



UNEMPLOYMENT
INSURANCE FUND
REVISED
STRATEGIC PLAN
2020 — 2025



REVISED
STRATEGIC PLAN
2020 – 2025



employment & labour

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TOP LEADERSHIP

The best executive is the one who has sense enough to pick good men to do what he wants done, and self-restraint enough to keep from meddling with them while they do it.

—Theodore Roosevelt



Teboho Maruping
UIF COMMISSIONER

Boitumelo Moloi
DEPUTY MINISTER

Thulas Nxesi
MINISTER

Thobile Lamati
DIRECTOR-GENERAL



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ACRONYMS

APP	Application
BT&R	Business Turnaround and Recovery
CF	Compensation Fund
COVID-19	Corona Virus Disease of 2019
DEL/Department	Department of Employment and Labour
ED	Enterprise Development
FSCA	Financial Sector Conduct Authority
ICT	Information and Communications Technology
LAP	Labour Activation Programmes
MTSF	Medium Term Strategic Framework
NATJOC	National Joint Operational Centre
NDP	National Development Plan
NEDLAC	National Economic Development and Labour Council
NEET	Neither in Employment, Education nor Training
NPA	National Prosecuting Authority
PES	Public Employment Service
PIC	Public Investment Corporation
QES	Quarterly Employment Statistics
QLFS	Quarterly Labour Force Survey
Stats SA	Statistics South Africa
SARB	The South African Reserve Bank
SIU	Special Investigating Unit
SOEs	State Owned Entities
SRI	Socially Responsible Investment
TERS	Temporary Employer/Employee Relief Scheme
TLS	Training of Layoff Scheme
UI Act	Unemployment Insurance Amendment Act
UIF/ Fund	Unemployment Insurance Fund
USSD	Unstructured Supplementary Service Data
WABU	Workers Affected by Unrest



FOREWORD BY THE MINISTER

It has been over 22 months since COVID-19 Temporary Employer/Employee Relief (TERS) scheme was introduced to save jobs and ease the financial burden on businesses and most importantly, their vulnerable workers who lost income during the lockdown. Governments across the world imposed restrictions on movement of people and business activities to curb the spread of the COVID-19 pandemic and implemented an employment and social protection response to protect people's health, employment and incomes during the lockdown.

Likewise, our government declared the National State of Disaster in March 2020 and introduced a R 500 billion stimulus package to keep the economy afloat during the lockdown. As part of the stimulus package, the Department of Employment and Labour launched the National Disaster Relief Fund to provide wage relief to employees affected by the lockdown.

When the relief was announced on 27 March 2020 an amount of R 40 billion rand was allocated to cover workers for a period of three months. However, due to continued extensions of the National State of Disaster by 31 January 2022, UIF had dispersed over R63 billion to over 14 million applications lodged on behalf of employees by the employers. This assisted in preventing permanent shutdown of many businesses that could not pay salaries and wages to their workers.

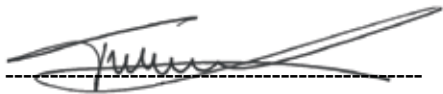
The COVID-19 TERS relief is by far the most effective of government intervention as it constitutes 29% of the 41% stimulus package successfully disbursed by 31 March 2021. The administration of the scheme called for the complete repositioning of the UIF to meet a new mandate and on a trot, new policies and directives had to be developed to meet the expectation. There had to be changes to processes, procedures and systems without any reference for this scale of operation. To enhance capacity and service delivery, the Fund also added 290 call centre agents to help clients with UIF enquiries.

The advent of COVID-19 interrupted the programme we had started of re-imaging the UIF to provide an improved service to beneficiaries and ramp up efforts to create new jobs and preserve the existing ones as per our new mandate. However, all was not lost as implementation of COVID-19 TERS presented invaluable lessons about the robustness of our systems, processes and the level of skills we have in the Fund. These lessons will serve as invaluable input as we recommence to reconfigure the UIF.

As we plan for the remaining three years of the MTSF period, the work to reconfigure UIF will be accelerated to ensure that we achieve all outcomes outlined in this MTEF period. The Labour Activation Programme, which is the department's flagship project for job creation and job preservation is undergoing a revamp process to make it more responsive to the employment imperative and building of skills that are much needed in the economy.



The investment mandate with the Public Investment Corporation will also be reviewed to ensure its alignment to job creation and job preservation. As the department we want to leverage on these instruments to create an inclusive economy, create employment opportunities, and provide job security for workers.

A handwritten signature in black ink, appearing to read 'T.W. Nxesi', is written over a horizontal dashed line.

T.W Nxesi, MP

Minister of Employment and Labour



FOREWORD BY THE ACCOUNTING AUTHORITY

The Coronavirus (COVID-19) pandemic has continued to thrust the expanded mandate of the Department of Employment and Labour into the spotlight. This as various alert levels of the lockdowns have led to retrenchments, compelled businesses to completely partially or close, restricted movement, as well as reduced and threatened the income of many vulnerable workers.

To curb the rapid spread of the virus and loss of life whilst enabling some economic activity, the President announced a comprehensive and ground-breaking economic-financial relief package to support the economy, businesses and workers during the different alert levels of the lockdowns. Through the Unemployment Insurance Fund (UIF), the Department of Employment and Labour provided wage subsidies for their workers that were affected by the lockdowns and continues to assist employers to that end.

The UIF initially set aside a budget of R40 billion to finance the COVID-19 Temporary Employer/Employee Relief Scheme (COVID-19TERS) for a period of three months. However, the monthly extensions of the national state of disaster and limited economic activity necessitated that COVID-19 TERS be extended several times until 25 July 2021. It has been over 20 months since COVID-19 TERS was introduced to save jobs and ease the financial burden on businesses and most importantly, their vulnerable workers who lost income during the lockdown.

Since then, the UIF has disbursed R63 billion bringing relief to about 5,4 million workers since the start of the lockdown last year thus ensuring that the South African economy does not tank and that workers are not left destitute. The figure is the biggest amount that has been paid by the government to help workers, businesses and the economy mitigate the impact of the lockdowns. While the UIF remarkably executed this mammoth task of assisting so many employees during a global pandemic with speed and competence, some payments regrettably landed in the wrong hands due to fraud and corruption that was made easy by poor control measures in the new system.

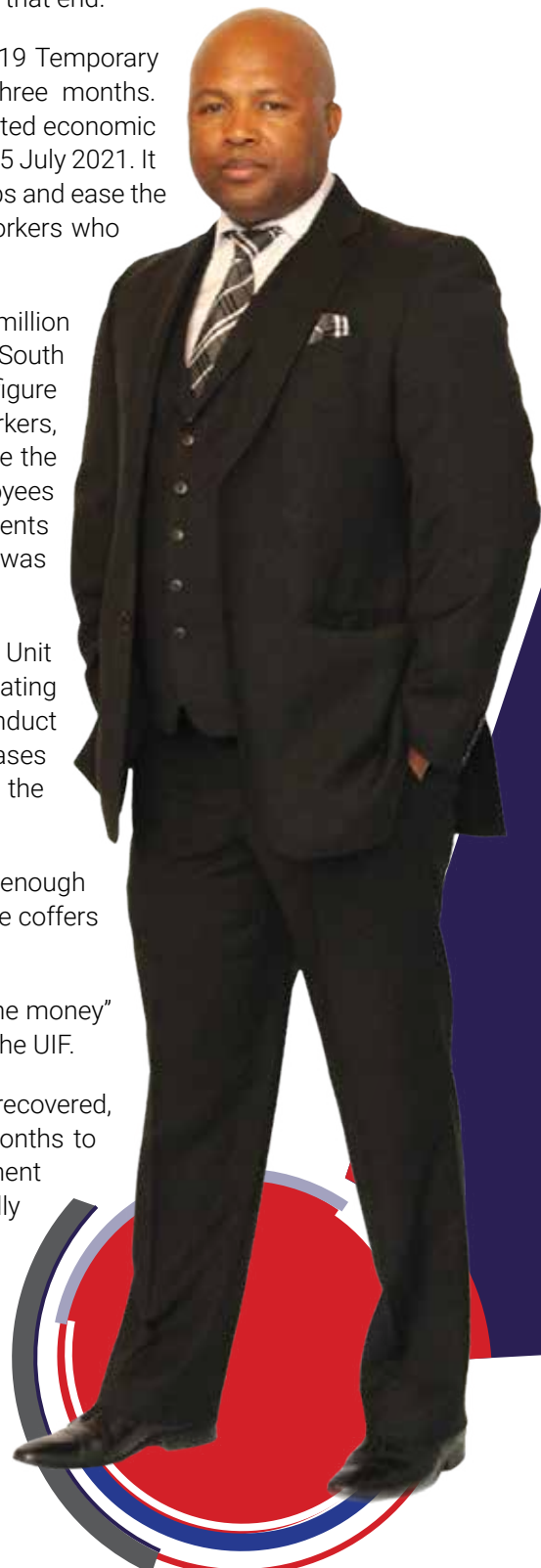
However, the proactive and concerted efforts of our Risk Management Unit working with the South African Police Services' HAWKS, Special Investigating Unit (SIU), National Prosecuting Authority (NPA), Financial Sector Conduct Authority (FSCA), as well the banking institutions led to many fraudulent cases being detected, paving the way for several arrests and prosecution of the culprits as well as return of the wrongly claimed monies.

