



UNEMPLOYMENT INSURANCE FUND

STRATEGIC PLAN

2020 – 2025





employment & labour

Department:
Employment and Labour
REPUBLIC OF SOUTH AFRICA



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MINISTER

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CF	Compensation Fund
DEL	Department of Employment and Labour
LAP	Labour Activation Programmes
MTSF	Medium Term Strategic Framework
NDP	National Development Plan
NEDLAC	National Economic Development and Labour Council
PES	Public Employment Service
QLFS	Quarterly Labour Force Survey QLFS
SRI	Socially Responsible Investments
TERS	Temporary Employer/Employee Relief Scheme
TLS	Training Layoff Scheme
UI Act	Unemployment Insurance Amendment Act
UIF	Unemployment Insurance Fund



FOREWORD BY THE MINISTER

The five year Strategic Plan for 2020 – 2024 reflects the expanded mandate of the Department of Labour (DOL) to include 'Employment' with the focus shifting from labour market regulation to employment retention and creation. This Strategic Plan reflects the reconfiguration of DOL to include 'Employment', a journey that is already underway. There is a roadmap, but it remains a work in progress.

The unprecedented occurrences that came with the Covid-19 pandemic dictated major adjustments to the original plans and required the development of responsive plans in dealing with the pandemic and measures that were put in place nationally after the Covid-19 National Disaster was declared in March 2020.

The original UIF Strategic Plan of 2020 – 24 was tabled in Parliament on the 11 March 2020. However, the pandemic affected the first year of strategy implementation, thus the requirement for re-tabling of the plans. This adjusted plan now reflects the interventions that have been implemented during Covid-19, as well as the plans for economic recovery post the pandemic.

With increased levels of unemployment during the Covid-19 period, the UIF Labour Activation Programmes (LAP) Unit will implement various interventions aimed at preserving and creating jobs, as well as skills development to enhance the employability of the unemployed in response to the real needs of the labour market. In terms of section 5(d) of the Unemployment Insurance Act (UI Act), the UIF funds must be used to finance the retention of the UIF contributors in employment and the re-entry of contributors into the labour market and any other scheme aimed at vulnerable workers.

The purpose of the LAPs is therefore to ensure that unemployed UIF beneficiaries are re-integrated into the labour market by enhancing employability; preserving jobs; and enabling and facilitating entrepreneurship. This is all the more important in the present fast changing environment of climate change, the need for energy sustainability and the onset of the Fourth Industrial Revolution (4IR).

The Department of Labour is in the process of implementing the reconfiguration of itself to become the Department of Employment and Labour. This process is envisaged in two phases. Phase 1: building on the existing strengths of DOL, and Phase 2: in the words of President Ramaphosa in the June 2019 SoNA speech: the 'coordination of all government efforts to create jobs and reduce unemployment'.

Phase 1, which is building on the existing strengths of DOL, has two main legs: leveraging existing resources in the Department and its entities (principally the UIF and CF) and utilising existing capacity and programmes to create and preserve jobs. This is already under way and includes the following.

The High Social Impact Fund, for example, R1.2 billion was used to purchase a 14% stake in a recapitalised Edcon (Edgars). Again, in August 2019, the PIC acting on behalf of the UIF, participated in the recapitalisation of Concor PTY LTD, formerly known as Murray and Roberts Construction Company to the tune of R350 million. The recapitalization was effected through a share issue of R50 million and a shareholder loan of R300million. The purpose of the funding was to recapitalize key divisions and improve the liquidity and solvency position of the business to enable it to execute its order book.



This Concor investment has successfully delivered on our objective of job preservation where Concor currently employs 3400 personnel in various projects and its subcontractors employ an additional 5300 employees. Therefore over 8000 employees' jobs have been saved.

The Temporary Employer/Employee Relief Scheme (TERS) has shifted our focus from endless training schemes in the past, often unrelated to the demands of the labour market, towards support for actual existing jobs in distressed companies. This involves referrals from the Council for Conciliation, Mediation and Arbitration (CCMA), subsequent to the Section 189A process. The scheme will expand its impact with the development of improved turnaround times for applications for TERS funding, especially in the current economic climate, where companies are under increased economic pressure.

The UIF will provide funding to Productivity South Africa to provide turnaround solutions to distressed companies. In the first year of the strategy implementation, R104 million has been set aside for this purpose.

Project Development Partnerships: this programme seeks to assist start-ups and small business, where there is no appetite from the usual funding institutions. The programme is expected to create 10,000 direct jobs plus additional jobs downstream. The programme involves incubation of entrepreneurs and assistance to access markets, as well as a specific project to support previously disadvantaged youth and women to establish six new Asset Managers.

The second leg of Phase 1 of the reconfiguration of DOL to become DEL is to strengthen the role of Nedlac (National Economic Development and Labour Council) to promote social dialogue between the social partners: labour, business, communities and government. This focus and the enhancement of capacity at senior management has proven beneficial, as NEDLAC has been in the forefront of developing policy and the regulatory framework for the Covid-19 directions for many government departments, as well as driving the social compact for the South African Economic Recovery.

During the 2018/2019 financial year, the UIF concluded the procurement process in terms of RFPP1 to appoint public training institutions such as the Technical, Vocational Education, and Training (TVET) colleges, public universities, state owned entities, and the various SETAs from all provinces to provide training interventions and workplace readiness programmes intended to alleviate poverty. This training and placement of learners in jobs will be implemented in this current financial year and 66 (sixty-six) entities have been approved for funding under RFPP1. The approved institutions located in all the provinces will provide the following programs: learnerships; workplace readiness; apprenticeship/artisanship; skills programmes; enterprise development and new venture creation.

It is anticipated that the UIF/Department of Employment and Labour will fund 132 872 (one hundred and thirty-two thousand eight hundred and seventy-two) persons for learnership programmes, skills programmes and apprenticeships by the end of 2019 to 2024.

The other focus area this year is improving operational effectiveness and corporate governance, and strengthening the fight against fraud and corruption. The UIF is working towards a clean audit by the end of 2022/23 financial year.

In this current year, they will be improving on the previous audit outcomes by fully implementing the audit action plan, including eliminating wasteful, fruitless and irregular expenditure.



T.W Nxesi, MP

Minister of Employment and Labour





FOREWORD BY THE ACCOUNTING AUTHORITY

The expansion of the Department's mandate signalled government's resolve to accelerate job creation in order to rapidly reduce unemployment. The name change requires the Department and its entities to change its posture and double its efforts to create jobs and preserve the ones already existing. As a Department, our role would largely be to provide coordination and seek to collaborate and align our efforts with other Departments and agencies both to create jobs and to ensure that our people get the skills required in the market place. Secondly, we are going to leverage the resources of the Department – and of our entities – the UIF (Unemployment Insurance Fund) and the CF (Compensation Fund) – to preserve jobs and to invest in job creating initiatives.

