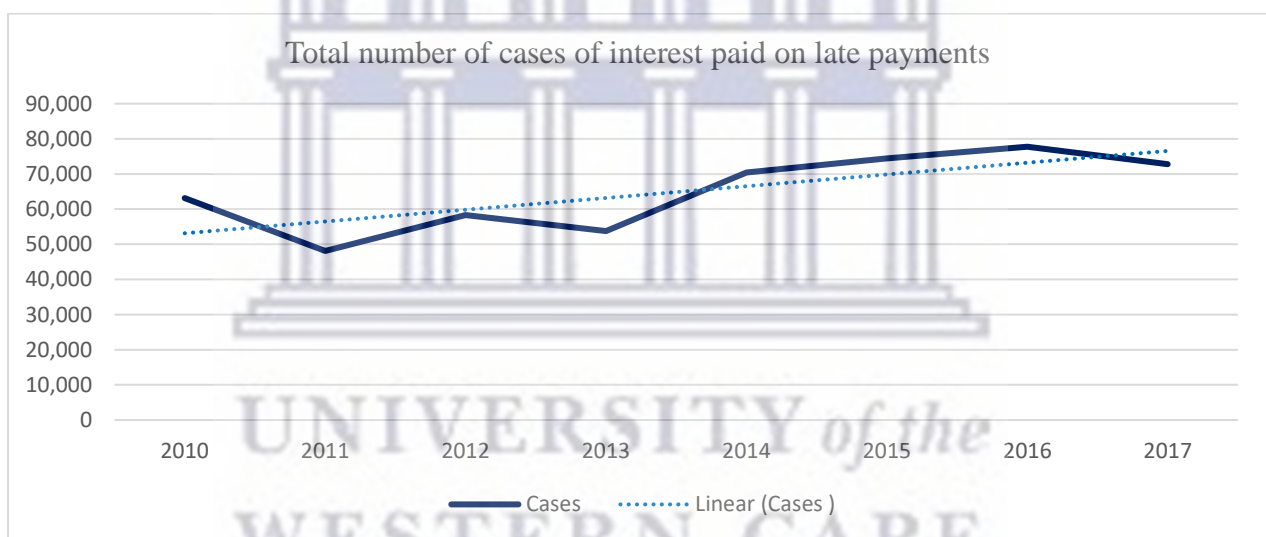
Financial Year	Cases	Amounts in million (R 000000)
2010	63 133	1 054 200 301.19
2011	48 105	649 545 991.58
2012	58 308	727 931 253.49
2013	53 785	793 478 929.64
2014	70 466	1 157 288 477.85
2015	74 395	1 417 925 115.71
2016	77 760	1 802 263 465.92
2017	72 817	1 901 884 308.95

Source: GEPF Data Warehouse Unite Khoza and Thabo Manamela (23 August 2019)

Table 6 above describes the national GEPF total paid cases for the period 2010 to 2017 as well as interest paid for those cases taking longer than the prescribed timeframe. The above table contradicts the figures of tables 1-3 (this may be systemic and may require further investigation).

- The overall trend was upward against a combined average of R1 188 064 729.00.
- The overall interest paid during period 2010 to 2017 was R9 504 517 839.00
- The period 2011 was substantially lower than 2010 decreasing by 38.38% and it gradually increased for the period 2012 and 2013. Thereafter the period during 2014 reflects a substantial increase of 45.84% from 2013.

Figure 2: Trend on total number of cases on interest paid on late payments per financial year



Source: GEPF Data Warehouse Unite Khoza and Thabo Manamela (23 August 2019)

Figure 2 above indicates that the trend in national GEPF paid cases during the period 2010 to 2017 is:

- The overall trend for paid cases over the period 2010 to 2017 was upward, barring 2011 and 2013 whereby declines in paid cases were recorded against a combined total of 523 0873 cases paid with an annual average of 65 484.

Table 7 below presents the total number of all exit cases per financial year from FY2010 to FY2017. Included in the table is the total number of death, resignations, retirement, and transfer cases paid by GPAA from various departments in South Africa.

Table 7: Total number of exit cases paid per financial year – 2009/2010 to 2016/2017 from various departments

FINANCIAL YEAR	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017
Total cases paid	61 615	54 830	61 174	54 607	62 771	75 329	79 783	73 764

Source: GEPP Data warehouse Lucas Kgari 14 January 2020

Table 7 above describes the national GEPP total paid cases of all exit types for the period 2010 to 2017. The table indicates the national GEPP paid cases for the period under review:

- The overall trend for paid cases over the period 2010 to 2017 was upward, barring 2011 and 2013 where a slight decline in paid cases was recorded against a combined total of 523 0873 cases paid with an annual average of 65 484.
- The overall trend for paid cases less than 60 days during the period 2011 to 2017 was upward, barring 2013 where a slight decline was recorded albeit with a combined total of 142 970 cases paid with an annual average of 20 424.
- The overall trend for paid cases more than 60 days during the period 2011 to 2017 was also upward, barring 2013 where a slight decline was recorded albeit with a combined total of 319 137 cases paid with an annual average of 45 591.

Table 8: Total number of exit cases paid – 2009/2010 to 2016/2017 from various departments

EXIT TYPE	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017
Death	11 885	10 756	9 336	7 108	7 661	6 656	7 282	7 126
Resignations	21 137	17 668	20 882	17 424	22 934	36 353	36 552	30 932
Retirements	25 605	23 913	29 404	27 699	29 546	28 802	31 845	32 196
Transfers	2 988	2 493	1 551	2 375	2 630	3 518	4 104	3 510
Other	0	0	1	1	0	0	0	0
TOTAL	61 615	54 830	61 174	54 607	62 771	75 329	79 783	73 764

Source: GEPP Data warehouse Lucas Kgari 14 January 2020

Table 8 above depicts the total national GEPF number of paid cases of all exit types of members who retired, resigned, transferred to external approved funds, and died for the period 2010 to 2017. The data indicates distinct fluctuating patterns:

- The overall trend for paid cases over the period 2010 to 2017 was upward, barring 2011 and 2013 where a slight decline in paid cases was recorded against a combined total of 523 0873 cases paid with an annual average of 65 484. Not all exit types followed the trend.
- The death paid cases showed a constant declining trend over the entire period.
- The resignation paid cases showed an identical trend to the overall paid cases trend.
- The retirement paid cases showed an identical trend to the overall paid cases trend albeit slightly upward throughout.
- The transfer to external funds paid cases showed fluctuations albeit upwards overall.

5.3. BREAKDOWN OF NATIONAL DATA INTO PROVINCES AND DEPARTMENTS

This section provides a breakdown of data from national to the provincial, enabling some provincial comparisons.

Table 9: Total number of exit cases paid – 2009/2010 to 2016/2017 from various departments per province

PROVINCES	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017
Gauteng	9 893	8 259	12 923	10 239	10 582	12 675	13 567	12 540
North West	3 669	2 912	3 423	3 811	4 984	4 247	5 224	4 863
Western Cape	3 750	3 171	2 948	3 431	4 225	5 258	5 343	5 426
KwaZulu-Natal	12 357	12 624	13 321	10 711	11 264	13 739	14 928	12 588
Limpopo	4 237	3 340	3 526	3 522	4 701	5 880	6 399	5 831
Eastern Cape	6 431	6 249	6 604	6 773	7 499	9 541	8 964	7 864
Northern Cape	1 133	859	1 145	1 029	1 339	1 443	1 543	1 618
Free State	3 079	2 494	2 398	2 242	3 373	4 352	4 158	3 677
Mpumalanga	3 171	2 950	3 798	3 094	3 148	4 222	4 664	4 042
EGLS	13 888	11 970	11 076	9 754	11 653	13 971	14 993	15 315
Unspecified	7	2	12	1	3	1	0	0
TOTAL	61 615	54 830	61 174	54 607	62 771	75 329	79 783	73 764

Source: GEPF Data warehouse Lucas Kgari 14 January 2020

Table 9 above depicts the total number of national GEPP paid cases of all exit types of members in all the various provinces for 2010 to 2017. The focus of the data in the Western Cape Province indicates:

- The overall trend for paid cases over the period 2010 to 2017 was upward, barring 2011 and 2013 where a slight decline in paid cases was recorded against a combined total of 523 0873 cases paid with an annual average of 65 484. Not all exit types followed the trend.
- The paid cases for Western Cape differed slightly from the overall trend whereby 2011 and 2012 showed a decline against that of 2010 and then constantly increased for the remaining periods.