Some employers who received more than what they deserved were kind enough to return the funds to the UIF. This helped to add close to R1,2 billion to the coffers of the Fund.

Our extensive investigations and through the involvement of the "follow the money" project's forensic audits, we managed to recover close to R900 million to the UIF.

We envisage that more arrests will be effected and additional monies will be recovered, as the "follow the money" project is being extended with a further 12 months to ensure that every rand and cent paid is accounted for. While the Department was seized with the COVID-19 TERS Benefit payments, attention was equally given to the payments of ordinary UIF benefits such as Unemployment benefits and Maternity benefits.

Between March 2020 to October 2021 more than 1.7 million beneficiaries received the UIF benefits to the tune of 30.1 billion, with the Unemployment Benefits taking the lion's share of close to R25 billion. The sustained



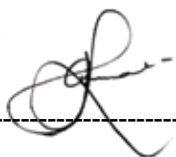
funding of COVID-19 TERS beyond the initial three months remained a concern for us when we exceeded the initial R40 billion budget by at least R23 billion.

The Fund's already reduced surplus due to lethargic economic growth and reduced monthly contributions as a result of retrenchments was gradually becoming constrained and obligated the Department to reconsider further extensions of COVID-19 TERS. While our work has persisted, it was disappointing to witness our country resembling a war zone, as various acts of unrest engulfed in KwaZulu-Natal and Gauteng Provinces. The turmoil was accompanied by a myriad of violence, looting and destruction of property and assets.

In the aftermath, over 300 lives were lost, billions of Rands' worth of damage were reported and our initial assessment revealed that at least 75 000 workers were affected which did result in temporary work stoppage or retrenchment. Led by the Minister of Employment and Labour, Thulas Nxesi, we visited parts of Gauteng and KwaZulu-Natal to inspect the damage and engage employers and workers. We also announced the establishment of the Workers Affected by Unrest (WABU): Temporary Financial Relief Scheme through the UIF to provide wage support to workers.

As a Department, we have certainly taken best practices and learned from the implementation of the COVID-19 TERS Benefits. We will also be accelerating our toils and unwavering in our resolve to fast-track a repurposed UIF that delivers excellent service to its clients and stakeholders all the time.

Our ultimate goal is to have an efficient UIF of the future that is able to process and pay claims within 24 hours, and optimally leverage on proficient Information and Communications Technology systems that lead to greater customer satisfaction and service delivery.



T.M LAMATI

DIRECTOR-GENERAL





COMMISSIONER'S STATEMENT

South Africa has been gripped by stagnant economic growth in the past five years resulting in massive job losses, thereby adding more people on the unemployment queue. The advent of the COVID-19 pandemic in 2020 plunged the economy into a recession, thus increasing unemployment to a record high of 34.9 per cent in the third quarter of 2021.

The Unemployment Insurance Fund (UIF), as a government entity mandated to provide social security to vulnerable workers stepped up to the plate and threw a lifeline to many employees insured with the Fund. In the past five years, the UIF has witnessed an exponential increase in the number of claims approved for unemployment benefits. In 2015/16 financial year we approved 568 408 claims, and this number has increased by 43.7% in the past five years to 918 916 in the 2020/21 financial year.

This indicates that unemployment has been growing at an alarming rate which poses a financial risk to the Fund because, as more beneficiaries lose their jobs, our revenue base declines yet on the other hand claims increase. Therefore, we see ourselves as key catalysts in preserving existing jobs and actively participating in the creation of new jobs. This will not only assist in reducing unemployment, but will also ensure future sustainability of the Fund, as the revenue source improves.

The Fund will leverage on its investments as a catalyst for creating new jobs and saving the existing ones. Although our investment portfolio has declined by 24% due to COVID-19 TERS payments to millions of workers during the lockdown restrictions, healthy returns received in the second quarter of 2021 will enable us to invest in ventures that generate massive employment, as well as initiatives geared towards cutting edge technology. In the MTEF period the building of the Fund's financial sustainability will be critical. We shall revisit the Project Development Partnership Fund that we launched in 2018 to assist small to medium companies that want to bring new technological products and services into the market.

The Department of Employment and Labour recently had a session to review the role of the UIF's Labour Activation Programmes (LAP). This was made necessary by the need to align LAP funded projects with the employment element of the department's mandate, which means every learner that goes through our training programmes must ultimately be absorbed in the job market. The second most important objective of the session was to review LAP's capacity and ability to swiftly respond to the needs of companies in distress, and proactively identify opportunities to collaborate with stakeholders in job creation and job preservation initiatives.

Therefore, as we implement the strategy for the remaining years of the MTSP period, we see LAP playing a critical role in intergovernmental efforts of job creation, and we will put more effort in building capacity in this programme in order to achieve a high level of efficiency.

In order to position the Fund to be able to discharge its mandate effectively and efficiently, the Fund will embark on a process to function as a schedule 3A entity. Currently the Fund does not operate as a schedule 3A entity even though it is categorised as such by the PFMA. This change will enable the Fund to expeditiously respond to its dynamic needs such as procurement of innovative ICT infrastructure, and other relevant resources. The audit outcomes of the Fund have been concerning in



recent years and such the Fund will seek to address the governance issues with a particular focus on the root causes. The objective to obtain the clean audit outcome in the 2023-2024 is still being pursued.

As we march towards 2025 we want to increase the service delivery trajectory of the Fund. Prior to the pandemic we had already started with initiatives to improve service delivery by leveraging on technology and changing some of our processes. A remarkable improvement has been observed since we decentralised processing of online claims from head office to the provinces. We are going to accelerate the implementation of the UIF mobile APP and USSD to assist clients who want to enquire about various aspects of their claims which will help reduce queues at labour centres, as well as travel money for our clients.

The UIF will continue maintaining sound relations with all strategic stakeholders including the National Economic Development and Labour Council (NEDLAC), State Owned Entities, Training Partners, and Banks, amongst others. These stakeholders play a pivotal role in assisting the Fund to achieve its objectives and executing its mandate.

We are thankful for the tireless support of the Minister, Deputy Minister and the Director-General of the Department of Employment Labour, and we look forward to their continued support.

Thank you

A handwritten signature in black ink, consisting of a large, stylized 'T' and 'M' intertwined, with a horizontal line drawn through the middle of the signature.

Teboho Maruping

Unemployment Insurance Fund Commissioner



OFFICIAL SIGN-OFF

It is hereby certified that this Strategic Plan:

- Was developed by the management of the Unemployment Insurance Fund (UIF) under the guidance of Honourable Minister TW. Nxesi.
- Takes into account all the relevant policies, legislation and other mandates for which the UIF is responsible.
- Accurately reflects the Impact, Outcomes and Outputs which the UIF will endeavour to achieve over the period 2020- 2025.

J Kumbi

Chief Director: Operations

T Thejane

Acting Chief Director: Labour
Activation Programme

M Yawa

Chief Director: Corporate Services

F Puzi

Chief Financial Officer

T Mokgahla

Head of Planning

T Maruping

UIF Commissioner

T.M Lamati

Accounting Authority

B.E Moloi, MP

Deputy Minister

T Nxesi, MP

Executive Authority





OUR MANDATE

PART A



PART A: OUR MANDATE

1. Constitutional mandate

As a social insurance and thus a critical component of social security, the Unemployment Insurance Fund's supreme mandate is derived from section 27 (1) (c) of the Constitution of the Republic of South Africa which states that everyone has the right to social security.

2. Legislative and policy mandates

2.1 Legislative Mandate

The mandate of the UIF is stated in the Unemployment Insurance Act (Act 63 of 2001) as amended, and established in terms of section 4(1) of the Act. The Act empowers the UIF to register all employers and employees in South Africa and pay those who qualify for unemployment insurance benefits. The Unemployment Contributions Act (Act 4 of 2002 "UCA") empowers the South African Revenue Services Commissioner and the UIF Commissioner to collect monthly contributions from both employers and employees.