The UIF already plays a significant role in creating and preserving jobs through the Labour Activation Programmes (LAP). Currently LAP has about 177 projects running throughout the country with more than 30 000 learners participating. It is not enough for us to train for the sake of training, we want to see most if not all of the learners gaining employment or at least start their businesses. As the Department, we want to see a good return of the Fund's investment into these training schemes, which in the current financial year is around R 2 billion rand. Therefore, monitoring of these projects to ensure that they yield desired outcomes is going to be very critical.

Hence, we have decided that the implementation of the training programmes should be administered by Public Employment Service (PES) of the Department, with the UIF continuing with the Funding of the projects. So in essence, a UIF beneficiary once the application for benefits has been captured ceases to be UIF problem, but that of PES. PES must prepare this work seeker to re-enter the labour market. This is supposed to be a seamless process. We are delighted that workers have started to realise full benefits of the Unemployment Insurance Amendment (UI) Act, 2016 since 1 January 2019.

The UI Amendment introduced an improvement of benefits to workers including the increment of unemployment benefits period from six (6) to twelve (12) months, and an increase in maternity benefits up to 66% of salaries earned, among others. The benefits were further enhanced by the Labour Law Amendment Act, 2018, which introduced the Parental Benefits that came into effect from 1 January 2020. We believe the review of existing benefits and introduction of new one brings a huge relief to UIF contributors and their families. Our strategic thrust for the period 2020/2021 – 2024/2025 strategic plan is the internal alignment of functions in order to achieve greater impact on job preservation and creation, as well as a cohesive coordination of external initiatives of key stakeholders involved in job creation.

T.M Lamati

Director-General





COMMISSIONER'S STATEMENT

The renaming of the Department from Labour to Employment and Labour which resulted in the expansion of the Department's mandate has prompted the Fund to review its posture and the strategic role it has to play in assisting the Department to fulfil its expanded mandate. Therefore, the Fund took a decision to review its mission to sharpen its focus on employment creation and contribution to economic growth.

The revised Mission Statement: "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", carries our objective of improving accessibility of our services to all beneficiaries, and also improve the livelihood of contributors poverty alleviation schemes.

The amendments to the Unemployment Insurance Act (UI Act), 2016 and the Labour Laws Amendment Act, 2018 have landed credence to the reviewed mission as they both seek to improve benefits to vulnerable groups and contributors. The UI Act, which came into effect in January 2019 introduced improved benefits to workers including the increment of unemployment benefits period from six (6) to twelve (12) months, and an increase in maternity benefits up to 66% of salaries earned.

Furthermore, the Fund was empowered through the amendment of Section 5(d) of the UI Act to finance the "retention of contributors in employment and re-entry of contributors into the labour market and any other scheme aimed at vulnerable workers". In addition, the Labour Laws Amendment Act 10 of 2018 introduced Parental Leave benefits for fathers of new babies, Adoptive parents and Parents in surrogacy arrangement.

The Fund started processing claims for the Parental Benefit from 4 November 2019, however there was ambiguity from employers on the full implementation of the leave benefit. However, on 18 December 2019 the President announced the implementation date for the sections that deal with Parental Leave in the amended Basic Conditions of Employment Act and that has helped to clear the ambiguity. Employers are now obliged to grant paid parental leave, which UIF will pay at 66% of contributable income. As part of the Department, the UIF is expected to drive more than just compliance and benefits payment, but to actively participate in the creation of jobs through various mechanisms and partnerships.

The Amendment of Section 5(d) will enable the UIF to play a key role in this new mandate. The country's First Jobs Summit committed to the review of the Training Layoff Scheme (TLS) to become the first-point-of-call for companies in distress to avoid retrenchments. The TLS has since been reviewed and renamed the Temporary Employer/Employee Relief Scheme (TERS), and was discussed and adopted by the Social Partners at National Economic Development and Labour Council (NEDLAC).

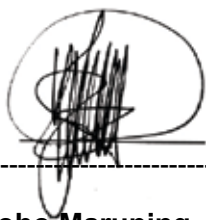
Initiatives to reconfigure the Department will soon see the relocation of UIF's Labour Activation Programmes (LAP) to the Public Employment Services (PES) Branch of the Department. The aim is to integrate and align LAP and PES processes at an operational level to facilitate seamless



processes. This means that going forward that the Unemployment Insurance Fund will be responsible to fund the LAP projects, while the Public Employment Services will be responsible to administer the programmes.

The Fund remains committed to maintaining the current sound financial position through rigorous revenue collection strategies, and constant compliance efforts. UIF will continue working with strategic stakeholders and partners such as Training institutions, Nedlac, SOEs, Financial institutions, Chambers of Business, Institutions representing various professional bodies, and others. The Fund recognises the key role played by these stakeholders in assisting us to achieve our objectives and mandate. We are thankful for the tireless support of the Minister, Deputy Minister and the Director-General of the Department of Employment and Labour, and we look forward to their continued support as we implement the 2020 – 2025 strategic plan.

Ke a leboga
Thank you

A handwritten signature in black ink, consisting of a large, stylized 'T' and 'M' intertwined, enclosed within a circular loop. The signature is positioned above a horizontal dashed line.

Teboho Maruping

Unemployment 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

M Mnconywa
Chief Director: Labour Activation Programme

M Yawa
Chief Director: Corporate Services

F Puzi
Chief Financial Officer

J Maluleke
Acting Head of Planning

T.M Lamati
Accounting Authority

T Maruping
UIF Commissioner

B.E Moloi, MP
Deputy Minister

T Nxesi, MP
Executive Authority







OUR MANDATE **PART A**





PART A: OUR MANDATE

1. Constitutional mandate

The supreme mandate of the UIF is derived from section 27 (1) (c) of the Constitution of the Republic of South Africa. The UIF provides social security to its contributors in line with section 27 (1) (c), which states that “everyone has the right to social security”.

2. Legislative and policy mandates

2.1 Legislative Mandate

The mandate of UIF is stated in the Unemployment Insurance Act (Act 63 of 2001) as amended. The UIF was established in terms of section 4(1) of the Unemployment Insurance Act. The Act empowers 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) empowers the South African Revenue Service Commissioner and the Unemployment Insurance Fund 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 to pay benefits and other expenditure 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: A Capable, Ethical and Developmental State
- Priority 2: Economic Transformation and Job Creation
- Priority 4: Consolidating the Social Wage through Reliable and Quality Basic Services
- Priority 6: Social cohesion and safer communities.