With reference to Table 27 (see Annexure): The total number of exit cases paid per financial year from the financial year 2009/2010 to 2016/2017 for various departments from a national perspective. The table above details the various exit types per employer department noting fluctuating patterns unfolded. The paid cases for the education department followed a similar trend as that of the overall paid cases trend albeit that for 2013 the education department was above the curve.

5.4. OVERVIEW OF THE WESTERN CAPE PROVINCE

Table 10: Total number of cases paid – 2009/2010 to 2016/2017: All departments in the Western Cape

Cases Paid	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	TOTAL
Death	225	210	197	187	245	188	232	221	1705
Resignations	2025	1534	1434	1631	2117	2855	2898	2829	17323
Retirements	1177	1189	1157	1372	1576	1779	1689	1871	11810
Transfers	323	238	160	241	287	436	524	505	2714
Total	3750	3171	2948	3431	4225	5258	5343	5426	33552

Source: GEPP Data warehouse Lucas Kgari 24 January 2020

Table 10 above depicts the total number of paid cases for Western Cape of all exit types of members who retired, resigned, transferred to external approved funds, and died for the period 2010 to 2017.

- The overall trend for paid cases over the period 2010 to 2017 was upward, barring 2011 to 2013 whereby slight declines in paid cases were recorded when compared to the 2010 period.
- The overall combined total paid cases were 33 552 with an annual average of 4 194 for all exit types.
- The death paid cases showed a constant declining trend barring 2014, 2016 and 2017 whereby increases were recorded when compared with the annual average of 213 cases.
- The resignation paid cases showed an initial downward trend from 2011 to 2013 when compared to the annual average of 2165 paid cases.
- The retirement paid cases showed an overall upward paid cases trend when compared to the annual average of 1476 paid cases.
- The transfer to external funds paid cases showed an initial downward trend from 2011 to 2014 when compared to the annual average of 339 paid cases.

Table 11: Total number of retirement cases paid – 2009/2010 to 2016/2017 from all departments in the Western Cape

DEPARTMENT TYPE	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017
Education	628	589	620	786	927	1 048	996	1 108
Health	390	436	412	497	492	571	497	539
Labour	3	2	0	0	2	4	4	11
Higher Education and Training	13	6	0	4	4	8	5	8
Agriculture and Fisheries	17	16	11	9	5	9	23	19
Economic Development Affairs	0	0	0	0	0	0	0	0
Justice	16	12	11	12	20	10	19	19
Local Government	0	3	3	0	1	4	0	3
Transport, Roads and Public Works	28	26	34	16	27	27	47	46
Office of the Premier	4	2	4	4	31	4	4	9
Social Development	25	13	13	10	8	12	23	33
Sports and Recreation	12	0	10	0	0	0	0	13
Arts, Culture and Tourism	0	9	0	4	0	12	11	0
Community Safety	5	40	2	1	9	2	3	4
Treasury	0	1	0	2	1	1	2	5
Environment and Land Affairs	9	11	6	4	5	10	6	7
Human Affairs and Settlements	3	4	5	0	5	5	4	2
Armascor	13	7	13	12	12	19	15	21
Others	11	12	13	11	27	33	30	24
TOTALS	1 177	1 189	1 157	1 372	1 576	1 779	1 689	1 871

Source: GEPP Data warehouse Lucas Kgari 24 January 2020

Table 11 above depicts the total number of provincial paid cases of all members retiring from the various employer departments for the periods 2010 to 2017. The data above indicates the

various employer departments of the retiring members, but for the purpose of this research, this study only includes the education department. Given this, it can be observed that:

- The overall trend for retiring paid cases over the period 2010 to 2017 was upward, barring 2012 where a slight decline in paid cases was recorded against a combined total of 11 810 cases paid with an annual average of 1 476. Not all provincial departments followed the trend.
- The retirement paid cases for the education department followed a similar trend as that of the overall retirement paid cases albeit that for the period 2011. The education department was below the curve.
- The total retirement paid cases for the education department was 6 702 with an annual average of 837 cases.

Table 12: Total number of resignation cases paid – 2009/2010 to 2016/2017 from all departments in the Western Cape

DEPARTMENT TYPE	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017
Education	702	453	458	459	704	940	965	1 081
Health	946	783	687	921	1 013	1 561	1 464	1 301
Labour	14	17	12	11	16	13	12	18
Higher Education and Training	1	2	4	0	8	19	16	12
Agriculture and Fisheries	27	15	27	15	21	18	28	29
Economic Development Affairs	10	3	6	8	11	8	7	6
Justice	53	85	56	35	52	75	63	78
Local Government	0	6	7	3	1	11	13	12
Transport, Roads and Public Works	43	14	37	24	35	27	53	83
Office of the Premier	23	13	17	18	35	25	47	26
Social Development	53	19	30	29	29	32	73	64
Sports and Recreation	15	0	0	0	22	0	26	20
Arts, Culture and Tourism	0	3	0	0	1	0	0	2
Community Safety	44	39	19	14	26	18	4	10
Treasury	7	8	0	7	7	9	12	8
Environment and Land Affairs	28	19	12	8	13	11	8	16
Human Affairs and Settlements	19	8	4	6	11	10	14	10
Armscor	9	3	1	2	1	5	5	13
Others	31	44	57	71	111	73	88	40
TOTALS	2 025	1 534	1 434	1 631	2 117	2 855	2 898	2 829

Source: GEFP Data warehouse Lucas Kgari 08 March 2020

Table 12 above depicts the total number of provincial paid cases of all members who resigned at the various employer departments for the periods 2010 to 2017. The data for the education department indicates:

- The overall trend for resignation paid cases over the period 2010 to 2017 was upward, barring 2011 to 2013 where declines in resignation paid cases were recorded against the combined total of 17 323 cases paid with an annual average of 2 165 resignation cases. Not all provincial departments followed the trend.
- The resignation paid cases for the education department followed a similar trend as that of the overall resignation paid cases. Although the period 2011 to 2013 of the education department was below the curve.
- The total resignation paid cases for education department was 5 762 at an annual average of 720 cases.

Table 13: Total number of death cases paid – 2009/2010 to 2016/2017 from all departments in the Western Cape

DEPARTMENT TYPE	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017
Education	99	104	82	74	114	91	115	93
Health	80	71	70	77	86	61	85	81
Labour	0	0	1	3	3	1	0	2
Higher Education and Training	1	1	0	1	1	1	0	1
Agriculture and Fisheries	4	5	3	4	4	3	3	6
Economic Development Affairs	0	0	1	2	0	1	1	0
Justice	7	5	5	2	10	6	4	5
Local Government	0	1	2	2	2	0	1	1
Transport, Roads and Public Works	13	6	12	7	6	3	4	14
Office of the Premier	1	0	4	0	4	5	1	1
Social Development	5	3	5	6	0	7	6	5
Sports and Recreation	0	0	0	1	0	1	0	1
Arts, Culture and Tourism	0	0	0	0	0	0	3	0
Community Safety	1	4	2	2	4	3	1	3
Treasury	1	0	0	0	0	0	0	0
Environment and Land Affairs	3	2	1	0	0	2	0	3
Human Affairs and Settlements	3	1	1	1	1	0	2	1
Armcor	2	0	3	3	2	2	0	0
Others	5	7	5	2	8	1	6	4
TOTALS	225	210	197	187	245	188	232	221

Source: GEPP Data warehouse Lucas Kgari 08 March 2020

Table 13 above depicts the total number of provincial deaths paid cases of all members who died in service at the various employer departments for the periods 2010 to 2017. The data for the Western Cape Education Department indicates that:

- The overall trend for the death paid cases over the period 2010 to 2017 was constant, barring 2012, 2013 and 2015 whereby slight declines in death paid cases was recorded. The combined total death cases paid was 1705 at an annual average of 213. Not all provincial departments followed the trend.