Section 9 of the Unemployment Contributions Act empowers the UIF Commissioner to collect contributions from all those employers who are not required to register as employers in terms of the fourth schedule of the Income Tax Act (Act 58 of 1962) and who are not liable for the payment of the skills development levy in terms of the Skill Development Act (Act 9 of 1999). These contributions are used for the payment of benefits and other expenditures reasonably incurred relating to the application of the Act.

2.2 Policy Mandate

The UIF is expected to make a contribution to the following priorities of the sixth administration:

- Priority 1: Capable, Ethical and Developmental State
- Priority 2: Economic Transformation and Job Creation
- Priority 4: Consolidating Social Wage through reliable and Basic Services

Overall, the UIF is expected to provide adequate social safety net to protect vulnerable workers through the following pieces of legislation:

- Unemployment Insurance Act, 30 of 2001, as amended (UIA).
Purpose: The Act empowers the UIF to register all employers and employees in South Africa for unemployment insurance benefits.
- Unemployment Insurance Contributions Act, 4 of 2002.
Purpose: to provide for the imposition and collection of contributions for the benefit of the Unemployment Insurance Fund; and to provide for matters connected therewith.

3. Institutional Policies and Strategies over the five year planning period

This Annual Performance Plan takes into consideration the National Development Plan (NDP), the NDP Five-Year Implementation Plan, the Medium Term Strategic Framework (MTSF) and the Fund 'strategic plan.

The Fund will continue to work with government in its effort to develop a Comprehensive Social Security Paper in order to ensure that vulnerable workers that are currently excluded from the current UI Legislation are covered. These include self-employed, Informal Sector work, Platform work, Consultancy, and Artists and Entertainer's work.

4. Relevant Court Rulings

Specific court rulings that have a significant, ongoing impact on operations or service delivery obligations

Parties	Amount Claimed	Nature Of Claim	Status	Attorneys Particulars
Musanga and others vs The Minister of Labour	R110 292.07	Unemployment benefits	pending	M Mthetho mmthetho@justice.gov.za

Musanga and Others V Minister of Labour and Others

The effect of Musanga case to the unemployment Insurance Fund (hereinafter, Fund) is that it has extended the scope of benefits in that the definition of identity document has been amended to include the Asylum Seeker permits. This order sets out that from the date of the order, the Fund is mandated to take applications of Asylum seekers who have made contributions.





OUR STRATEGIC FOCUS

PART B



PART B: OUR STRATEGIC FOCUS

1. Vision

A caring, accessible and customer centric UIF that contributes towards poverty alleviation.

The UIF vision can further be elaborated as follows:

- **Caring-** After interacting with the UIF, customers should feel that their needs are being addressed, and that the UIF empathises and solves the customers' queries/problems;
- **Accessible-** The customer should be able to access the UIF through a variety of channels and locations. Increasing customer convenience should be at the centre of any planned ease of access measures; and
- **Customer-centric-** The customer should be placed at the centre of the UIF's processes and procedures. Business activities and relief processes should support the idea of being customer centric.

2. Mission

Through multiple channels, the UIF will provide social insurance benefits and improve coverage to vulnerable workers and contributors. The Fund will further contribute to economic growth through funding the retention and re-entry of contributors into employment.

The new mission can be further elaborated as follows:

- **Multiple Channels** - The UIF will ensure accessibility of its services through various channels and across different physical locations.
- **Social Insurance Benefits** - Refers to the following financial benefit claims provided under the UI Act and Labour Laws Amendment Act and paid out to UI Contributors:
 - Unemployment Benefits
 - Maternity Benefits
 - Illness Benefits
 - Adoption Benefits
 - Dependant's Benefits
 - Parental Benefits
- **Vulnerable Workers** - The UIF will contribute to the improvement of the lives of the vulnerable workers by funding their training and business development interventions.
- **Improve Coverage** - UIF benefits access is currently limited to employees as defined in the UI Contributions Act 4 of 2002, and no other persons outside the scope defined in the Act can access the benefits, including self-employed persons, persons working in the informal sector, artists in the arts and entertainment and recent graduates. The Act will be amended to increase much-needed coverage of these groups in order to reduce unemployment and contribute to job creation and entrepreneurship.
- **Funding the Retention and Re-entry of Contributors into the employment** - In order to improve the lives of the UIF contributors, ensure their continuation of contribution payments and contribute to economic growth, the UIF will provide funding for interventions (such as training, business development) that are aimed at enabling retrenched workers to re-enter into employment (as employees or as self-employed).

3. Values

The UIF subscribe to the following values:

	VALUES	DESCRIPTION
	Transparency	We will be open to all stakeholders without reservations on dealings within the Fund.
	Mutual Respect	We will respect our colleagues and stakeholders and treat them as we want to be treated.
	Client-centred service	The customer should be placed at the centre of the UIF's processes and procedures. Business activities and relief processes should support the idea of being customer centric.
	Integrity	We will communicate openly, honestly and build relationships based on trust.
	Accountability	We will own up to our responsibilities in relation to our behaviour, actions and results.
	Teamwork	We will involve each other, work together across the organisation, seek ideas and share solutions.
	Caring for our people	We treat employees with care, dignity and respect. We grow our people for performance excellence.
	Excellence	We will achieve a total customer satisfaction by providing excellent and world - class services to our stakeholders.

4. UIF VALUE CHAIN

Vision - A caring, accessible and customer centric UIF that contributes towards poverty alleviation.

Mission - Through multiple channels UIF will provide social insurance benefits and improve coverage to vulnerable workers and contributors. UIF will further contribute to economic growth through funding the retention and re-entry of contributors into employment.

Values :Transparency, Mutual respect, Client-centred services, Integrity, Accountability, Team work, Caring for our people, Excellence



Section 5(d) "Financing of the retention of contributors in employment and the re-entry of contributors into the labour market and any other scheme aimed at the vulnerable workers"

Themes: 1. Contribute to economic growth 2. Convert unemployed beneficiaries into contributors 3. Poverty alleviation

Registration Indicators	Declaration indicators	Contributions indicators	Claims Indicators	LAP Indicators	Investment indicators
<ul style="list-style-type: none"> Number of newly registered employees Number of newly registered employers 	<ul style="list-style-type: none"> % of new companies created with a registration document 	<ul style="list-style-type: none"> % increase in contribution revenue 	<ul style="list-style-type: none"> Turn around time to process claims 	<ul style="list-style-type: none"> Beneficiaries employability Percentage of TERS processed Monitoring of funded projects 	<ul style="list-style-type: none"> Percentage return on listed investments \geq the benchmark

Government priorities

Priority 1: Capable, Ethical and Developmental State	Priority 2: Economic Transformation and Job Creation	Priority 4: Consolidating Social Wage through reliable and basic services
Impact statement: A Labour market which is conducive to decent employment		
<ul style="list-style-type: none"> Improved audit opinion obtained from auditors Improved turnaround time to pay suppliers Improved turnaround time to resolve reported incidents of fraud and corruption Improved claims management system Increased verification of identified COVID-19 TERS payments Improved Human Resource Capacity 	<ul style="list-style-type: none"> Improved participation of beneficiaries in employability programmes Sustainable enterprises Improved turnaround time to approve or reject Temporary Employer Employee Relief Scheme applications 	<ul style="list-style-type: none"> Improved social security coverage

DATA MANAGEMENT

UIF SWOT Analysis

S	W	O	T
There is a political will to focus energies on the creation of employment.	Lack of clear direction regarding the "Employment" in Department of Employment and Labour. No way forward on the "how" employment will be created.	DEL- new emphasis on "Employment" provides the UIF the opportunity to be more proactive in dealing with unemployment.	Governance challenges at the PIC compromises valid Investment decisions of UIF Financial resources Widespread misunderstanding of the utilisation or lack thereof of UIF funds
Healthy Financial Portfolio	Shared ICT Service Provider contracts with the DEL delays service delivery for the Fund, and is financially costly compared to the Fund entering into ICT contracts on its own.	There is an increase in young people who want to pursue entrepreneurship, and are not just looking for jobs.	Investment Decisions not 100% assured to provide returns.
	Poor security at DEL Labour Centres threatening the safety and security of ICT Equipment purchased by UIF; and thus leads to wastage of financial resources used to purchase such equipment.	Potential to enter into Private Partnerships to create employment opportunities	Closing down of several large corporations which leads to retrenchment of workers, and therefore increase in UI benefit Claims Increasing Unemployment Rate
Knowledge base (a high number of UIF staff has been in the employment of the Fund for more than 10 years)	Entrepreneurship, Business Rescue, Statistical Analysis skills gaps	Partnerships with other government departments and institutions to enhance unemployment reduction efforts	Increase in poverty and unemployment levels amongst South Africans Major changes in the skills requirement of the current economy and the 4IR