Overall, the UIF is expected to provide adequate social safety nets to protect vulnerable workers.

The Fund administers the following legislations:

- 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 Strategic Plan takes into consideration the National Development Plan (NDP), the NDP Five-Year Implementation Plan and the MTSF.

The Fund will develop a White Paper on Social Insurance in order to introduce coverage for vulnerable workers that are currently excluded from the current Unemployment Insurance legislation. 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

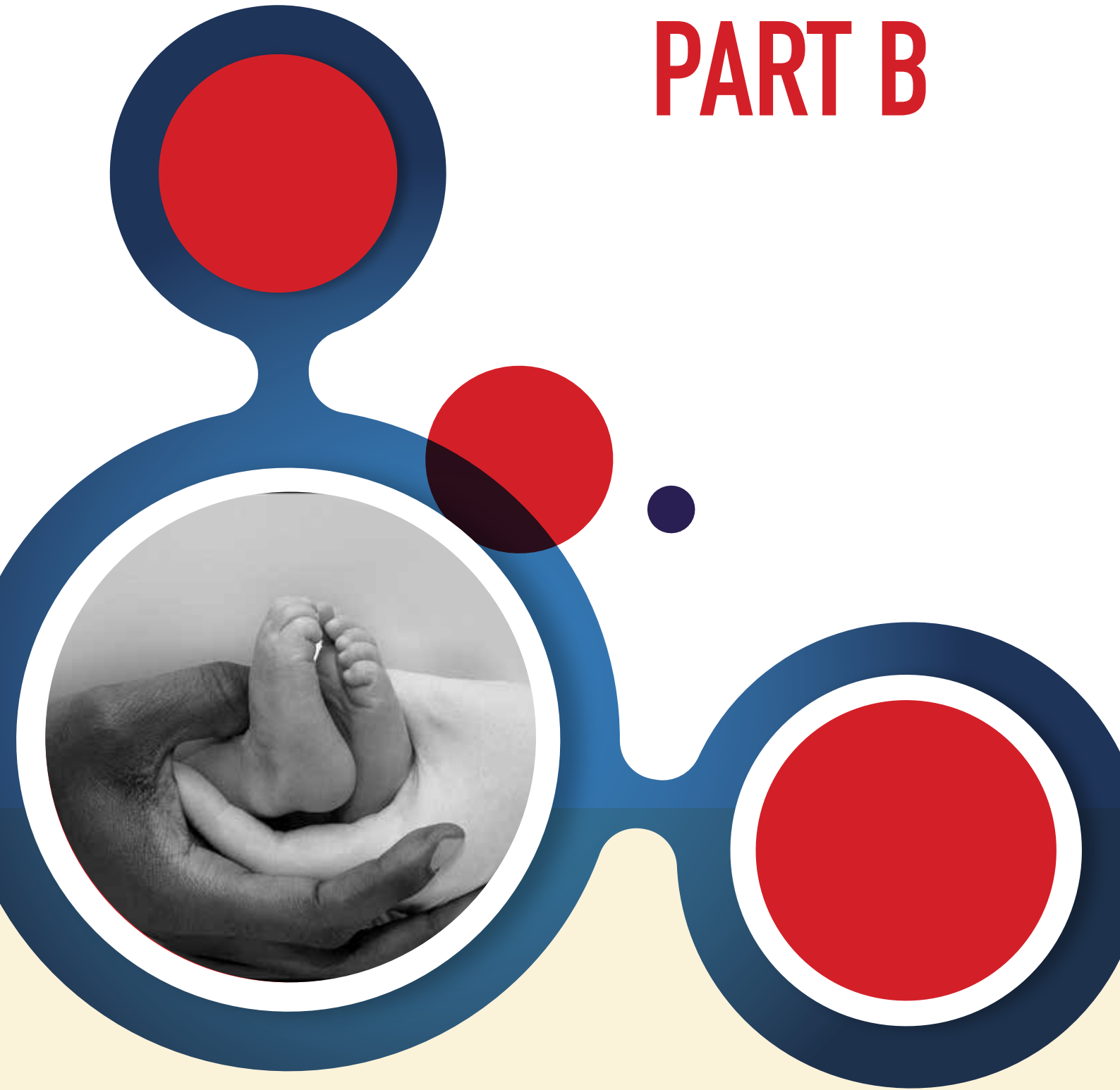
Musanga and Others v Minister of Labour and Others

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 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.

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 intervention.
- **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 workers 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:

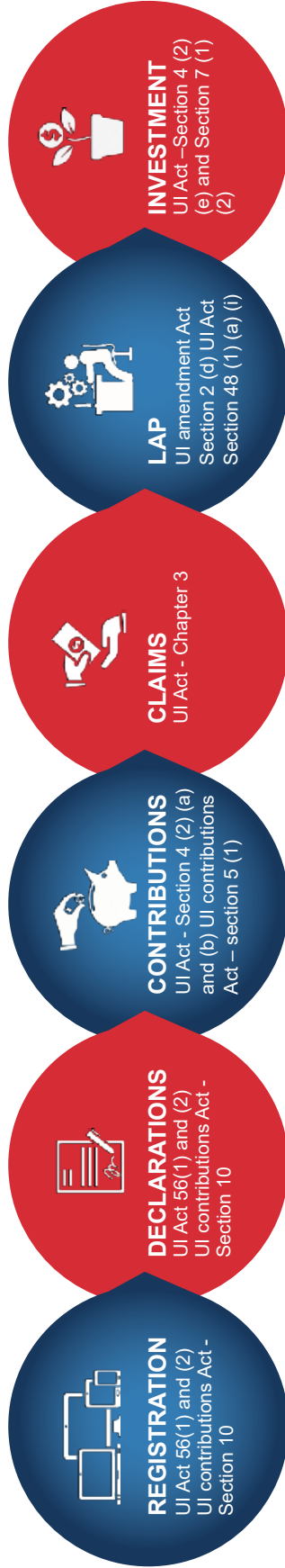
	VALUES	DESCRIPTION
	Transparency	We will be open to all stakeholders without reservations on dealings within the Fund.
	Mutual Respect	We will respect our colleagues and stakeholders and treat them as we want to be treated.
	Client-centred service	The customer should be placed at the centre of the UIF's 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"> % of companies registered Number of newly registered employees Number of newly registered employers 	<ul style="list-style-type: none"> % of new companies created with a registration document % of companies issued with compliance certificates 	<ul style="list-style-type: none"> % increase in contribution revenue Turnaround time to issue a compliance certificate 	<ul style="list-style-type: none"> Turnaround time to process claims and payments 	<ul style="list-style-type: none"> Enhancing employability to enable UIF contributors to be retained at work Percentage of Temporary Employer Employee Relief Scheme (TERS) processed 	<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	Priority 6: Social cohesion and safer communities
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Impact statement: A Labour market which is conducive to decent employment