- The death paid cases for the education department followed a similar trend as that of the overall death paid cases albeit that for the period 2011 the education department was above the curve.
- The total death paid cases for education department was 772 at an annual average of 97 cases.

Table 14: Total number of transfer cases paid – 2009/2010 to 2016/2017 from all departments in the Western Cape

DEPARTMENT TYPE	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017
Education	149	91	60	85	120	217	262	260
Health	108	107	77	119	114	177	198	199
Labour	0	2	1	1	0	1	2	1
Higher Education and Training	1	1	1	0	1	2	0	1
Agriculture and Fisheries	7	7	2	0	9	5	11	7
Economic Development Affairs	0	1	1	1	4	3	3	1
Justice	4	4	0	0	8	3	4	5
Local Government	0	0	0	1	0	0	2	1
Transport, Roads and Public Works	6	2	4	7	7	1	5	1
Office of the Premier	4	5	1	5	8	3	9	7
Social Development	5	3	3	6	3	3	7	9
Sports and Recreation	0	0	0	0	1	1	0	3
Arts, Culture and Tourism	5	0	0	0	4	0	0	1
Community Safety	7	4	0	3	2	3	0	0
Treasury	3	2	0	3	0	4	3	2
Environment and Land Affairs	6	1	0	1	1	0	2	4
Human Affairs and Settlements	1	0	1	0	2	2	3	0
Armsscor	6	2	1	0	3	1	2	1
Others	11	6	8	9	0	10	11	2
TOTALS	323	238	160	241	287	436	524	505

Source: GEPP Data warehouse Lucas Kgari 08 March 2020

Table 14 above depicts the total number of provincial transfers paid cases of all members transferring at the various employer departments for the periods 2010 to 2017. The data for the WCED indicates:

- The overall trend for transferring paid cases over the period 2010 to 2017 was upward, barring 2011 to 2014 whereby significant declines in transfer paid cases were recorded. The combined transfer paid cases stand at 11 810 cases paid with an annual average of 1 476. Not all provincial departments followed the trend.
- The transfer paid cases for the education department followed a similar trend as that of the overall transfer paid cases albeit that for the period 2012, the education department was below the curve.

- The total transfer paid cases for the education department was 1 244 at an annual average of 155 cases.

5.5. OVERVIEW OF THE WESTERN CAPE EDUCATION DEPARTMENT (WCED)

Table 15: Total number of retirement cases paid – 2009/2010 to 2016/2017 from the WCED

Retirement Cases	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	TOTAL
Total Cases Paid	628	589	620	786	927	1048	996	1108	6702

Source: GEPP Data warehouse Lucas Kgari 24 January 2020

The total number retirement cases received by the GPAA from the Department of Education in the Western Cape region amounted to 6917 from the FY2010 to FY2017. Table 15 above depicts the total number of the Western Cape Education Department paid cases of members retiring for the periods 2010 to 2017. The data for the WCED of the retiring members, indicate that:

- The overall trend for paid cases of retiring members at Western Cape Education Department over the period was upward, barring 2011 which saw a slight decline in paid cases.
- The total retirement paid cases for the education department was 6 702 with an annual average of 837 cases.

Table 16 below presents the total number of retirement cases paid within 60 days and cases paid over 60 days per financial year from 2010/2011 to 2016/2017. Included in the table are retirement cases paid by the GPAA and the duration of payments from the Department of Education in the Western Cape region.

Table 16: Total number of retirement cases paid within 60 days per financial year

Retirement Cases	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	TOTAL
Total paid	628	589	620	786	927	1048	996	1108	6702
Payments less than 60 days	278	372	396	280	638	684	633	693	3974
Percentage of payments less than 60 days	44%	63%	64%	36%	69%	65%	64%	63%	59%

Source: GEPP Data warehouse Lucas Kgari 24 January 2020

Table 16 above depicts the total number of the Western Cape Education Department paid cases of members retiring for the periods 2010 to 2017 within the legislated timeframe. The data indicates that:

- The overall trend for paid cases of retiring members at Western Cape education department over the period was upward, barring 2013 where a significant decline (29.29% percentage change against 2012) in retirement paid cases was recorded.
- The total retirement paid cases for the education department was 6 702 with an annual average of 837 cases.
- The total number of retirement paid cases less than 60 days for the education department was 3 974 at an annual average of 497 cases.
- The total retirement paid cases less than 60 days for the education department as a percentage of total paid cases was 59%.

Table 17: Total number of retirement cases paid longer than 60 days per financial year

Retirement Cases	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	AVERAGE
Total paid	628	589	620	786	927	1048	996	1108	6702
Payments longer than 60 days	350	217	224	506	289	364	363	415	2728
Percentage of payments longer than 60 days	56%	37%	36%	64%	31%	35%	36%	37%	41%

Source: GEPP Data warehouse Lucas Kgari 24 January 2020

Table 17 above depicts the total number of the Western Cape Education Department paid cases of members retiring for the periods 2010 to 2017 taking longer than the legislated timeframe. The data indicates that:

- The overall trend for paid cases of retiring members at Western Cape Education Department over the period was downward, barring 2013 where a significant increase (125.89% percentage change against 2012) in retirement paid cases was recorded.
- The total retirement paid cases for the education department was 6 702 with an annual average of 837 cases.
- The total retirement paid cases longer than 60 days for the education department was 2 728 with an annual average of 341 cases.
- The total retirement paid cases longer than 60 days for education department as a percentage of total paid cases was 41%.

Table 18: Total number of resignation cases paid within 60 days per financial year

Resignation Cases	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	TOTAL
Total paid	702	453	458	459	704	940	965	1081	5762
Payments less than 60 days	101	91	85	47	226	422	428	487	1887
Percentage of payments less than 60 days	14%	20%	19%	10%	32%	45%	44%	45%	33%

Source: GEPF Data warehouse Lucas Kgari 08 March 2020

Table 18 above depicts the total number resignation cases of the Western Cape education department members who resigned for the periods 2010 to 2017 within the legislated timeframe. The data indicates that for the WECD:

- The overall trend for paid cases of resignation members at Western Cape Education Department over the period was upward, barring 2010 to 2013 where a significant decrease in resignation paid cases was recorded.
- The total number of resignation paid cases for the education department was 5 762 at an annual average of 720 cases.
- The total number of resignation paid cases less than 60 days for the education department was 1 887 at an annual average of 236 cases.
- The total number of resignation paid cases less than 60 days for the education department as a percentage of total paid cases was 33%.

Table 19: Total number of resignation cases paid longer than 60 days per financial year

Resignation Cases	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	TOTAL
Total paid	702	453	458	459	704	940	965	1081	5762
Payments more longer 60 days	601	362	373	412	478	518	537	594	3875
Percentage of Payments longer than 60 days	86%	80%	81%	90%	68%	55%	56%	55%	67%

Source: GEPF Data warehouse Lucas Kgari 08 March 2020

Table 19 above depicts the total number of the Western Cape Education Department cases of members' resignation paid cases for the periods 2010 to 2017 taking longer than the legislated timeframe. The data indicates that for the WECD:

- The overall trend for paid cases of resignation members at Western Cape Education Department over the period was downward, barring 2010 to 2013 where a significant increase in resignation paid cases was recorded.
- The total resignation paid cases for the education department was 5 762 and an annual average of 720 cases.

- The total resignation paid cases longer than 60 days for the education department was 3 875 at an annual average of 484 cases.
- The total resignation paid cases longer than 60 days for the education department as a percentage of total paid cases was 67%.

Table 20: Total number of death cases paid within 60 days per financial year

Death Cases	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	TOTAL
Total paid	99	104	82	75	114	91	115	93	773
Payments less than 60 days	0	0	0	0	0	0	0	0	0
Percentage of payments less than 60 days	0%	0%	0%	0%	0%	0%	0%	0%	0%

Source: GEPF Data warehouse Lucas Kgari 08 March 2020

Table 20 above depicts the total number of the Western Cape Education Department death paid cases of members who died in service for the period 2010 to 2017 within the legislated timeframe. The data indicates that:

- The overall trend for death paid cases of members at Western Cape Education Department over the period was flat, baring 2012 and 2013 where a significant decrease in death paid cases was recorded.
- The total death paid cases for the education department was 773 at an annual average of 97 cases.
- The total death paid cases less than 60days for the education department was 0 at an annual average of 0 cases.
- The total death paid cases less than 60 days for education department as a percentage of total paid cases was 0%.