S	W	O	T
Use of multiple channels to provide services to UIF Clients, e.g. introduction of USSD system free Wi-Fi at service points.	Poor ICT infrastructure, UIF is still too “paper-based”.	Use of Technology to reach as many UIF Beneficiaries as possible.	Slow pace of the Presidential Task Team on the 4IR and the role that government entities can play
Creation of the UIF App to reach more people	Turnaround times for procurement of ICT equipment and devices is still range from months to years.	Opportunity to retrain-retrenched UIF beneficiaries in ICT-related skills in order to increase their employability	Replacement of the workforce with technology as a response to 4IR or to reduce production costs leads to retrenchment of workers and the obsolete of certain skills
	Shared ICT Service Provider contracts with the DEL delays service delivery for the Fund, and is financially costly compared to the Fund entering into ICT contracts on its own.		
	Poor security at DEL Labour Centres threatening the safety and security of ICT Equipment purchased by UIF; and thus leads to wastage of financial resources used to purchase such equipment.		
	No clear skills training strategy for the Unemployed in Environmental/natural Resource based jobs: <ul style="list-style-type: none"> • Green Economy • Blue/ Oceans Economy • Tourism • Mining • Agriculture 	Re-focus employment creation efforts towards sustainable development jobs that respond to the following: <ul style="list-style-type: none"> • Green Economy • Blue/ Oceans Economy • Tourism • Mining (Rehabilitation) • Agriculture Retraining and Reskilling efforts as part of Mining beneficiation for those who are retrenched.	Environmental-based jobs are being threatened by climate change Mining Jobs on the decline. Increase in retrenchments in the mining sector leading to increase in unemployment, loss of income, poverty, and increase in UIF Benefit claims

S	W	O	T
UIF Legislation- Section 5 (d) of UI Amendment Act makes provision for the financing of schemes aimed at retaining UIF contributors to the job market.	<p>UIF Legislation (UI contributions Act) exclusion of many active in the labour market, such as:</p> <ul style="list-style-type: none"> • Informal workers • Consultants and Self-Employed • Artists in the Entertainment industry • Online/Platform work <p>Limited Decision-making powers for the UIF Commissioner.</p> <p>Limited Decision-Making Powers for the UIF Advisory Board</p> <p>Limited resources for ensuring compliance to UIF legislation, which leads to a loss of revenue</p> <p>Current UI Contributions Act provide more Power to the SARS Commissioner, and limits the Fund's decision-making</p>	<p>Utilisation of Section 5(d) to contribute specifically to improvement of skills in demand in the labour market, and reduce unemployment amongst the youth, UI beneficiaries and other vulnerable groups</p> <p>Opportunity to develop a Policy Position on social insurance for the following vulnerable groups:</p> <ul style="list-style-type: none"> • Informal workers • Consultants and Self-Employed • Artists in the Entertainment industry • Online/Platform work 	<p>Non-compliance of UI Act by many employers</p> <p>Many alternative/private Income-Protection Insurance that exist in South Africa, and they offer better services than the UIF.</p>

5. Situational Analysis

5.1 External Environment analysis

South Africa is experiencing economic challenges, a COVID-19 health pandemic and unbaiting unemployment crisis. Poor economic growth has negatively affected various economic sectors and businesses particularly small and medium-sized businesses. Many jobs have been lost and many more continue to be at risk and thus also putting the sources of livelihoods of households in jeopardy.

Statistics South Africa's Quarterly Labour force Survey (QLFS) reports the unemployment rate for quarter 3 of 2021 at 34.9% (which is the highest unemployment rate recorded since the start of the QLFS in 2008). The expanded unemployment also rose to 46.6%. The youth remain the most hard hit by unemployment and are largely Neither in Employment, Education nor Training (NEET). ¹

The continuing challenge of unemployment requires an efficient and customer-centric Unemployment Insurance Fund to effectively pay benefits and help enable re-entry into the job market. Furthermore, loss of jobs and unemployment affects the Fund in two fundamental ways; reduced revenue contributions and outflow of reserves.

The State's efforts to curb the spread of the COVID-19 virus has negatively impacted on the performance of the economy. The consequent poor economic performance resulted in many businesses closing down, experiencing reduced returns, reducing their workforce or forced into debt. Other companies digitalised their businesses inevitably leading to lay-offs and reduced demand for workers.

In response to the economic hardship experienced by businesses, the Fund in addition to the provision of normal UI benefits, provided social relief to affected individuals and organisations through COVID-19TERS. By 31 March 2021, the UIF had dispersed over R58,7 Billion to employers and employees who could not operate during the Lockdown. This relief assisted in preventing permanent shutdown of many businesses that couldn't pay salaries and wages to their workers.

The poor economic situation has also impacted negatively on the Fund's Socially Responsible Investments (SRIs). Of course, some of the negative factors that impacted on the Fund's investments in these SRIs included issues of poor governance.

5.2 Internal Environment Analysis

The Fund's internal environment (like the external environment) was also impacted by COVID-19. For instance, the implementation of the COVID-19TERS project took much of the Fund's resources and efforts. Challenges related to the implementation of this project resulted in a number of senior management suspended during the financial year 2020-21; about half of the executive management was suspended. Stability at senior management is very important to steer the strategic direction of the organisation. The majority of senior management that was on suspension are now back. The Commissioner has only returned to his position recently and in the past twelve months there have been three Acting Commissioners. His return should help stabilise the UIF and solidify the efforts of building and rebranding the UIF.

1 UIF Annual Reports (2016/17 FY- 2020/21FY)

In order to function effectively and efficiently, the UIF requires a strong and strategic organisational support structure complemented by up-to-date soft and hard infrastructure. The delivery of social insurance services requires amongst others; an adequate and capable cadre of personnel, and reliable, skilled personnel and reliable ICT services. The vacancy rate at the Fund is currently sitting at 9.5 percent. This vacancy rate is high for an organisation that seeks to achieve its vision of a caring, accessible and customer centric organisation. It is against this background that from the 2022-2023 financial year and the MTEF period, the Fund will seek to reduce the current vacancy rate to not more than 3 per cent.

Traditionally ICT used to be viewed as an enabler, however, ICT in the Fund is more than an enabler. It is a platform through which the Fund provides its services to its beneficiaries. The world has changed overtime and without ICT, the Fund will neither be able to provide its service nor even exist. Though the Fund has enhanced its ICT infrastructure to enable the ease of rendering of service to beneficiaries (e.g. through the Mobile APP), there is still a big room for improvement. The current ICT infrastructure is marred with internal fragmentations where systems do not talk to each other seamlessly. The ICT systems also tend to experience intermittent downtimes which impact on the Fund's turnaround times. Furthermore, the working from home arrangement which was one of the measures to curb the spread of the COVID-19 virus. The arrangement required adequate provision of tools of trade and adequate ICT services (laptops, cell phones, data, and reliable connectivity).

At the core of some of the challenges that the Fund faces relate to ICT. The deployment of the organisation-wide ICT infrastructure in the 2022-2023 financial year is expected to; enhance the ICT capability of the Fund, digitalise a number of services, and eradicate the manual recording, administration, archival and retrieval of data.

Whilst the current ICT challenges are vast and wide, strides that have been made made to improve the ICT within the UIF are also notable. The following technological developments² took place between the 2019/20 Financial Year and the 2020/21 Financial Year:

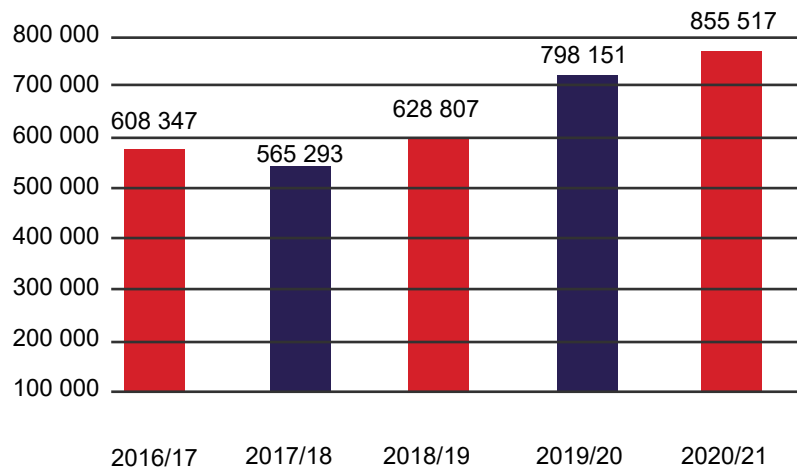
Product/System	Objective	Go live Date
WIFI	To ensure access to Internet across the UIF and Service Delivery Points (Labour Centre)	March 2020
COVID-19TERS	To enable Employers and Employees affected by the nation-wide lockdown to make online applications for the special relief	April 2020
eCompliance Certificate	To ease the process Employers to make applications for UI Registration	January 2021
USSD system	To accommodate those without smart phones to access UIF Services remotely	March 2021
UIF App	To enable those with Smart phones to access UIF services remotely	April 2021