Outcome indicators per priority

Priority 1: Capable, Ethical and Developmental State	Priority 2: Economic Transformation and Job Creation	Priority 4: Consolidating Social Wage through reliable and basic services	Priority 6: Social cohesion and safer communities
<ul style="list-style-type: none"> Identified Covid-19 cases verified Improved audit opinion obtained from the Auditor-General Wasteful, fruitless and irregular expenditures reduced Improved turnaround time to pay suppliers Improved resolution of reported incidents of fraud and corruption Functional ethics structure Sustainable Administrative expenditure Improved return on listed investments Improved Human Resource Capacity Covid-19 interventions implemented (payments) Identified Covid-19 cases verified Covid-19 TERS ICT system implemented. 	<ul style="list-style-type: none"> Unemployment Insurance Fund (UIF) Assets Under Management (AUM) Funds set aside for Funding Employment Creation Schemes 	<ul style="list-style-type: none"> Integrated claims management System (ICMS) implemented, support and maintenance provided Improved social security coverage 	<ul style="list-style-type: none"> Improved representation of the designated groups across occupational levels

DATA MANAGEMENT

UIF SWOT Analysis

A	S	W	O	T
P	There is a political will to focus energies on the creation of employment.	Lack of clear direction/ Specifics from Minister 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 compromising valid Investment decisions of UIF Financial resources Widespread misunderstanding of the utilisation or lack thereof of UIF funds
E	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. 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.	There is an increase in young people who want to peruse entrepreneurship, and are not just looking for jobs Potential to enter into Private partnerships to create employment opportunities	Investment Decisions not 100% assured to provide returns. Closing down of several large corporations which leads to retrenchment of workers, and therefore increase in UI benefit Claims Increasing Unemployment Rate
S	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	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
T	Use of multiple channels to provide services to UIF Clients, e.g. introduction of USSD system free Wi-Fi at service points. Creation of the UIF App to reach more people	Poor ICT infrastructure, UIF is still too "paper-based". Turnaround times for procurement of ICT equipment and devices is still range from months to years. 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.	Use of Technology to reach as many UIF Beneficiaries as possible. Opportunity to retrain- retrenched UIF beneficiaries in ICT-related skills in order to increase their employability	Slow pace of the Presidential Task Team on the 4IR and the role that government entities can play 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

A	S	W	O	T
E		<p>No clear skills training strategy for the Unemployed in Environmental/natural Resource based jobs:</p> <p>Green Economy Blue/ Oceans Economy Tourism Mining Agriculture</p>	<p>Re-focus employment creation efforts towards sustainable development jobs that respond to the following:</p> <p>Green Economy Blue/ Oceans Economy Tourism Mining (Rehabilitation) Agriculture</p> <p>Retraining and Reskilling efforts as part of Mining beneficiation for those who are retrenched.</p>	<p>Environmental-based jobs are being threatened by climate change</p> <p>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</p>
L	<p>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>	<p>UIF Legislation (UI contributions Act) exclusion of many active in the labour market, such as:</p> <p>Informal workers Consultants and Self-Employed Artists in the Entertainment industry Online/Platform work</p> <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> <p>Informal workers Consultants and Self-Employed Artists in the Entertainment industry Online/Platform work</p>	<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 facing an unemployment crisis. The unemployment rate for Quarter 3 of 2019 was 29.1% and the Expanded Unemployment was at 38.5%, with 40.4% of youth who are not in Employment, Education or Training (NEET)¹. Based on the results of the Quarterly Labour Force Survey (QLF - Quarter 3: 2019), the economy has failed to create sufficient jobs to meet the high demand for employment. Entrepreneurship has not yet yielded the results the country had hoped for in terms of self-employment. Several large Corporations operating in South Africa have suffered financial losses and resorted to layoffs of workers, and are opting for digitisation. Overall, employment prospects in South Africa are low; which necessitates the need for an efficient and customer-centric Unemployment Insurance Fund.

As outlined in the Unemployment Insurance Contribution Act 4 of 2002, the Fund has the responsibility to ensure that employers and employees are registered and contribute to UIF. To provide additional benefits to workers, the UI Amendment Act 10 of 2016 introduced an improvement of benefits to workers including the increase of Unemployment benefits period from six (6) to twelve (12) months, and an increase in Maternity benefits up to 66% of salaries earned. Furthermore, the Fund was empowered through the amendment of Section 5(d) of the UI Act to finance the “retention of contributors in employment and re-entry of contributors into the labour market and any other scheme aimed at vulnerable workers”². Additionally, the Labour Laws Amendment Act 10 of 2018 introduced the Parental Leave benefits³. The review of existing benefits and introduction of new one come as a relief to Unemployment Insurance Fund contributors.

The new Department of Employment and Labour (DEL) has been tasked with the coordination of all efforts to create jobs and reduce unemployment, and is required to change its approach from mere compliance enforcement to facilitating job creation⁴. Amongst key interventions envisaged for the next five (5) years, the DEL will be developing the National Employment Policy, as well as the Labour Migration Policy; and the UIF will participate in both projects.

As part of the DEL, the UIF is expected to drive more than just UI Act compliance and benefits pay-out, but to actively participate in the creation of jobs through various mechanisms and partnerships, and the Amendment of Section 5(d) will enable the UIF to play a key role in this new mandate. The country's First Jobs Summit committed to the review of the Training Layoff Scheme (TLS) to become the First-point-of-call for companies in crisis in order to avoid retrenchments⁵. The TLS has since been reviewed and renamed the Temporary Employer/Employee Relief Scheme (TERS), and was discussed and adopted by the Social Partners at National Economic Development and Labour Council (NEDLAC)⁶.

NEDLAC further spearheaded the development of the Future of Works Report, which noted both increasing and decreasing roles in the various sectors of the South African economy, and majority of the increasing roles are of high skills, personal skills, technological or expertise based; whereas decreasing roles are mostly traditional/administrative duties, some of which can be effortlessly automated by employers. Monitoring of the developments in the various sectors will assist the Fund to re-direct its job creation and job retention efforts where they are needed most.