Table 21: Total number of death cases paid longer than 60 days per financial year

Death Cases	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	TOTAL
Total paid	99	104	82	75	114	91	115	93	773
Payments more longer 60 days	99	104	82	75	114	91	115	93	773
Percentage of payments longer than 60 days	100%	100%	100%	100%	100%	100%	100%	100%	100%

Source: GEPF Data warehouse Lucas Kgari 08 March 2020

Table 21 above depicts the total number of the Western Cape Education Department death paid cases of members who died in service for the periods 2010 to 2017 taking longer than the legislated timeframe. The data for the WCED indicates that:

- The overall trend for death paid cases of members at Western Cape education department over the period was flat, barring 2012 and 2013 where a significant decrease in death paid cases was recorded.
- The total death paid cases for the education department was 773 at an annual average of 97 cases.
- The total death paid cases longer than 60 days for the education department was 773 at an annual average of 97 cases mirroring the total trend.
- The total death paid cases longer than 60 days for the education department as a percentage of total paid cases was 100%.

Table 22: Total number of transfer cases paid within 60 days per financial year

Transfer Cases	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	TOTAL
Total paid	149	91	60	85	120	217	262	260	1244
Payments less than 60 days	16	16	11	17	31	119	128	127	465
Percentage of payments less than 60 days	11%	18%	18%	20%	26%	55%	49%	49%	37%

Source: GEPP Data warehouse Lucas Kgari 08 March 2020

Table 22 above depicts the total number of transfers paid cases at the Western Cape Education Department of members transferring for the periods 2010 to 2017 within the legislated timeframe. The data for the WCED indicating the members' transfer paid cases, suggests:

- The overall trend for transfer paid cases of members at Western Cape Education Department over the period was upward, barring 2011 to 2013 where a significant decrease in transfer paid cases was recorded.
- The total transfer paid cases for the education department was 1 244 with an annual average of 156 cases.
- The total transfer paid cases less than 60 days for the education department was 465 at an annual average of 58 cases.
- The total transfer paid cases less than 60 days for the education department as a percentage of total paid cases was 37%.

Table 23: Total number of transfer cases paid longer than 60 days per financial year

Transfer Cases	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	TOTAL
Total paid	149	91	60	85	120	217	262	260	1244
Payments more longer 60 days	133	75	49	68	89	98	143	133	788

Percentage of payments longer than 60 days	89%	82%	82%	80%	74%	45%	55%	51%	63%
--	-----	-----	-----	-----	-----	-----	-----	-----	------------

Source: GEPF Data warehouse Lucas Kgari 08 March 2020

Table 23 above depicts the total number of transfers paid cases at the Western Cape Education Department of members transferring for the periods 2010 to 2017 taking longer than the legislated timeframe. The WCED data indicates that:

- The overall trend for transfer paid cases of members at Western Cape education department over the period was upward, baring 2011 to 2013 where a significant decrease in transfer paid cases was recorded.
- The total transfer paid cases for the education department was 1 244 and an annual average of 156 cases.
- The total transfer paid cases longer than 60 days for the education department was 788 at an annual average of 99 cases.
- The total transfer paid cases longer than 60 days for the education department as a percentage of total paid cases was 63%.

PART TWO: COMPLAINTS RECEIVED

The section comprises a unit of analysis into complaints received by the fund, i.e., looking at the different models of how complaints occur. Complaints as a concept take various forms regardless of whether the GPAA has a framework for dealing with complaints. During the Benefit and Administration Committee (BAC) meeting held in November 2015 it was decided that the GPAA would make information available on how many complaints were referred from the Public Protector and the Presidential Hotline. It must be noted that at the time, the process of defining what will be regarded as a “complaint” and/ or an enquiry was still to be finalised between GEPF and GPAA. An email portal was set up specifically to filter all mails of this nature namely VIP/ HOD Queries.

The approach is to make contact with as many internal stakeholders who may have anything to do with complaints within GPAA, through emails and telephonic conversations as the primary sources. One by one, these internal stakeholder approaches led to nothing substantial to further the investigation. The study then turned to complaints with the call centre team as most contacts with members are through this channel. The call centre operates on a reactive model and

generally escalates the enquiry to the responsible section within the GPAA value chain. Internally the call centre also escalates to the VIP complaints section. They have therefore been targeted for information.

In addition, contact was also made with the CEO who advised that dating back to the meeting held November 2015, some information was generated and reported on in February 2016. The aforementioned information would eventually be the forerunner to defining a process to separate complaints from enquiries.

Table 24: Complaints/enquiries received by the GPAA for the 2015 calendar year

Source	Death in Service	Retirement	Resignation	Divorce	PDP	Death of Spouse / Pensioner	All other
Presidential Hotline	52 =11%	78 =16%	180 =38%	23 =5%	20=4%	7 =1%	118 =25%
HOD Enquiries	257 =8%	191 =6%	863 =26%	212 =6%	319 =10%	42 =1%	1383 =42%
Enquiries at GPAA	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Public Protector	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Source: GPAA Internal Memorandum by CEO Krishen Sukdev 03 February 2016

Table 24 above depicts the total number of all complaints/enquiries received by the GPAA and recorded internally by the VIP complaints section. The email enquiries to the enquiry's mailbox are disregarded as they form part of day to activities. The GEPPF is not subject to the jurisdiction of the Pension Fund Adjudicator (PFA) and, as such, matters lodged with the PFA may be referred periodically to the GEPPF. The Public Protector information is discussed separately – refer to Figure 3 below.

From Table 24 above, of all complaints/enquiries recorded by GPAA:

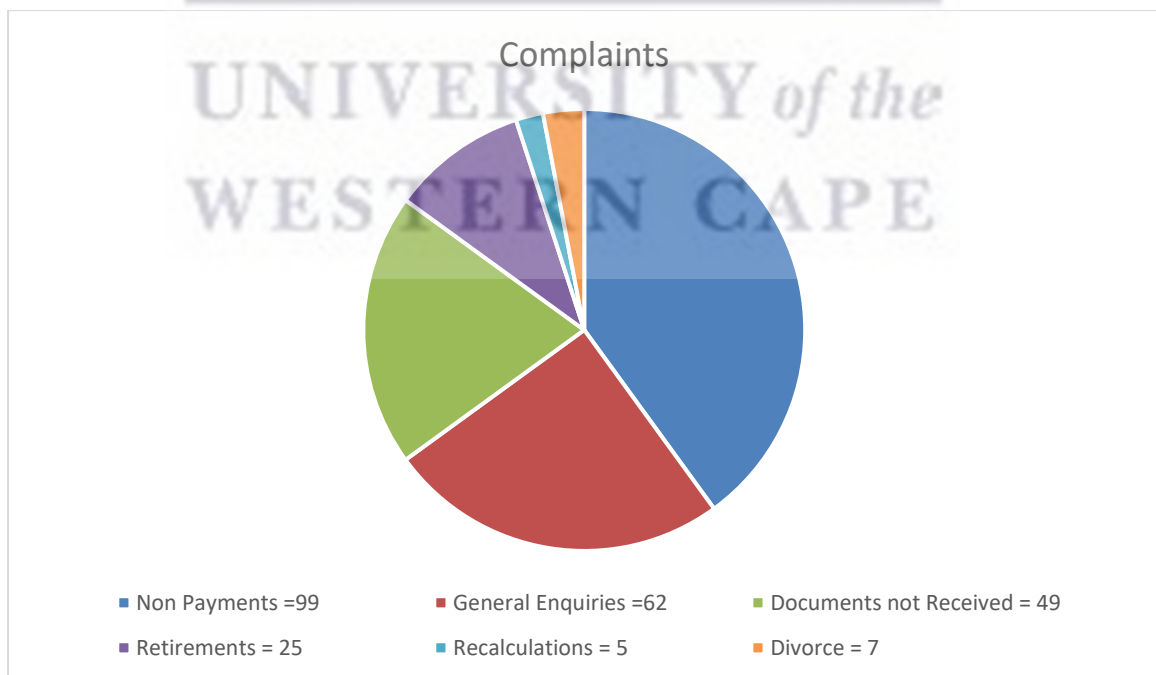
- The overall trend among all complaints received by GPAA suggests that most of these related to payments to beneficiaries.
- The total number of complaints/enquiries received was 3 745 cases of which 2 244 cases were payment related for the categories death in service, death by pensioner or spouse, retirement, resignation, divorce and those pertaining to past discriminating practices.