² UIF Annual Reports (2016/17 FY- 2020/21FY)

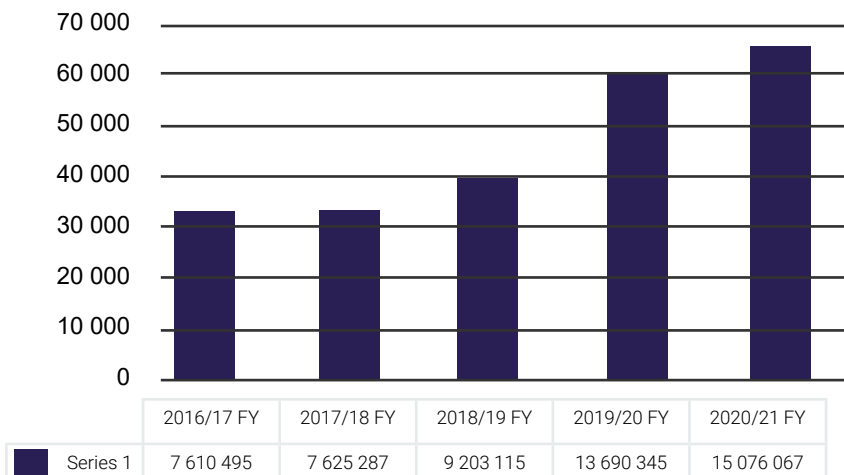
5.3 UIF Business Operations

The demand for service pertaining to unemployment insurance benefit claims has been steadily increasing. This will require continuous investment in efficiency generating resources such human resources and ICT. The graphs below illustrate the numbers handled by Business Operations over a five-year period.

Unemployment Claim Benefits Finalised (2016/17 - 2020/21)



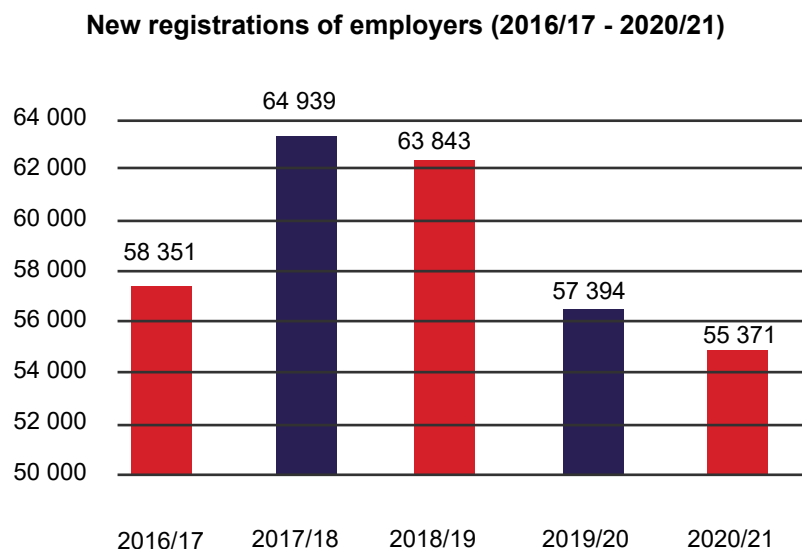
New registrations of companies/employers (2014/15 - 2018/19)



5.4 Compliance to UIF Legislation

Compliance with the UI legislation is at the heart of improving social insurance coverage. It is also linked to increase in contributions revenue or financial health of the Fund. To achieve the objective of improving social insurance coverage requires cooperation from employers, employees, labour and the broader DEL family. Though enforcement is important, it is also critical to recognise that there is no single solution to the problem of non-compliance. Compliance is the output of different activities one of which is advocacy. Thus, in the MTEF period, the Fund will hold over 350 campaigns through different platforms to mobilise stakeholders in order to contribute to the achievement of the outcome of improving compliance with UI legislation.

The graph below depicts steady decline in new Employer Registrations³:



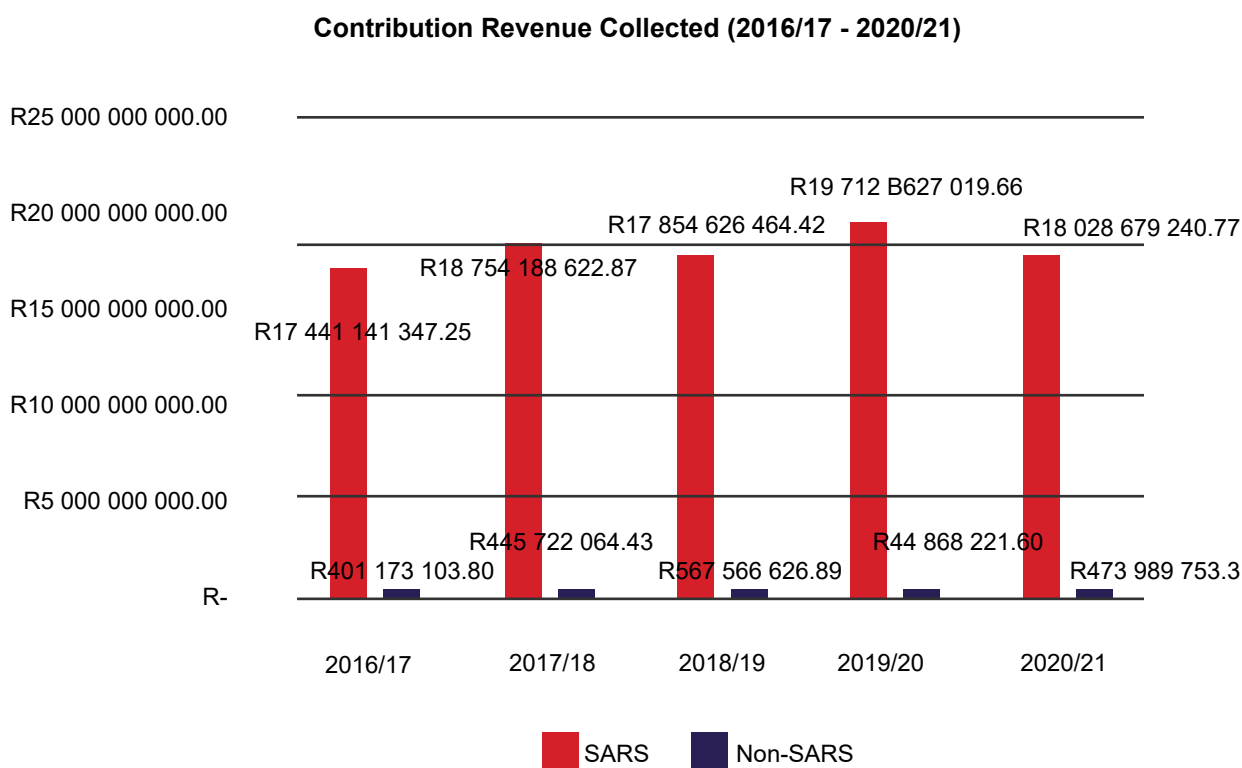
Source: UIF Annual Reports 2016/17 FY- 2020/21 FY

COVID-19 continued to impact on the Fund's targets of employer registrations. The economic situation has not augured well for the establishment of new companies. In total, 55 371 newly-registered employers were reported against the target of 80 000 in the 2020/21 financial year.

The number was underachieved by 24 629. The Fund had expected a surge in the number of new employer registrations in pursuit of the COVID-19TERS. Instead, a few employers registered, whilst many closed down, and retrenched employees. The low numbers of employer registration results in a loss of potential revenue for the Fund, and exclusion of coverage of qualifying employees who are left vulnerable in cases of retrenchments/ layoffs. These vulnerabilities were made evident during the implementation of COVID-TERS, whereby UIF was obligated to cover employees who were not contributing to the Fund, despite being required to do so by law.

³ UIF Annual Reports (2016/17 FY- 2020/21FY)

The Fund pays benefits to contributors from the revenue generated from employer and employee contribution. A decline in contributors or contributions directly lead to reduced revenues. The contributions revenue has decreased in the financial year 2020-2021. The graph below shows the Fund's Revenue Collection for both SARS and Non-SARS contributions⁴ over the past five (5) years.