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- 1 Quarterly Labour Force Survey Q3:2019
 - 2 Unemployment Insurance Amendment Act No 10 of 2016
 - 3 Labour Laws Amendment Act 10 of 2018
 - 4 The Presidency, 2019
 - 5 Presidential Jobs Summit, 2018
 - 6 Revised TERS Guidelines

In the State of the Nation Address, the President of the Republic of South Africa emphasised the importance of growing the economy and creating jobs. Seven (7) government priorities were adopted, and the UIF is directly implicated and should contribute to the achievement of the following priorities:

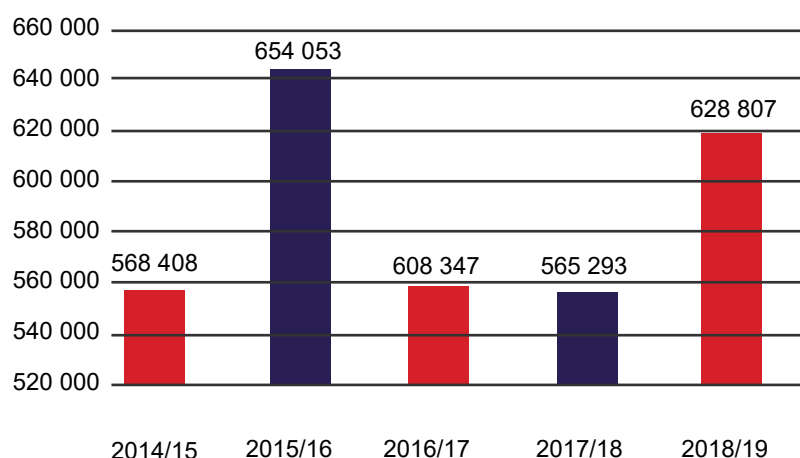
- Priority 1: Capable, Ethical and Developmental State
- Priority 2 : Economic Transformation and Job Creation
- Priority 4: Consolidating Social Wage through reliable and Basic Services
- Priority 6: Social cohesion and safer communities

1.1 Internal Environment Analysis

The UIF complies with all government legislations, and champions the transformation agenda by ensuring that it sets and meets Employment Equity Targets including the prioritization of recruitment of women, youth and people with disabilities. Moreover, the Fund regularly procures services from businesses owned by these vulnerable groups.

UIF finalised on average 604 982 unemployment benefit claims per year in the last 5 years⁷. Whilst the Fund cannot re-entre all beneficiaries back into employment, job retention and re-entry strategies will be prioritised for the next 5 years. The increase in Unemployment claims benefits by 63 514 from 565 293 between 2017/18 to 2018/19 is due to the current economic challenges that have led to retrenchments by a number of large corporations and labour-intensive industries. Below is a breakdown of UI benefits claims for the past 5 years.

Unemployment Claim Benefits Finalised (2014/15 - 2018/19)

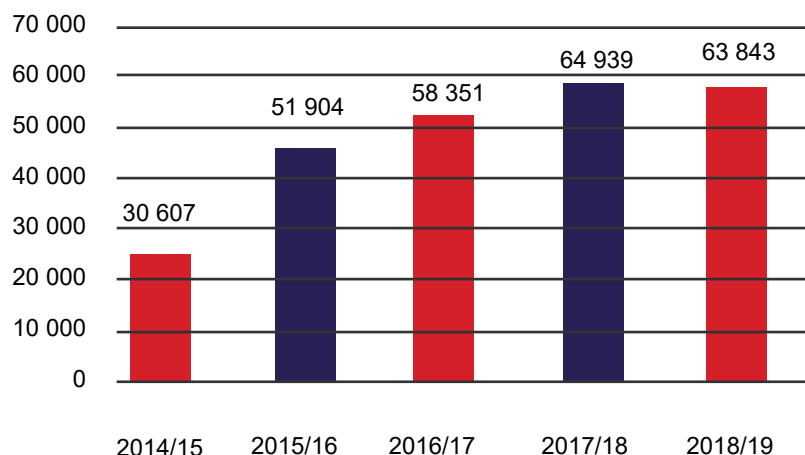


Source (UIF Annual Reports 2014/15, 2015/16, 2016/17, 2017/18, 2018/19)

7 UIF Annual Reports, 2014/15, 2015/16, 2016/17, 2017/18, 2018/19)

A stagnant component is the compliance of UI Legislation by companies/employers. While there was a sharp increase in new registrations in the 2015/16 financial year, the pace to register additional companies/employers has not improved. This 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.

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



Source (UIF Annual Reports 2014/15, 2015/16, 2016/17, 2017/18, 2018/19)

The successful implementation of this strategy will be profoundly contingent on the improvement of the UIF's internal environment, particularly the Human Resources, Information and Communication Technology, and Supply Chain Management.

To improve the overall experience of the clients at its service points and enable quick registration of small businesses, UIF has embarked on technological improvements. An online platform (u-Filing) was enhanced and companies are able to register for UIF and receive registration confirmation within 4 hours at worst and 20 minutes at best. Additionally, a USSD system was introduced for contributors in remote areas to ease access to UI claims process; and is also designing a UI App for smart devices.

The status of the vacancy rates in the Fund in the past five (5) years remains a concern that needs to be urgently addressed, particularly given the high levels of unemployment in the country. Moreover, the staff complement already within the employment of the UIF should be capacitated with the necessary skills required to ensure that they perform their duties to a satisfactory level and ultimately contribute towards achieving the vision of the Fund.

The Skills Audit Project⁹ was conducted (through an independent and impartial service provider) in order to provide an overview of the critical and scarce skills needed to enable the Fund to deliver on its operational mandate and as a public entity. The results of the study revealed gaps in certain areas where skills and qualifications are concerned, and these will be addressed through the revised Work Place Skills of the Fund.

The Skills Audit Report revealed the following:

- 58.70% of the Staff at the UIF-HQ has been with the Fund for more than 10 years.
- Only 20% of staff are holders of a Degree Qualifications, and the rest fall in the lower qualifications categories including Diplomas, Higher Certificates, Matric and even non-matriculants.
- Only 20% of Staff is Youth, and the rest are older.
- UIF is viewed as "operating" as three 'industries', namely: Insurance, Corporate Social Investment, and Business Rescue, despite not having sufficient staff complement with the necessary/required skills and expertise to function in any of the 3 'industries'.