- The total number of complaints/enquiries received that were not related to payments were 1 501 cases and represents 40% of total complaints/enquiries received over the period reviewed.
- The total number of complaints/enquiries received were 3 745 cases of which 60% were payment related for the categories of death in service, death by pensioner or spouse, retirement, resignation, divorce and those pertaining to past discriminating practices.

The VIP complaints section which is responsible for interacting with complainants who have not had any success in having their matters resolved, records and documents all the information on internal reports. Although the VIP section started functioning from mid-2015, no meaningful reports were available. One of the findings, however, was that they do have reports for 2016/2017 – see Table 25 below. Another finding was that additional data is only available from 2018/2019 to date (which unfortunately falls outside the scope of this study). Reports are available. While the data is not usable, the trends of the contents conceptually support the findings of the period 2016/2017 which is what the study aims to prove.

COMPLAINTS RECEIVED FROM THE PUBLIC PROTECTOR

Figure 3: Complaints/Enquiries received by GPAA from the Public Protector for the 2015 calendar year



Source: GPAA Internal Memorandum by CEO Krishen Sukdev 03 February 2016

Figure 3 above depicts the total number of all complaints/enquiries received by GPAA from the Public Protector and recorded internally by the VIP complaints section. The Public Protector received 247 complaints. These were separated and not included in Table 24. The complaints were noted as follows: 40% were related to non-payment of benefits; 25% were general enquiries; 20% were documents not received; 10% were related to clarification of retirement benefits; 2% were requests to recalculate benefits paid; 3% were related to divorce matters. Although 60% of complaints to the Public Protector are not payment-related, they still represented a significant percentage of unsatisfied members and could be investigated in a future research study. On the other hand, although the 40% were related to non-payment, they have a direct correlation to those pertaining to late payments and thus support the narrative of this study.

5.6. DISCOVERY OF FINDINGS (CONTINUED)

Table 25: Annual Report – external complaints 2016/2017

Period	Death in Service	Retirement	Resignation	Divorce	PDP	Death of Spouse / Pensioner	All other
Q1-2016	21=7%	57=19%	95=32%	48=16%	0=0%	5=1%	67=23%
Q2 -2016	71=12%	81=14%	175=30%	52=9%	56=9%	4=0%	128=23%
Q3 -2016	74=17%	40=9%	131=30%	55=12%	11=2%	25=5%	91=22%
Q4 -2016	86=17%	74=14%	196=39%	44=11%	12=2%	19=3%	66=14%

Source: GPAA Internal Reports by Chief Information Officer (CIO) Meiring Coetzee 11 August 2020

Table 25 above depicts the total number of the 1784 complaints received by the GPAA and recorded internally by the VIP complaints section for the period Quarter 1 to Quarter 4 starting 1 April 2016 until 31 March 2017. These complaints include payments taking longer than the legislated timeframe. The data indicates that of all complaints received by the GPAA the following trends can be noted:

- The overall trend of all complaints received by the GPAA suggests that most of these payments are related to beneficiaries.
- The total number of complaints received was 1 784 of which 1 432 cases were payment related for the categories of death in service, death by pensioner or spouse, retirement, resignation, divorce and lastly those pertaining to past discriminating practices.

- The total number of complaints received that were not related to payments was 352 cases and represents 22% of total complaints received over the period reviewed.
- The total number of complaints received was 1 784 cases of which 80% were payment related for the categories of death in service, death by pensioner or spouse, retirement, resignation, divorce, and those pertaining to past discriminating practices.

The findings highlight the need for a community of practice (COP) i.e., a group of people who have a common interest, common goal of improvement and who share experiences. Consequently, the data clearly indicates that there is a need to have an early warning system that can serve as a proactive tool to improve client satisfaction. The above-mentioned internal reports have a common trend in terms of overall complaints i.e., acting for (80%) whereby these types range from: death in service, resignation, retirement, divorce and past discriminatory practices. The top sources of the data range from: the presidential hotline, the office of the CEO, emails and social media.

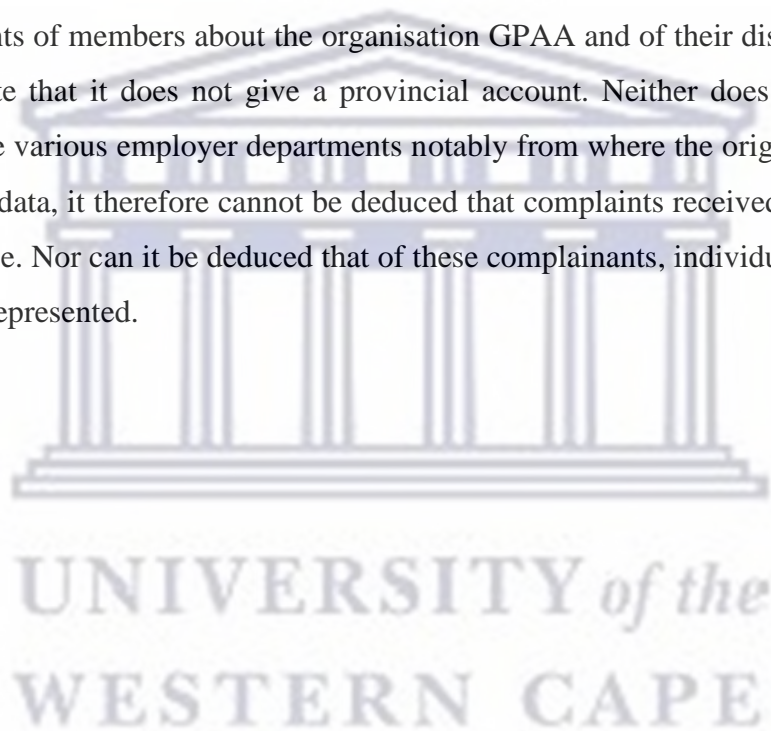
The data suggests that difficult questions need to be asked:

- How is not having proper reports part of customer service? The generally understood phrase in any organisation or system is that what you cannot measure, you cannot manage. Clearly, not having reports available has contributed negatively in as far as complaints are concerned for the GPAA.
- Is the report limitation good enough in the context of Batho Pele? The GPAA, as a public service, should take heed from all these guiding principles specifically the principles of openness and transparency; information; service standards; value for money; and redress.
- How is the risk being analysed and assessed? Understanding and being a step ahead of customer expectations by having the necessary information to mitigate risks is the cornerstone of good governance. In the process of keeping risks in check, the GPAA would inadvertently also ensure that the organisation's reputation remains intact.
- As complaints are a recurring problem, how is the GPAA value chain being re-assessed? Organisations generally have policies and procedures to be followed, implementation as well as operational standards.

5.7. SUMMARY

To reiterate the main research findings: the GEPF has a substantial membership base. NPM approaches have been adopted and the GPAA has aligned its processes to the GEPL which prescribes when, how and why pay-out ought to be made. However, delays still persist throughout including members employed within WCED, who are the focus of this research study.

Although the current available data pertaining to part two of the chapter falls outside of the scope of the research period, sufficient evidence suggests that many GEPF members (who voice their concerns) directly relates to delays in payments. The available data summarises the overall complaints of members about the organisation GPAA and of their dissatisfaction. It is important to note that it does not give a provincial account. Neither does the data draw a distinction of the various employer departments notably from where the original employment arose. From the data, it therefore cannot be deduced that complaints received are from within the Western Cape. Nor can it be deduced that of these complainants, individuals employed by the WCED are represented.