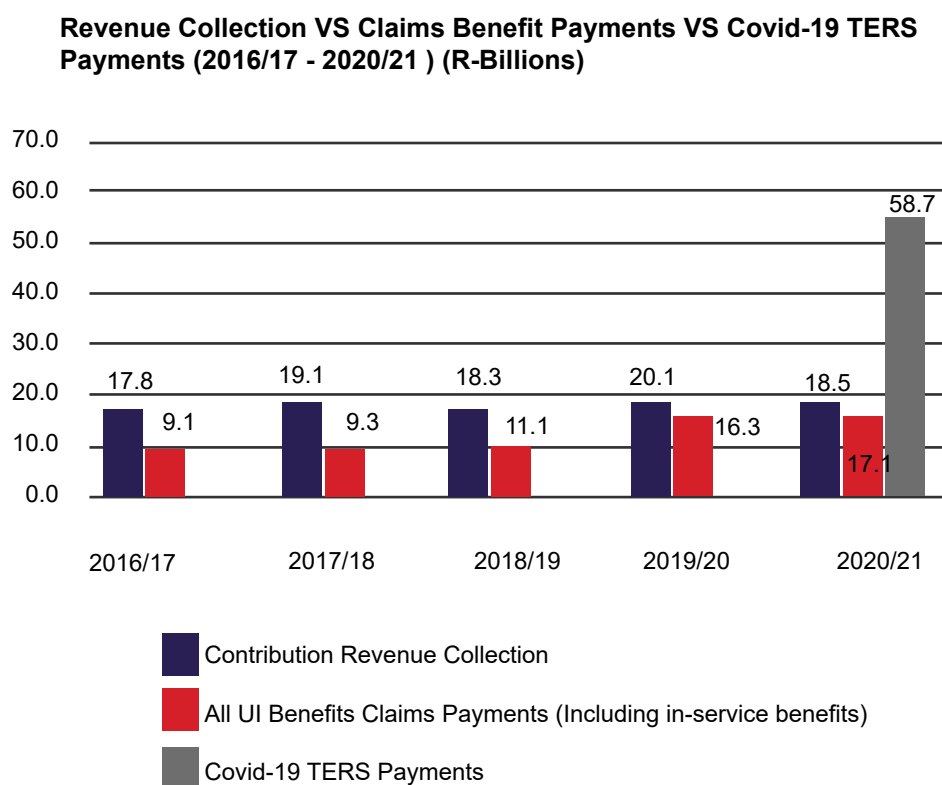


The pandemic has affected business incomes and their ability to timeously pay their UIF contributions. These challenges, adds to the already bigger challenge of non-compliance to UI legislation by some employers; and as a result, the Fund's financial viability has deteriorated.

Between April 2020 and 31 March 2021, the UIF has paid out about R58,7 billion in COVID19TERS benefits. The Fund no longer has additional surplus to fund benefit claims not linked to contributors' credits. The Fund cannot afford to continue at this rate as continuing with the payment of relief that is not linked to credits will lead to the total financial collapse of the Fund in not more than two years.

UIF Investment Portfolio was projected to be R126bn by 31 March 2020. Within a year (due mainly to Covid-19 TERS benefit payments), the UIF was left with a mere R34.5bn in surplus and Technical Reserve or "Worker Credit" amount available (which barely covers the 3 million UI Contributors within the Fund's database, that would qualify for benefit payments should they need them). Following the extensions of the Covid-19 TERS benefit due to the extension of the nationwide lockdowns, after 31 March 2021, the UIF will no longer have any surplus nor reserves. By 30 June 2021, the Fund was heading towards a projected deficit of more than R600m.

Below is the graphic representation of COVID-19TERS payments in the last years versus Contributions collected and Benefits paid over the past five (5) years⁵



Benefit payments has been on a steady increase in the past five (5) years as unemployment increases and more contributors are losing their jobs. Unfortunately, revenue collection has not been steady and has declined by more than R1 billion between the 2019/2020 FY and 2020/21 FY. In addition to this, COVID-19TERS benefit payments in the 2020/21 FY further deteriorated the financial situation for the UIF.

Without positive financial inflows, the UIF will not be able to fund its flagship programme- Labour Activation Programme (LAP). LAP seeks to enhance the employability of contributors and facilitate re-entry in to the labour market through various sub-programmes and projects.





MEASURING OUR PERFORMANCE

PART C



PART C: MEASURING OUR PERFORMANCE

1 .Institutional Performance Information

1. 1 Measuring the Impact

Impact statement

A labour market which is conducive to decent employment

1.2 Measuring Outcomes ,

MTSF Priority 1: Capable, Ethical and Developmental State			
Outcomes	Outcome Indicators	Baseline	Five year target
Functional and Efficient UIF.	Improved audit opinion obtained from auditors	AGSA findings: 29/68= 43% as at 31 March 2021	100% of external audit action plans implemented by 31 March 2025
	Improved turnaround time to pay suppliers	99.9% (2036/2039) of invoices were paid within 30 days as at 31 March 2021.	100% of invoices paid within 30 calendar days of receipt by 31 March 2025
	Improved turnaround time to resolve reported incidents of Fraud and corruption	31% of COVID-19 cases finalised within 60 days (71 / 227 COVID -19 within cases finalised within 60 days) as at 31 March 2021.	95% of cases finalised within 90 working days by 31 March 2025
	Improved Claims Management system.	System handover payment approved by the National Treasury. There were contractual issues that delayed handover and system testing processes as at 31 March 2021	Fully functional Integrated Claims Management System deployed by 31 March 2023.
	Increased verification of identified COVID-19 TERS payments	49 out of 1998 identified COVID-19 TERS cases verified as at 31 March 2021	14 122 identified COVID-19 TERS payments verified by 31 March 2025
Strengthened institutional capacity of the Fund.	Improved Human Resource Capacity.	7.1% vacancy rate (43 posts/ 602 established as at 31 March 2021)602= establishment 559 = filled post 43= vacant as 31 March 2021	≤3% vacancy rate by 31 March 2025.

Priority 2: Economic Transformation and Job Creation			
Outcomes	Outcome Indicators	Baseline	Five year target
More decent jobs created and sustained	Improved participation of beneficiaries in employability programmes	13381 as at 31 March 2021	13381 as at 31 March 2021
	Sustainable enterprises	New indicator	90% of projects funded monitored by 31 March 2025
	Improved turnaround time to approve or reject valid Temporary Employer Employee Relief Scheme (TERS) applications	23% (3 approved/rejected out of 13 received) of Temporary Employer / Employee Scheme (TERS) applications approved or rejected	90% of valid Temporary Employer/ Employee Scheme (TERS) applications approved or rejected by the delegated Authority within 20 working days by 31 March 2025

Priority 4: Consolidating Social Wage through reliable and Basic Services			
Outcomes	Outcome Indicators	Baseline	Five year target
An inclusive and responsive social security coverage	Improved social security coverage	87% within 15 working days 87% (855 686/984 498) as at 31 March 2021.	95% of valid unemployment benefit claims with complete, accurate and verified information approved or rejected within 15 working days 31 March 2025.
		87% within 10 working days 87% (91 427/105 189) as at 31 March 2021.	95% of valid in-service benefit claims (maternity, illness and adoption) with complete, accurate and verified information approved or rejected within 7 working days by 31 March 2025.
		85% within 20 working days (11 284 /13 212) as at 31 March 2021.	95% of valid deceased benefit claims with complete, accurate and verified information approved or rejected within 10 working days by 31 March 2025.
		99% within 5 working days 99% (3 069 077 / 3 106 426) as at 31 March 2021.	100% of complete, accurate and verified benefit payment documents created after receipt within 2 working after receipt days by 31 March 2025.
		99% within 1 working day 99% (54 842/55 371) as at 31 March 2021	100% of new companies with complete, accurate and verified information created with registration document (UI 54) within 1 working day by 31 March 2025

1.3 Explanation of Planned Performance over the Five Year Planning Period.

The UIF will contribute to MTSF priority 1 which is about Capable, Ethical and Developmental State and the NDP by improving financial and non-financial governance, which is monitored by the combined assurance committee and the Executive Committee on the quarterly basis.

Chapter 15 of the NDP states that (BBBEE Act) there is a need to increase the number of black people that manage, own and control enterprises and productive assets as well as facilitating ownership and management of enterprises and productive assets by communities, workers, cooperatives and other collective enterprises. The UIF will contribute to MTSF Priority 2 on Economic Transformation and Job Creation through improved participation of beneficiaries in employability programmes and enterprise development.

MTSF Priority 4 on consolidating the social wage through reliable and quality basic services. Chapter 11 of the NDP states that by 2030, South Africa should have a comprehensive system of social protection that includes social security grants, mandatory retirement savings, risk benefits (such as unemployment, death and disability benefits) and voluntary retirement savings. The Fund will continue to ensure that all benefit claims (Unemployment, Death and In-service) are processed on time.