5.2 Key interventions to address challenges

During the 2018/19 financial year, the UIF reviewed its vision, mission and objectives, which was inspired by our desire to improve service delivery and putting customers at the centre of service delivery. This initiative coincided with the approval of the Unemployment Insurance Amendment Act in January 2017. The UI Amendment Act became fully operational in January 2019, and it has greatly improved the provision of benefits to workers. The Fund will continue to develop the Business Process Maps for Directorate's Policies and Procedures in order to improve effectiveness and efficiency of UIF services. Our stakeholders and clients have expressed dissatisfaction with poor service at labour centres services, and the biggest complaint has been delays in claims processing and making payments.

In a true spirit of realising our vision, "A caring, accessible and customer centric UIF that contributes towards a poverty alleviation", we embarked on a 'changing lives drive' where we stratified claims into categories and revised processing period for each category, and also developed the Service Delivery Action Plan. In light of the complaints about poor service delivery by our stakeholders and clients, UIF has developed the Service Delivery Action Plan aimed to drastically improve service delivery.

The action plan addresses gaps in claims processes, IT infrastructure and systems, and personnel capacity. The Fund has made significant progress in implementing the following IT related action items: Infrastructure upgrade, installation of Biometric system, Wi-Fi system, and Queue Management System and all 126 labour centres. In addition, the u-Filing system has also been revamped to enable employers to easily declare employees and pay contributions.

Part of this plan is to streamline the processing of claims by decentralizing it to labour centres so that claims can be finalized at labour centres, thus reducing delays in making payments to our clients. We want to promote greater self –service where clients have options to choose how they access our services through various touch points available at their disposal.





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 (Implementation Delivery Model)

MTSF Priority 1: Capable, Ethical and Developmental State			
Outcomes	Outcome Indicators	Baseline	Five year target
Functional and Efficient UIF	Improved audit opinion obtained from the Auditor General	Obtained a qualified audit opinion in 2018/19	Clean audit opinion obtained by March 2024
	Wasteful, fruitless and irregular expenditures reduced	Fruitless and wasteful expenditure: R 79 897 326.14 as at January 2020 Irregular expenditure (confirmed): R 92 777 as at January 2020.	100% elimination of wasteful and fruitless expenditure and 75% reduction of irregular expenditure by March 2024
	Improved turnaround time to pay suppliers	99.9% (6 654 / 6 655) within 30 calendar days as at March 2020.	100% valid invoices paid 30 calendar days after receipt by March 2025
	Improved resolution of reported incidents of Fraud and corruption	69.5% (16/23) as at January 2020	95% resolution of reported incidents of Fraud and corruption by March 2024.
	COVID-19 interventions implemented	No baseline information.	90% of COVID-19 TERS applications with valid, accurate and complete information paid within 5 working days after receipt by March 2021.
	Covid-19 TERS ICT system implemented	No baseline information.	Covid-19 TERS ICT system developed and deployed by March 2021
	Identified Covid-19 cases verified.	No baseline information.	100% of identified Covid19 cases verified by March 2021
	Functional Ethics structure	No baseline information.	Ethics committees established and 95% adherence to Terms of reference by March 2024
Financially sustainable UIF	Sustainable Administrative Expenditure.	13.7% (750 336/5 460 507) as at March 2020.	≤15% by March 2025
	Improved return on listed investments.	Benchmark: Minus 10.88% Performance: Minus 8.25% 2.63% achievement as at March 2020.	Percentage returns on listed investments ≥ the Benchmark by March 2025.
Strengthened institutional capacity of the Fund.	Improved Human Resource Capacity.	Vacancy rate was 6.6 % (45 posts/ 602 Establishment) as at April 2020.	≤5% by March 2025.



MTSF Priority 2: Economic Transformation and Job Creation			
Outcomes	Outcome Indicators	Baseline	Five year target
More decent jobs created.	Unemployment Insurance Fund (UIF) Assets Under Management (AUM) Funds set aside to fund Employment Creation Schemes.	Budgeted R7.6 billion for next three years.	10% set aside by March 2025.

MTSF Priority 4: Consolidating the Social Wage through Reliable and Quality Basic Services			
Outcomes	Outcome Indicators	Baseline	Five year target
An inclusive and responsive social security coverage	Integrated claims management System (ICMS) implemented, support and maintenance provided	Request for handover submission has been approved by the National Treasury.	Support and maintenance of the Integrated Claims Management System by March 2023.
	Improved social security coverage	Registered 795 178 new employees as at March 2020.	4 600 000 newly registered employees by March 2025.
		Registered 59 984 new employers as at March 2020.	450 000 newly registered employers by March 2025.
		96% (57 394/59 984) new companies were created with registration document (UI54) within 1 working day as at March 2020.	100% of new companies created with registration document (UI54) within 5 working hours by March 2024.
		93% (8098 / 8 677) applications with complete information were issued with compliance certificates, tender letters or non-compliance letters within 10 working days as at March 2020	100% of applications with complete, accurate and verified information issued with compliance certificates, tender letters or non-compliance letters within 48 working hours by March 2024.
		93% (798 151/854 639) 15 working days Unemployment benefit claims were approved or rejected within 15 working days as at March 2020.	98% of Unemployment benefit claims with complete, accurate and verified information approved or rejected within 8 working days by March 2022.
		92% (126 442/136 897) of In-service benefits; Maternity, illness and adoption benefits were approved or rejected within 10 working days as at March 2020.	98% of In-service benefits; Maternity, illness and adoption benefit claims with complete, accurate and verified information approved or rejected within 5 working days by March 2022.
		95% (14 539/15 337) of Deceased benefit claims were approved / rejected within 20 working days as at March 2020.	98% of deceased benefit claims with complete, accurate and verified information approved or rejected within 10 working days by March 2022.
		99% (3 287 380/3 309 029) of benefit payment documents were created within 6 working days after receipt as at March 2020	99% of complete, accurate and verified benefit payment documents created after receipt within 3 working days after receipt by March 2022.

MTSF Priority 6: Social cohesion and safer communities			
Outcomes	Outcome Indicators	Baseline	Five year target
Equal opportunities, inclusion and redress	Improved representation of the designated groups across occupational levels	87% (69/79) as at April 2020.	≥ 75% of Africans in middle and senior management level by March 2024.
		2.8% (16 officials / 562) of employees with disabilities employed within the Fund as at April 2020.	≥ 2.5% of persons with disabilities between the age of 15 and 65 employed in line with Employment Equity Act by March 2024

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. The UIF will develop fit for purpose structure to ensure that the five year targets are achieved. The Fund will continue to develop the Business Process Maps for Directorates Policies and Procedures in order to improve effectiveness and efficiency of UIF services. The Service Delivery Model is being developed in line with the new expectations.