CHAPTER 6: CONCLUSION AND RECOMMENDATIONS

6.1. INTRODUCTION

This chapter concludes the study and makes recommendations, following the investigation into the mini-thesis titled, “Reduction in pension pay-out time and narrowing of Policy-Implementation and Management Gaps in the Government Pension Administration Agency: Case Study with reference to Western Cape Education Department (2010-2017).”

The objectives of the research as set out in Chapter 1 includes:

- a review of the relevant literature on government pension fund policy, implementation, and management;
- identifying if and where the delays occur within the pipeline of pension pay-outs and what policy implementation and management gaps exist within the pension administration system (intended to reduce delays and to create more efficiency);
- an outline of the current policy procedures pipeline processes within the GPAA;
- identifying the problem areas within the pipeline and what type of constraints or problems these are;
- drawing conclusions and making recommendations for addressing these problem areas.

All the objectives set out have been fully achieved, barring identifying the problem areas within the pipeline and what type of constraints or problems these are. This has not adequately achieved because although the pension pay-out process is well defined and almost very simplistically mapped, not one solitary step within the pipeline can be singled out as the problem. There is a plethora of reasons ranging from the law which governs how and when pay-outs need to happen, the roles of each stakeholder, interdependencies amongst these stakeholders, the Pension Case Management (PCM) used, the employer (WCED), and lastly the members or beneficiaries.

6.2. RECOMMENDATIONS

- a) One common theme experienced and an ever-present thread running through every step in the procedure in general is the error of omission. These are not system-made but rather human errors. Although the problems are both systemic and human errors, the

approach taken by the GPAA to reconcile member records upon exit is archaic and needs to change to a more proactive action. Similarly, the employer needs to ensure that member records with the GEPP are current and relevant and so too must the members' check their information on receipt of the annual benefit statements. For clarification, either the member had delayed their intention and or the supervisor delayed the submission of information and documentations to WCED. Thereafter, either WCED overlooked certain information received and proceeded to submit incomplete documentation to GPAA. On the part of GPAA, the received documents were either not properly verified the first time round or the supplied information differed from GEPP current data thus resulting in multiple rejections back to WCED. Some of these rejections ended up back with the member for either additional information and/or the information received had gone stale such as certification expiry date had been reached and so forth.

- b) Despite the electronic system Pension Case Management (PCM) being introduced during the period of the study, and various validation protocols put in place specifically intended to avert the problem of receiving incorrect information, case rejections persist. These validation protocols include:
- functions such as bank account validations failure which is in compliance with FICA;
 - Department of Home Affairs for correctness of marital status, citizenship and the death register;
 - SARS to approve the tax directive requested;
 - Validation of approved funds (should the member have requested to transfer funds);
- human error seemingly remains unavoidable at some stage within the pipeline.
- c) Furthermore, although the PCM systems can easily locate the actual folder within the pipeline, it is adequate for this purpose; over time, it should by its very nature help to identify when and for how long a file has not received any attention. The significance thereof would serve as an early warning that pension pay-outs would on a predictable model indicate the missing aspects of the legislated timeframes.
- d) Additionally, the availability of this type of data will be useful and would bode well in narrowing down the current delays, and possibly give relevance to what works well, and possibly where more meaningful strides can be made within the pension pay-out cycle. The online system will in all probability not replace the influence and impact that

human intervention has on the pay-out process in the immediate or the short term. However, the drive for automation certainly remains relevant.

- e) There is also a need to improve working liaisons between the GEPP, GPAA and WCED to expedite the correct completion and timeous submission of documents. This includes members who declare their intentions to their employer to exit the fund on a specific date for either retirement or resignation.
- f) Areas that require further research however, include interviewing of the beneficiaries, other external stakeholders namely (WCED) as well as the internal stakeholders namely (payment section, customer facing staff and call centre staff).
- g) The GPAA complaints system is inadequate and needs to be championed and supported by a community of practice and a service delivery charter, which clearly defines all the goals and objectives. Since 2015 the GEPP launched a Facebook page and opened a Twitter account with the aim of keeping members, beneficiaries, and stakeholders abreast of all the latest developments within the inner workings of the fund. The question of how the fund communicates with internal and external stakeholder, the service delivery offering, and community engagement approaches and outreaches requires a review. The issues pertaining to legislative changes and the impact that these changes would have on the greater GEPP community, and South Africa at large, need looking into. Further inspection is needed into product enhancements such as self-service and the like.

Although these social media platforms were never intended to engage with members and stakeholders on operational and administrative issues, meaningful feedback in this regard has been observed. The current practice resultant from these interactions is to elevate such concerns to the management of GPAA and the respective business units. One would be naive to imagine that disgruntled or disillusioned members will merely stop venting their frustrations and use the service channels currently in place for this purpose. In support of the above-mentioned observation some social media complaints, discussion and action groups have established themselves on social media regardless of the fact that they do not have approval from the GEPP to do so. This reinforces the need to use these as a potential future mechanism to engage with stakeholders as the unofficial sites. In recent times these have now surpassed the association numbers currently registered with the official platform on social media.

6.3. CONCLUSION

In conclusion, pension pay-out taking longer than the prescribed 60 days has been reduced compared to 2010; however, it still remains very high, with the consequent negative social impact on members. For the GPAA, the interest pay-out cost is still way too high, but it is however, expected to be further reduced in the future, as modernisation of the organisation GPAA proceeds. However, this cannot be a foregone conclusion, as it will depend on the political will of the Minister of Finance (MoF) to enforce compliance and how implementation is managed by the GPAA.



REFERENCES

- Aladegbola, I.A. and Jaiyeola, F. 2016. Critique of Public Administrative Reform System post-independence in Nigeria, pp. 147-171. Available at: https://www.researchgate.net/publication/312666327_Critique_of_Public_Administrative_Reform_System_Post-Independence_in_Nigeria [Accessed June 2018]
- Allen-Ile, C.O. Kanyane, M.H. and Ile, I.U. 2015. Governance and resource management in Southern Africa: Challenges and strategies for advancement. Reach Publishers.
- Ashiagbor, D., Satyamurthy, N., Casey, M. and Asare, J. 2014. Pension funds and private equity: Unlocking Africa's potential, making finance work for Africa. Available at: http://www.avca-africa.org/media/1329/pension_funds_and_private_equity_2014.pdf [Accessed September 2015].
- Bowen, G.A. 2009. Document analysis as a qualitative research method. *Qualitative Research Journal*, 9(2), 27-40.
- Cameron, J. 2014. Best of biggest retirement fund managers: Performance snapshots; Wealth building, BizNews.com. Available at: <http://www.biznews.com/wealth-building/2014/03/07/best-biggest-retirement-fund-managers-latest-performance-snapshots/> [Accessed September 2015].
- Cornforth, C. 2003. *The governance of public and non-profit organisations*. Taylor & Francis.
- Drechsler, W. 2005. *The rise and demise of the New Public Management*. University of Tartu and Tallinn University of Technology, Estonia.
- Ettema, E. 2011. Teacher retirement preferences and behaviour. PhD dissertation, Vanderbilt University.
- Government Employees Pension Fund (GEPF). 2011. Annual Report: 2010/2011 financial years. Pretoria: Government Employees Pension Fund.
- Government Employees Pension Fund (GEPF). 2012. Annual Report: 2011/2012 financial years. Pretoria: Government Employees Pension Fund.
- Government Employees Pension Fund (GEPF). 2013. Annual Report: 2012/2013 financial years. Pretoria: Government Employees Pension Fund.
- Government Employees Pension Fund (GEPF). 2014. Annual Report: 2013/2014 financial years. Pretoria: Government Employees Pension Fund.
- Government Employees Pension Fund (GEPF). 2015. Annual Report: 2014/2015 financial years. Pretoria: Government Employees Pension Fund.