The Fund has identified four outcome indicators that will contribute to achievement of the broader mandate and impact statement of the Department of Employment and Labour. The Fund's four outcome indicators are; a functional and efficient UIF, strengthened institutional capacity, more decent jobs created and sustained and inclusive and responsive social security coverage. The impact that the Department of Employment and Labour is a labour market which is conducive to decent employment. A fully functional and efficient UIF will be financially sustainable, collect contributions and pay claims, meet its objectives of contributing to the enhancement of employability, and enabling labour market entry and entry. All these collectively contributes to creating a labour market which is conducive to decent employment.

To enable the achievement of the Outcome indicators and the impact statement will require the UIF to have strong leadership, adequate financial resources, innovative ICT capability, skilled, adequate and committed workforce and a conducive workplace.

2. Key Risks

These are the risks that must be mitigated in order to achieve the Five year targets above.

Outcome	Key Risk	Risk Mitigation
More decent jobs created and sustained	Inability by the UIF to enhance employability of UIF contributors, retention of workers and re-introduction of workers into employment	Implementation of Temporary Employer Employee Relief Scheme (TERS) Funding agreements to be signed with project partners
	Ineffective implementation of Labour Activation Programme	Approved Labour Activation mandate/strategy. Approved Standard Operating Procedures for all programmes (TERS, BT&R, Employability and ED)
	Ineffective monitoring owing to poor capacity	Sourcing of interim capacity for LAP
	Breach of contract by LAP implementing partners (e.g. failure to place recruits at end of contract)	Enforcement of the breach of contract clause
An inclusive and responsive social security coverage	Fraud and Corruption	Review Fraud Prevention Strategy Review policies and procedures
	Non-compliance with the claims turnaround times	Implementation of the Business Operations Standard Operating Procedures
	Inadequate human capacity	Filling of vacancies Implementation of the Fit-for-purpose structure
	ICT challenges	Implementation and monitoring of the SAP ICT project plan Integration of the Virtual Office and Siyaya in the interim
Functional and Efficient UIF.	Ineffective expenditure measures leading to financial loss	Review finance policy and procedures aligned to relevant legislation
	Poor investment decisions and returns	Development, implementation and monitoring of an Investment Strategy
	Pressure to fund ad hoc benefits/relief payments (leading to the Fund's compromised financial sustainability)	Mobilisation of Minister and Cabinet support for limited/stringent consideration of ad hoc benefit/relief projects
	Poor resolution success of audit findings	Implementation and monitoring of the Audit Action Plan
	ICT challenges	Implementation and monitoring of the SAP ICT project plan
Strengthened institutional capacity of the Fund	UIF not having HR strategy to support the organisational strategy	Revised organisational structure Approved business processes
	Management instability	Implementation of change management programme
	ICT challenges	Implementation and monitoring of the SAP ICT project plan





TECHNICAL INDICATOR DESCRIPTION (TID) **PART D**



PART D: TECHNICAL INDICATOR DESCRIPTION (TID)

Priority 1: Capable, Ethical and Developmental State.

Indicator Title	Improved audit opinion obtained from auditors
Definition	<p>The indicator is about the implementation of corrective and preventative audit action plans developed by management to address findings raised by external auditors at the end of an audit period. Corrective actions are actions intended to resolve the audit findings raised by the AGSA Preventative actions refers to those actions that are intended to ensure non-recurrence of the findings.</p> <p>The external audit action plans that will be measured refers to:</p> <ul style="list-style-type: none"> • The corrective audit action plans for the external audit of the 2020-2021 financial year • The preventative audit action plans for the external audit of the 2020-2021 financial year • The quarter 1 (50%) and quarter 2 targets (100%) will measure progress against the 2020-2021 corrective audit action plans. • The quarter 3 (50%) and quarter 4 (100%) targets will measure progress against the 2020-2021 preventative audit action plans.
Source of data	External auditors report
Method of Calculation / Assessment	<p>Quarter 1 and Quarter 2: Number of corrective audit actions in the external Audit Matrix achieved/implemented divided by the total population of corrective actions in the external Audit Matrix multiply by 100.</p> <p>Quarter 3 and Quarter 4: Number of preventative audit actions in the external Audit Matrix fully achieved/implemented divided by the total population of preventative actions in the external Audit Matrix multiply by 100.</p>
Assumptions	There will be audit action plans to be implemented
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> • Target for Women: N/A • Target for Youth: N/A • Target for People with Disabilities: N/A
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> • Reflect on contribution to spatial transformation priorities: N/A • Reflect on the spatial impact area : N/A
Reporting Cycle	Annual progress against the 5 year target
Desired performance	100% implementation of audit action plans
Indicator Responsibility	Unemployment Insurance Commissioner

Indicator Title	Improved turnaround time to pay suppliers
Definition	<p>Measures the percentage of valid invoices received against the turnaround time it took to pay suppliers (with valid invoices). Valid invoice means those with complete, accurate and certified as such by SCM or service owner.</p> <p>All valid invoices must be paid within 30 days of receipt as per PFMA and Treasury Regulations.</p>
Source of data	Age analysis report from the financial systems and signed off summary of age invoices in a PDF format.
Method of Calculation / Assessment	Count the number of valid invoices paid within 30 Calendar days of receipt divided by the number of valid invoices received by the fund multiplied by 100.
Assumptions	There will be seamless streamlined invoice handling system
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> • Target for Women: N/A • Target for Youth: N/A • Target for People with Disabilities: N/A
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> • Reflect on contribution to spatial transformation priorities: N/A • Reflect on the spatial impact area : N/A
Reporting Cycle	Annual progress against the five year target
Desired performance	100% of valid invoices paid within 30 Calendar days of receipt.
Indicator Responsibility	Chief Financial Officer

Indicator Title	Improved turnaround time to resolve reported incidents of Fraud and corruption
Definition	<p>The indicator measures the efficiency of the UIF to finalise cases of allegations of fraud, corruption and any irregularities reported by whistle-blowers or any other person or entity through the UIF and government's various reporting methods such as anti-fraud hotline, email hotline; line Managers, National Anti-Corruption Hotline and any other method. This includes fraud allegations on COVID-19 TERS payments. Finalised means there are findings and recommendations and that the case will no longer be investigated any further by Risk Management.</p>
Source of data	Case Management database report
Method of Calculation / Assessment	<ul style="list-style-type: none"> • Number of fraud and corruption cases finalised within 90 working days from date of allocation (approved and signed) by Chief Risk Officer divided by total number of allocated cases. • Counting starts from the date of allocation. • Case assessment and allocation has to happen within 10 days of receipt. The 90 workings days for the actual finalisation of cases excludes the 10 days for assessment and allocation. <p>Cases not assessed and allocated within 10 days of receipt shall automatically be deemed to be part of the population of allocated cases that require to be finalised.</p>
Assumptions	There will be required capacity, and required cooperation from stakeholders
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> • Target for Women: N/A • Target for Youth: N/A • Target for People with Disabilities: N/A
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> • Reflect on contribution to spatial transformation priorities: N/A • Reflect on the spatial impact area : N/A
Reporting Cycle	Annual progress against the 5 year target
Desired performance	95%
Indicator Responsibility	Chief Risk Officer

Indicator Title	Improved Claims Management system.
Definition	<p>The Integrated claims management System (ICMS) is implemented through the development, testing and go live of claim management system.</p> <p>This will be done through a review of claims processing blue prints, development of Finance system reports, development prototypes for claims processing, deployment of SAP Financial system, report on the functioning of the Integrated claims management system and the full deployment of functional SAP claims management system</p>
Source of data	Approved project plan / Blue print
Method of Calculation / Assessment	Functional claims management system
Assumptions	Adherence to the project plan
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> • Target for Women: N/A • Target for Youth: N/A • Target for People with Disabilities: N/A
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> • Reflect on contribution to spatial transformation priorities: N/A • Reflect on the spatial impact area : N/A
Reporting Cycle	Annual progress against the five year target
Desired performance	A fully functional ICMS system deployed
Indicator Responsibility	Chief Director: Corporate Services

Indicator Title	Increased verification of identified COVID-19 TERS payments
Definition	<p>The indicator is about verification of identified Covid-19 TERS payments made by the UIF to employers and the subsequent payments made by these same employers to employees for whom they (employers) lodged the claims.</p> <p>"Identified COVID-19 TERS payments made" means those Covid-19 TERS payments specifically selected from the population of all Covid-19 TERS payments that were made by the UIF using predetermined selection criteria</p>
Source of data	Covid-19 TERS system
Method of Calculation / Assessment	Simple count
Assumptions	There will be cooperation from employers
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> • Target for Women: N/A • Target for Youth: N/A • Target for People with Disabilities: N/A
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> • Reflect on contribution to spatial transformation priorities: N/A • Reflect on the spatial impact area : N/A
Reporting Cycle	Annual progress against the five year target
Desired performance	14 122 identified
Indicator Responsibility	Unemployment Insurance Commissioner