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 the disbursement of the Funds as per approved Employment Creation Scheme Framework and Guideline. 10% of Unemployment Insurance Fund (UIF) Assets Under Management (AUM) Funds will be set aside for Funding Employment Creation Schemes by 2025.

MTSF Priority 4 on consolidating the social wage through reliable and quality basic services and the NDP will be implemented through the development of White paper on social insurance for vulnerable groups in the first 5 years of the new administration due to long consultative processes and implementation of the comprehensive social protection system. 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.

Without a high degree of social cohesion and unity of purpose, it is difficult to envisage South Africa overcoming the significant obstacles that stand in the way of prosperity and equity. At the same time, uniting the country will be hard to achieve without substantive redress, reducing inequalities, addressing social exclusions, and promoting equity. Inequality, both objectively measured and perceived, has an impact on social cohesion and inter-group interaction. The UIF will contribute to priority 6: Social cohesion and safer communities of the MTSF by ensuring fair representation of Africans at Middle and Senior Management levels as well as the employment of persons living with disabilities. UIF has already surpassed the MTSF 5 year targets for both designated groups.

2. Key Risks

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

Outcome	Key Risk	Risk Mitigation
More decent jobs created	UIF unable to enhance employability of UIF contributors to be retained at work or re-introduced back to employment.	<ul style="list-style-type: none"> Implementation of Temporary Employer Employee Relief Scheme (TERS). Funding agreements to be signed with project partners.
	Limited funding to assist distressed companies.	<ul style="list-style-type: none"> Increase budget allocation for companies in distressed
	Volatile economic environment Investments.	<ul style="list-style-type: none"> Diversified Investment Strategy (Asset and Liability Modelling is done annually). Contract with PIC .
	Ineffective implementation of Labour Activation Programmes.	<ul style="list-style-type: none"> Approved Labour Activation mandate/ strategy. Approved Standard Operating Procedures for all programmes (TERS,TAS, TOU and ED).
An inclusive an responsive social security coverage.	Fraud and Corruption.	<ul style="list-style-type: none"> Review Fraud Prevention Strategy Review policies and procedures.
	Lack of implementation of Integrated Claims Management system.	<ul style="list-style-type: none"> Implementation of the SAP Roadmap.
<ul style="list-style-type: none"> Functional and Efficient UIF Financially sustainable UIF 	Ineffective expenditure measures leading to financial loss and limiting optimal service delivery.	<ul style="list-style-type: none"> Review finance policy and procedures aligned to relevant legislation.
<ul style="list-style-type: none"> Strengthened institutional capacity of the Fund Equal opportunities, inclusion and redress. 	UIF not having HR strategy to support the organisational strategy.	<ul style="list-style-type: none"> Revised organisational structure. Approved business processes.



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 the Auditor General
Definition	The indicator is about the audit findings issued by the AGSA and IA at the end of the audit period. These findings must be resolved by the affected Directorates in order to obtain clean audit opinion.
Source of data	Final External Audit Report, Directorates progress reports on the implementation of findings/Audit Matrix form Directorates, Internal Audit Report
Method of Calculation / Assessment	Number of resolved findings as per the implementation date divided by total number of findings issued multiple by 100%. <ul style="list-style-type: none">• AGSA findings to be resolved are the findings from the previous year audit.• The IA findings are continuous.
Assumptions	None
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	Clean Audit Opinion
Indicator Responsibility	UIC



Indicator Title	Wasteful, fruitless and irregular expenditures reduced.
Definition	Wasteful and fruitless expenditure refers to expenditure that was made in vain and could have been avoided had reasonable care been taken. Such expenditure includes interest, the payment of inflated prices, and the cost of litigation that could have been avoided. Irregular expenditure is expenditure other than unauthorized expenditure, incurred in contravention of or that is not in accordance with a requirement of any applicable legislation.
Source of data	<ul style="list-style-type: none"> Irregular Expenditure Lead Schedule and Checklist. Wasteful and fruitless expenditure Lead Schedule and Checklist.
Method of Calculation / Assessment	Total of Irregular, Fruitless and Wasteful expenditure for the current year minus the baseline amount as at January 2020 (R 79 897 326.14) of Fruitless and Wasteful expenditure as provided in the Strategic Plan divided by the current year amount of Irregular, Fruitless and Wasteful expenditure multiplied by 100.
Assumptions	That all officials follow the legislative prescripts and adhere to policies.
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	Wasteful and fruitless: 100% elimination Irregular: 75% reduction
Indicator Responsibility	UIC

Indicator Title	Improved turnaround time to pay suppliers
Definition	Measures the percentage and turnaround time to pay suppliers with valid invoices. Valid invoice means certification of the invoice by the SCM. All valid invoices paid within 30 days of receipt as per PFMA and Treasury Regulations.
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 divided by the number of valid invoices received by the fund multiplied by 100. Invoice received date by the Fund (SCM) (As per date stamp) and date of payment on the bank statements are used to calculate the turnaround times.
Assumptions	None
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	CFO

Indicator Title	Improved resolution of reported incidents of Fraud and corruption
Definition	The indicator is about allegations of fraud, corruption and any irregularities reported by whistleblowers through the funds methods of reporting such as fraud hotline, email hotline, line Managers, National Anti-Corruption Hotline. This includes fraud allegations on Covid-19 payments.
Source of data	Case Management database report
Method of Calculation / Assessment	Number of reported incidents of fraud /corruption resolved within the specified time frame as stated below divided by the total number of reported incidents of fraud / corruption received multiplied by 100. (simple cases finalized within 30 working days, complex cases within 90 working days and COVID-19 cases within 60 working days)
Assumptions	There will be reported incidents of fraud / corruption to be resolved
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	UIC

Indicator Title	Covid-19 interventions implemented (payments)
Definition	The indicator is about the implementation of Covid-19 TERS benefits in terms of payments. These payments are paid to employees affected by the Covid 19 lockdown through employers or the Bargaining Councils. Valid means application has the name of the employer, account number, branch code and has declared the employees. Accurate means payment made to the applicant with correct information (account number and bank branch code) Complete means the application with the CSV file which is correctly completed.
Source of data	Payment files are received from ICT and Operations sections in an excel format.
Method of Calculation / Assessment	Number of Covid19 applications with Valid, Accurate and Complete information paid within 5 working days after receipt divided by the total number of applications with Valid, Accurate and Complete information multiplied by 100.
Assumptions	N/A
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	Quarterly
Desired performance	90% within 5 working days
Indicator Responsibility	CFO