- Government Pensions Administration Agency (GPAA). 2012. Modernization Programme Change Management Initiatives Report 2011-2012: Internal Reports. Pretoria: GPAA.
- Government Pensions Administration Agency (GPAA). 2014. GPAA Strategic Plan 2013-2018. Pretoria: GPAA.
- Government Pensions Administration Agency (GPAA). 2016. Client relationship management: April. Internal Reports. Pretoria: GPAA.
- Government Pensions Administration Agency (GPAA). 2020. Internal Reports by Chief Information Officer (CIO) Meiring Coetzee [Accessed on 11 August 2020].
- Hague, R. and Harrop, M. 2013. *Political science: A Comparative Introduction – Comparative Government and Politics*. Edition 7. Palgrave Macmillan.
- Hansen, J.S. 2008. Teacher pensions: A background paper. Washington, DC: Committee for Economic Development.
- Heystek, J. 2007. Reflecting on principals as managers or moulded leaders in a managerialistic school system. *South African Journal of Education*, 27(3), 491-505.
- Hood, C. 1995. The “New Public Management” in the 1980s: Variations on a theme. *Accounting, Organizations and Society*, 20(2/3), 93-109.
- Kazmier, L.J. 1969. *Principles of management*. McGraw-Hill.
- King, M.E. 2006. *The corporate citizen: Governance for all entities*. Penguin Books.
- Masilela, E. 2009. World rankings: GEPP right up there: Today’s trustee. December 2008 – February 2009. Available at: http://www.totrust.co.za/200811_world_rankings.htm [Accessed September 2015]
- Mouton, N., Louw, G.P. and Strydom, G.L. 2012. A historical analysis of the post-apartheid dispensation education in South Africa (1994-2011). *International Business & Economics Research Journal*, 11(11).
- National Treasury. 2012a. Preservation, portability and governance for retirement funds: Technical Discussion Paper for public comment. Available at: http://www.treasury.gov.za/comm_media/press/2012/Preservation%20portability%20and%20governance%20%2021%20Sept%202012%20.pdf
- National Treasury. 2012b. Strengthening retirement savings: Overview of the 2012 Budget proposals. Available at: http://www.treasury.gov.za/comm_media/press/2012/2012051402.pdf [Accessed 20 April 2016].
- Ndaliso, C. 2015. Department to speed up pension payouts. *Daily News*. 21 July.

- Newton, K. and Van Deth, J. 2005. *Foundations of comparative politics*. Cambridge: Cambridge University Press.
- Osborne, S.P., Radnor, Z. and Nasi, G. 2013. A new theory for public service management? Toward a (public) service-dominant approach. *American Review of Public Administration*, 43(2), 135-158.
- O'Toole, L.J. 2004. The theory-practice issue in policy implementation research. *Public Administration*, 82(2), 309-329.
- Parliamentary Monitoring Group (PMG). 2017. Government employee pension, payout, etc. <https://pmg.org.za/committee-meeting/23904/> [Accessed 6 July 2021].
- Phaladi, G. 2008. Socially Responsible Investing (SRI). 360° Snapshot of responsible investing. <https://www.riscura.com/wp-content/uploads/2008/11/ThinkNotes-SRI-Given-Nov08.pdf> [Accessed 18 June 2018].
- Pollitt, C. 1995. Justification by works or by faith? Evaluating the New Public Management. *Evaluation*, 1(2), 133-154.
- Pollitt, C., Van Thiel, S. and Homburg, V. 2007. *New Public Management in Europe: Adaptation and alternatives*. Palgrave Macmillan.
- Public Protector. 2008. Report on a systemic investigation into the deficiencies with the processing of pension benefits payable to former government employees and their dependants. Available at: http://www.pprotect.org/library/investigation_report/PENSIONS%20REPORT%20FINAL.pdf [Accessed 25 June 2016].
- Public Protector. 2013. Public Protector releases finalised investigation reports. <https://www.gov.za/public-protector-releases-finalised-investigation-reports> [Accessed 25 June 2016].
- Punch, K.F. and Qancea, A. 2014. *Introduction to research methods in education*. London: Sage Publications.
- Reed, D.I. 1999. Stakeholder management theory: A critical theory perspective. *Business Ethics Quarterly*, 9, 453-483.
- Republic of South Africa (RSA). 1996a. Constitution of the Republic of South Africa No. 108 of 1996. Pretoria: Government Printers.
- Republic of South Africa (RSA). 1996b. Government Employees Pension Law No 21 of 1996. Pretoria: Government Printers.
- Republic of South Africa (RSA). 1999. Public Finance Management Act of 1999. Pretoria: Government Printers.

Republic of South Africa (RSA). 2000. Promotion of Administrative Justice Act, 2000 No. 3 of 2000. Pretoria: Government Printers.

Rule, P. and John, V. 2011. *Your guide to case study research*. Cape Town: Van Schaik.

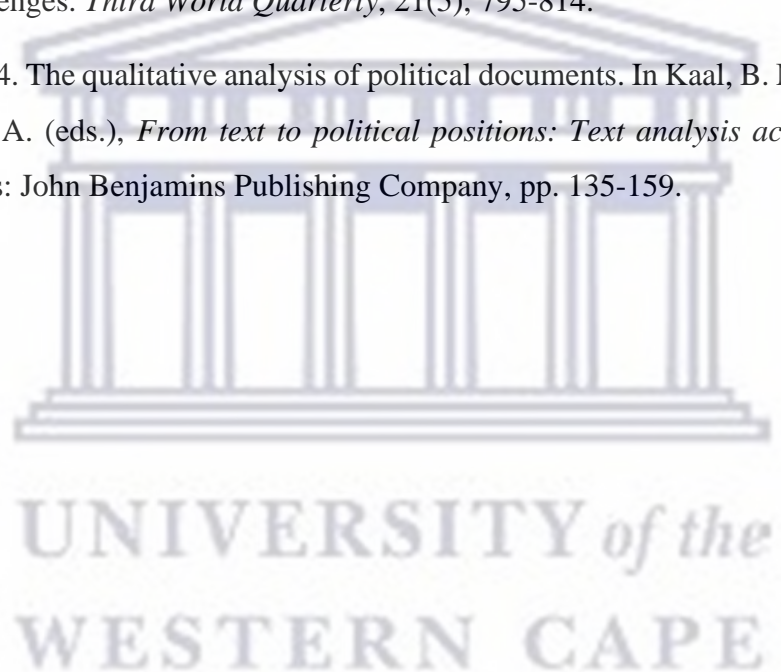
Shah, A.M. 2008. Macro federalism and local finance. Public sector governance and accountability series. World Bank Publications.

Stillman II, R.J. 1984. *Public administration concepts and cases*. Third edition. Boston: Houghton Mifflin Company.

Tjosvold, D. 1984. *Cooperation theory and organizations: Human relations*. Sage Publications. <https://doi.org/10.1177%2F001872678403700903>

Weiss, T.G. 2000. Governance, good governance and global governance: Conceptual and actual challenges. *Third World Quarterly*, 21(5), 795-814.

Wesley, J.J. 2014. The qualitative analysis of political documents. In Kaal, B. Maks, I. and Van Elfrinkhof, A. (eds.), *From text to political positions: Text analysis across disciplines*. Netherlands: John Benjamins Publishing Company, pp. 135-159.