Indicator Title	Improved Human Resource Capacity
Definition	The indicator is about reducing the percentage of vacant funded posts on the establishment of the Unemployment Insurance Fund in order to strengthen the institutional capacity of the Fund.
Source of data	PERSAL system
Method of Calculation / Assessment	Total number of funded vacant posts divided by the total number of funded staff complement multiplied by 100. The calculation is based on permanent appointments (excludes contract appointment)
Assumptions	Functional PERSAL system
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> • Target for Women: N/A • Target for Youth: N/A • Target for People with Disabilities: N/A
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> • Reflect on contribution to spatial transformation priorities: N/A • Reflect on the spatial impact area : N/A
Reporting Cycle	Annual progress against the five year target
Desired performance	≤3% from the baseline of 9.5%
Indicator Responsibility	Chief Director: Corporate Services

Priority 2: Economic Transformation and Job Creation.

Indicator Title	Improved participation of beneficiaries in employability programmes
Definition	<p>The indicator is about enhancing the employability of UIF beneficiaries in the job market. This is implemented through the provision of learning or job opportunities.</p> <p>Beneficiary means an individual who was recruited to participate in a project and has signed an attendance register or time sheets.</p> <p>Participating means attending or attended a project and signed an attendance register or time sheets as required by the specific project.</p> <p>Employability means programmes implemented by LAP such as learnerships, skills programmes, apprenticeships, internships or employment programmes, Business Turnaround and Recovery and normal Temporary Employer/Employee Relief Scheme (TERS) new employees of saved companies.</p> <p>New employees employed by companies that are receiving intervention support shall be deemed as participants of an employability programme if their companies recruited them (new employees) during the period when there was still an intervention contract in place (between their companies and normal TERS and/or Productivity South Africa administered BTR).</p> <p>Intervention support refers to BTR and normal TERS programmes.</p> <p>A beneficiary who participate in more than one project will be counted more than once as per the number of projects.</p>
Source of data	Attendance registers/ Timesheet/Pay sheet
Method of Calculation / Assessment	Simple count
Assumptions	There will be implementing partners
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> • Target for Women: N/A • Target for Youth: N/A • Target for People with Disabilities: N/A
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> • Reflect on contribution to spatial transformation priorities: N/A • Reflect on the spatial impact area : N/A
Reporting Cycle	Annual progress against the five year target
Desired performance	75 000 UIF beneficiaries enrolled in employability programmes
Indicator Responsibility	Chief Director: Labour Activation Programme

Indicator Title	Sustainable enterprises
Definition	<p>The indicator is about monitoring companies funded through the different Labour Activation Programmes (TERS, Employability and Business Turnaround and Recovery Programme).</p> <p>Monitoring refers to the physical site visit (or documentary review of a project) conducted by the Fund at a project that was funded by LAP with a view to track project progress, identifying emerging or potential problems, and mitigating project-related risks.</p>
Source of data	CCMA, Productivity SA, and/or LAP Reports, list of supported projects
Method of Calculation / Assessment	Number of projects monitored divided by the total number of companies funded by UIF multiplied by 100.
Assumptions	There will be cooperation from funded project partners
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> • Target for Women: N/A, Target for Youth: N/A • Target for People with Disabilities: N/A
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> • Reflect on contribution to spatial transformation priorities: N/A • Reflect on the spatial impact area : N/A
Reporting Cycle	Annual progress against the five year target
Desired performance	90% of funded projects monitored
Indicator Responsibility	Chief Director: Labour Activation Programme

Indicator Title	Improved turnaround time to approve or reject valid Temporary Employer Employee Relief Scheme (TERS) applications
Definition	<p>The indicator measures efficiency of approving valid TERS applications.</p> <p>Valid means that the application has been recommended for approval by the Single Adjudication Committee, the application is complete, accurate, verified and has all accompanying supporting documents required for contracting (i.e. Letter to be signed by UIC notifying the company of the outcome of their application, Ruling from Single Adjudication Committee (SAC), Resolutions of SAC, Companies' request to participate in the TERS, the Agreement to participate in the TERS, MIS verified list of employees who will be participating, the UIF Compliance Certificate and Business case)</p> <p>Complete means all mandatory documents were provided by the company</p> <p>Accurate means information supplied on all mandatory documents to be correct without mistakes conforming to the requirements.</p> <p>Verified means information supplied on all mandatory documents quality checked in line with the verification process.</p>
Source of data	The CCMA Recommendation Ruling
Method of Calculation / Assessment	<p>Number of approved or rejected Temporary Employer Employee Relief Scheme (TERS) applications within 20 working days divided by the total number of valid Temporary Employer Employee Relief Scheme (TERS) applications received multiplied by 100.</p> <p>Counting starts from the date on which the valid application is received, or the day on which all outstanding required information and documents for a valid application is provided to validate the application.</p>
Assumptions	There will be cooperation and compliance from businesses requiring intervention
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> • Target for Women: N/A • Target for Youth: N/A • Target for People with Disabilities: N/A
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> • Reflect on contribution to spatial transformation priorities • Reflect on the spatial impact area
Reporting Cycle	Annual progress against the five year target
Desired performance	90% within 20 working days
Indicator Responsibility	Chief Director: Labour Activation Programme

Priority 4: Consolidating Social Wage through reliable and Basic Services

Indicator Title	Improved social security coverage
Definition	<p>The indicator is about the improvement of social security coverage and responsiveness through the following measures which are individually measured in the Annual Performance Plan:</p> <ul style="list-style-type: none"> • Valid claims (Unemployment benefit, Deceased and In-service) with complete, accurate and verified information approved or rejected within specified time frames. • New companies with complete, accurate and verified information created with registration document (UI 54) within specified timeframes. • Complete, accurate and verified benefit payment documents created after receipt within specified time frame.
Source of data	Siyaya system/Oracle, Manual registers and emails / E- compliance system
Method of Calculation / Assessment	<p>For claims benefit: Number of valid claims (unemployment, in-service, and deceased) with complete, accurate and verified information approved or rejected within specified time frames (excluding weekends and public holidays) divided by total number of valid claims with complete, accurate and verified information received for the period and the quotient is multiplied by 100.</p> <p>For registration of new companies: The number of new companies created with a registration document (UI54) within 1 working day after receipt of complete, accurate and verified documents divided by the total number of new companies with registrations documents received multiplied by 100. The counting will start from receipt date until the created date on the system.</p> <p>For the creation of verified benefit document: The payment documents receipt date is compared against the created date. The numbers of payments documents created on the Siyaya system within 3 working days (excluding weekends and public holidays) from receipt date are divided by total number of payment documents received for the period and the quotient is multiplied by 100. (Total payments documents excludes documents for first payments in respect of in-service benefits, death benefits and re-issues).</p>
Assumptions	Functional SIYAYA System//Oracle / E- compliance.
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> • Target for Women: N/A • Target for Youth: N/A • Target for People with Disabilities: N/A
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> • Reflect on contribution to spatial transformation priorities: N/A • Reflect on the spatial impact area : N/A
Reporting Cycle	Annual progress against 5 year target.
Desired performance	<p>Valid claims:</p> <ul style="list-style-type: none"> • Unemployment benefit: 95% of valid claims with complete, accurate and verified information approved or rejected within 15 working days by 31 March 2025 • Deceased benefit: 95% of valid claims with complete, accurate and verified information approved or rejected within 10 working days by 31 March 2025 • In-service: 95% of valid claims with complete, accurate and verified information approved or rejected within 7 working days by 31 March 2025 <p>Other applications:</p> <ul style="list-style-type: none"> • 100% of new companies with complete, accurate and verified information created with registration document (UI 54) within 1 working day 31 March 2025 • 100% of complete, accurate and verified benefit payment documents created after receipt within 2 working days by 31 March 2025
Indicator Responsibility	Chief Director: Business Operations

[illegible]







DEATH BENEFITS
ILLNESS BENEFITS
ADOPTION BENEFITS
PARENTAL BENEFITS
MATERNITY BENEFITS
REDUCED-WORK TIME BENEFITS
UNEMPLOYMENT BENEFITS



REVISED
STRATEGIC PLAN
2020 – 2025



employment & labour

Department:
Employment and Labour
REPUBLIC OF SOUTH AFRICA