Indicator Title	Covid-19 TERS ICT system implemented
Definition	The indicator is about the development an electronic system, its testing, and provision of technical support and production of daily statistical reports on the payment of Covid-19 TERS benefits to the qualifying applicants.
Source of data	System URL and user guide manual. Emails from clients, list of issues / emails from Bargaining Councils, list of issues from Business South Africa.
Method of Calculation / Assessment	Proof of support provided to the clients (emails, spreadsheet etc), Covid-19 statistical reports, existing and functional ICT system for Covid-19 TERS.
Assumptions	None
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	2020/21
Desired performance	Covid-19 TERS system developed and implemented. Daily reports produced. All enquiries successfully attended to.
Indicator Responsibility	CD: Corporate Services

Indicator Title	Identified Covid-19 cases verified
Definition	The indicator is about verification of Covid19 information provided by the employers as well as payments made to the employees by the employers.
Source of data	Completed CSV Files
Method of Calculation / Assessment	Number of identified Covid-19 cases verified divided by the total number of Covid19 cases identified multiplied by 100.
Assumptions	None
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	2020/21 financial year
Desired performance	100%
Indicator Responsibility	CD: Business Operations

Indicator Title	Functional ethics structure
Definition	The indicator is about the establishment of the Ethics Committees and adherence to the Terms of Reference.
Source of data	Committee meetings and Terms of Reference
Method of Calculation / Assessment	Reports and percentage of adherence to the Terms of Reference key deliverables.
Assumptions	None
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	Functional ethics structure
Indicator Responsibility	UIC

Indicator Title	Sustainable Administrative expenditure
Definition	Measure the administrative expenditure as a percentage of revenue in order to maintain the expenditure within 15% as a percentage of revenue
Source of data	Computron – Trial Balance
Method of Calculation / Assessment	Total administration expenditure (breakdown of all figures) divided by the total revenue multiplied by 100
Assumptions	Functional Computron
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	Administration expenditure to be ≤15%
Indicator Responsibility	CFO

Indicator Title	Improved return on listed investments
Definition	This refers to the Investment return on the Funds listed investment (listed investments exclude international investments) to track performance of investment portfolio against the composite benchmark of the listed asset classes. The benchmark period is the previous 12 months.
Source of data	PIC client report, Market website for benchmark figures
Method of Calculation / Assessment	Investment Return: Modified Dietz Method Target Return: Portfolio return on listed investments over reporting period (past 12 months) ≥ benchmark return over reporting period (past 12 months)
Assumptions	This refers to the Investment return on the Funds listed investment (listed investments exclude international investments) to track performance of investment portfolio against the composite benchmark of the listed asset classes. The benchmark period is the previous 12 months.
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	Listed investments greater than the benchmark return
Indicator Responsibility	CFO

Indicator Title	Improved Human Resource Capacity
Definition	The indicator is about the percentage reduction of vacant funded posts on the establishment of the Unemployment Insurance Fund.
Source of data	PERSAL system
Method of Calculation / Assessment	Total number of funded vacant posts divided by the total staff complement multiplied by 100
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	≤5%
Indicator Responsibility	CD: Corporate Services

Priority 2: Economic Transformation and Job Creation

Indicator Title	Unemployment Insurance Fund (UIF) Assets Under Management (AUM) Funds set aside to fund Employment Creation Schemes
Definition	<p>The indicator about the disbursement of the Funds as per approved Employment Creation Scheme Framework and Guideline. 10% of Unemployment Insurance Fund (UIF) Assets Under Management (AUM) Funds will be set aside for Funding Employment Creation Schemes by 2025.</p> <p>The following APP indicators are aligned to this outcome indicator in terms of direct and indirect (training or various support as specified in the APP) creation of jobs.</p> <p>% of Asset under Management Funds set aside to fund Employment Creation Schemes.</p> <p>Number of jobs created through UIF Funding and Investment initiatives.</p> <p>Number of youths participating on Public Employment Programmes.</p> <p>Percentage of Temporary Employer Employee Relief Scheme (TERS) applications approved / rejected by the delegated authority within 15 working days.</p> <p>Number of UIF contributors provided with learning opportunities.</p> <p>Number of Cooperatives supported.</p> <p>Number of SMMEs supported.</p>
Source of data	Approved Employment Creation Scheme Framework and Guideline
Method of Calculation / Assessment	Amount disbursed as per the approved Employment Creation Scheme Framework and Guideline divided by the total amount that was supposed to be disbursed multiplied by 100.
Assumptions	Receiving proposals for funding employment creation schemes and evaluation process undertaken for approval
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	10%
Indicator Responsibility	UIC

Priority 4: Consolidating Social Wage through reliable and Basic Services

Indicator Title	Integrated claims management System (ICMS) implemented, support and maintenance provided
Definition	The indicator is about the linkage of claims management system which will be done by developing and testing SAP Financial Accounting system and replacement of Siyaya system with SAP system. Support and maintenance will then be done on the integrated system.
Source of data	Project Plan
Method of Calculation / Assessment	None
Assumptions	None
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	Integrated claims management System
Indicator Responsibility	CD: Corporate Services

Indicator Title	Improved social security coverage
Definition	<p>The indicator is about the improvement of social security through the following measures which are individually measured in the Annual Performance Plan:</p> <ul style="list-style-type: none"> New employers and employees registered with the Fund for the first time. New companies with complete, accurate and verified information created with registration document (UI 54) within specified timeframes. Applications with complete, accurate and verified information issued with compliance certificates, tender letters or non-compliance letters within specified timeframes. Complete, accurate and verified benefit payment documents created after receipt within specified time frame. Valid claims (Unemployment benefit, Deceased and In-service) with complete, accurate and verified information approved or rejected within specified time frames.
Source of data	Siyaya system/Oracle, Manual registers and emails / E- compliance system
Method of Calculation / Assessment	<p>Total number of claims / applications requests processed divided by the total number of claims / requests received multiplied by 100.</p> <p>Simple count of newly registered employers and employees</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	98% of claims and other applications finalised within 5 working days.
Indicator Responsibility	CD: Business Operations

Priority 6: Social cohesion and safer communities

Indicator Title	Improved representation of the designated groups across occupational levels
Definition	The indicator is about $\geq 75\%$ representation of Africans at middle and senior management occupational levels by 2024. The indicator is also about $\geq 2.5\%$ persons with disabilities employed.
Source of data	PERSAL system
Method of Calculation / Assessment	Total number of funded vacant posts divided by the total staff complement multiplied by 100
Assumptions	Functional PERSAL system. Qualifying Africans will apply for positions at middle and senior management occupational levels.
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% of Africans at middle and senior management occupational levels. $\geq 2.5\%$ persons with disabilities employed.
Indicator Responsibility	CD: Corporate Services





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