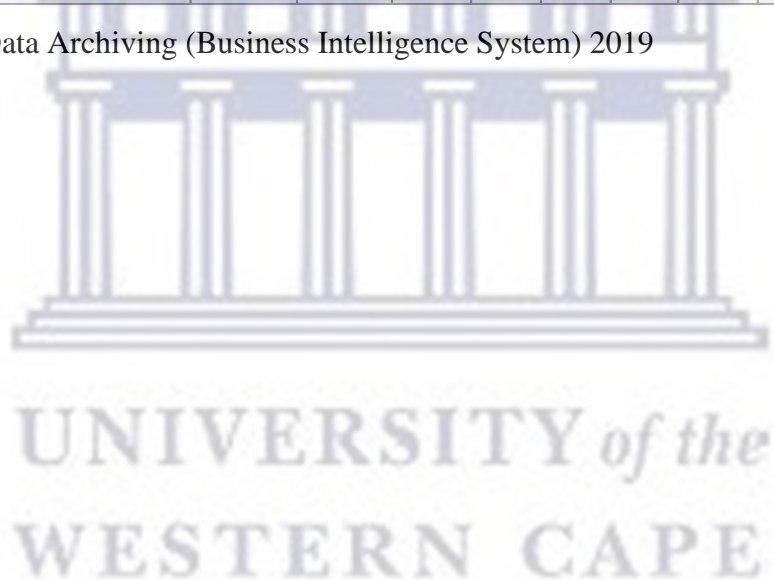
APPENDICES

Table 26: Modes of submission, types of exit and period to pay for GEPF (2016-2018)

Liability Date Analysis												
Year	Procesing Channel	Exit Type Desc	# Members Paid	Avg Liability Yearly	0-45	46-60	61-75	75+	% paid within 0-45 days	% paid within 46-60 days	% paid within 0-60 days	% paid OVER 60 days
2016	Manual	Death	1 781	106	407	310	273	791	22.85	17.41	40.26	59.74
		Resignation/Desertion	8 869	39	6 516	1 027	517	809	73.47	11.58	85.05	14.95
		Retirement	7 676	37	5 919	595	369	793	77.11	7.75	84.86	15.14
		Transfer Between Funds	1 034	40	751	132	61	90	72.63	12.77	85.40	14.60
	Old eChannel to Manual	Death	3 603	83	787	595	595	1 626	21.84	16.51	38.36	61.64
		Resignation/Desertion	18 701	35	14 299	2 138	1 059	1 205	76.46	11.43	87.89	12.11
		Retirement	21 443	30	17 027	2 074	1 071	1 271	79.41	9.67	89.08	10.92
		Transfer Between Funds	1 905	35	1 442	234	114	115	75.70	12.28	87.98	12.02
	PCM eChannel to Manual	Death	774	82	159	100	133	382	20.54	12.92	33.46	66.54
		Resignation/Desertion	3 964	39	2 717	509	345	393	68.54	12.84	81.38	18.62
		Retirement	2 074	25	1 769	108	75	122	85.29	5.21	90.50	9.50
		Transfer Between Funds	500	42	323	74	46	57	64.60	14.80	79.40	20.60
Total			72 324	39	52 116	7 896	4 658	7 654	72.06	10.92	82.98	17.02
2017	Manual	Death	1 145	121	224	130	146	645	19.56	11.35	30.92	69.08
		Resignation/Desertion	3 898	55	2 403	513	289	693	61.65	13.16	74.81	25.19
		Retirement	5 368	50	3 529	606	377	856	65.74	11.29	77.03	22.97
		Transfer Between Funds	526	49	322	83	41	80	61.22	15.78	77.00	23.00
	Old eChannel to Manual	Death	3 298	102	787	359	381	1 771	23.86	10.89	34.75	65.25
		Resignation/Desertion	7 777	36	6 045	532	341	859	77.73	6.84	84.57	15.43
		Retirement	11 972	31	9 503	842	493	1 134	79.38	7.03	86.41	13.59
		Transfer Between Funds	1 030	31	846	65	35	84	82.14	6.31	88.45	11.55
	PCM eChannel to Manual	DEATH_IN_SERVICE	10	3	10	0	0	0	100.00	0.00	100.00	0.00
		DISCHARGE	10	3	10	0	0	0	100.00	0.00	100.00	0.00
		Death	3 225	86	821	460	458	1 486	25.46	14.26	39.72	60.28
		RESIGNATION	46	3	46	0	0	0	100.00	0.00	100.00	0.00
		RETIREMENT	39	1	39	0	0	0	100.00	0.00	100.00	0.00
		Resignation/Desertion	14 257	35	10 813	1 549	848	1 047	75.84	10.86	86.71	13.29
		Retirement	14 409	29	11 461	1 456	692	800	79.54	10.10	89.65	10.35
		Transfer Between Funds	1 739	37	1 256	234	113	136	72.23	13.46	85.68	14.32
Total			68 749	42	48 115	6 829	4 214	9 591	69.99	9.93	79.92	20.08

2018	Manual	Death	284	182	43	17	27	197	15.14	5.99	21.13	78.87
		Resignation/Desertion	758	71	440	69	56	193	58.05	9.10	67.15	32.85
		Retirement	1 462	61	907	159	95	301	62.04	10.88	72.91	27.09
		Transfer Between Funds	131	70	60	17	16	38	45.80	12.98	58.78	41.22
	Old eChannel to Manual	Death	381	149	45	56	47	233	11.81	14.70	26.51	73.49
		Resignation/Desertion	677	57	499	49	34	95	73.71	7.24	80.95	19.05
		Retirement	1 370	31	1 174	72	49	75	85.69	5.26	90.95	9.05
		Transfer Between Funds	98	39	74	8	4	12	75.51	8.16	83.67	16.33
	PCM eChannel to Manual	Death	5 876	85	1 228	873	905	2 870	20.90	14.86	35.76	64.24
		RESIGNATION	6	-17	6	0	0	0	100.00	0.00	100.00	0.00
		RETIREMENT	5	7	5	0	0	0	100.00	0.00	100.00	0.00
		Resignation/Desertion	23 355	24	20 519	1 360	628	848	87.86	5.82	93.68	6.32
		Retirement	33 945	28	28 554	2 558	1 283	1 550	84.12	7.54	91.65	8.35
		Transfer Between Funds	3 117	28	2 579	251	133	154	82.74	8.05	90.79	9.21
Total			71 465	34	56 133	5 489	3 277	6 566	78.55	7.68	86.23	13.77

Source: GEPP Data Archiving (Business Intelligence System) 2019



5.3.2. National departments

Table 27: Total number of exit cases paid – 2009/2010 to 2016/2017 from various departments

DEPARTMENT TYPE	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017
Education	24 997	23 023	31 078	26 794	29 129	33 491	36 688	31 886
Health	15 689	13 625	12 975	12 839	15 435	20 586	20 845	17 810
Defence and Military Veterans	2 801	2 088	1 563	1 406	1 802	2 041	2 528	2 393
Labour	302	212	196	201	475	300	297	303
Higher Education	212	156	177	227	234	279	589	858
Agriculture and Fisheries	1 031	880	929	827	980	1 117	776	1 075
Economic Development Affairs	191	164	200	171	116	251	264	123
Justice	646	584	557	558	720	852	881	877
Local Government	269	258	290	203	289	286	236	285
Transport, Roads and Public Works	2 027	3 126	2 116	1 749	1 996	1 985	2 478	2 689
Office of the Premier	203	116	145	145	204	203	206	214
Office of the President	24	33	31	12	18	23	20	31
Rural Development	516	392	436	355	421	492	631	529
Social Development	834	800	722	1 111	1 076	1 113	1 372	1 741
Sports and Recreation	44	29	1 375	31	39	39	154	48
Arts, Culture and Tourism	172	129	40	159	161	161	254	150
Community Safety	153	133	102	144	134	227	167	177
Finance and Shared Services	170	35	27	33	42	25	43	66
Treasury	177	198	167	177	235	264	296	242
Housing	103	73	98	70	84	81	114	95
Legislature	35	39	11	11	28	33	36	35
Independent Electoral Commission	4	9	5	17	19	13	24	22
Independent Complaints Directorate	13	14	11	6	17	14	10	19
Government Printers	34	24	20	18	21	31	16	18
Social Welfare	131	112	89	59	80	109	126	93
Environment and Land Affairs	67	569	210	331	346	261	197	42
SARS	561	510	512	557	765	766	530	491
SAPS	5 238	5 078	4 928	3 964	4 512	5 458	6 218	6 768
SAWS	26	26	12	9	11	12	6	6
Auditor General	19	18	20	11	11	12	10	13
Correctional Services	1 079	1 016	1 104	1 153	1 458	2 056	1 804	1 539
Human Affairs and Settlements	211	147	144	170	175	168	164	291
International Relations	92	81	68	87	74	81	83	82
Administration Board	41	157	169	121	38	46	38	68
Central Statistical Services	72	88	84	69	94	92	91	77
Armcor	30	12	17	17	18	27	22	25
Others	3 401	876	546	795	1 514	2 334	1 569	2 583
TOTALS	61 615	54 830	61 174	54 607	62 771	75 329	79 783	73 764

Source: GEFP Data warehouse Lucas Kgari 14 January 2020