



Republic of South Africa

# SPECIAL PENSIONS PROGRESS REPORT PRESENTATION TO THE STANDING COMMITTEE ON FINANCE



# SPECIAL PENSIONS PROGRESS AUGUST 2011

- 2008 AMENDMENT AND CAPABILITY OF SPECIAL PENSIONS UNIT
- COMMUNICATION CAMPAIGNS
- ACHIEVEMENTS
- CHALLENGES
- STAKEHOLDER TRAINING
- PRODUCTION STATISTICS



# CAPABILITY OF SP ADMINISTRATION

To accommodate the 2008 amendment and eliminate backlog, the SP processing capacity was increased through:

- Streamlined processes and performance management
- Appointment of appropriately skilled personnel in adjudication and Appeal sections
- Appointment and training of additional personnel at regional level, call centre and client care;
- Integration of GEPF and SP resources at regional level;
- Renovation of SP offices for effective monitoring and security
- Increased management capacity and reorganization of people within the unit



# COMMUNICATION CAMPAIGN

To raise awareness of the 2008 amendment, the following actions were undertaken before the Closing date (31 Dec 2010):

- ❑ Materials were developed for Radio and newspaper Adverts, aired and published between May 2010 to December 2010 respectively.
- ❑ The Deputy Minister conducted Roadshows from August 2009 to December 2010.
- ❑ Regional Coordinators rolled out an Outreach programme per District Municipality, this assisted greatly as some applicants could not make it to the Towns / Cities;



# ACHIEVEMENTS

- Backlog at verification level were reduced by **97%** (From **3810** to **114**) as at end of **March 2011**– Over 35s
- 114 Applications has since been reduced to 48 as at end of July 2011
- Appeal backlog reduced by **96<sup>0</sup>%** ( From **2106** to **76** cases as at end of **March 2011**.)
- 76 was completed in April 2011
- Other secondary benefits applications are finalized within 30 days, previously it was more than six months (Spouse and Orphans etc...)



# ACHIEVEMENTS

- Total number of under 35 applications received from Jan 2009 – 31 Dec 2010 = **9924**
- Total Application processed = **7185**
- Within the 7185, there are **3440** applications that were rejected due to age (< 30 > 35)
- Applications still at verification level = **2739**
- Turnaround time of processing a properly completed under 35 application is on average 90 days from an average of one year in the past



# CHALLENGES

## INCOMPLETE APPLICATIONS:

- After a number of efforts to reach applicants and collect outstanding information, through telephonic contact, sending letters and final letters of demand. Management removed the incomplete files from the backlog and closed them temporarily until the applicant resurfaces, these were declared as Dormant.



# CHALLENGES

## LATE APPLICATIONS

- There were **7395** applications received after the 2006 Closing date (31 December 2006)
- Under 35 Applicants that failed to meet the deadline find themselves in similar situation as the 2006 group, a total of **1978** applications were received after the December 2010 closing date and were declared late.
- Total late applications = **9 373**





# CHALLENGES

## APPEAL APPLICATION

- Applicants that are rejected at Appeal level have expressed their dissatisfaction about the discontinuation of the section 7(2) provisions whereby the over 35 group had an opportunity to challenge the decision of the Review Board through submissions of new material facts.
- Applicants submit same information that was used to reject their cases, this causes delays in processing appeals as further research would be requested by the Appeal Board



# CHALLENGES

## FRAUD AND CORRUPTION:

- There are a number of potential fraud and corruption cases that were identified. (Fabricated Biographies)
- These cases are at various stages of the investigation
- The Hawks are currently looking at an integrated way of dealing with SP fraud and corruptions cases.



# STAKEHOLDER TRAINING

- On ANC's recommendation, a decision was taken to extend Special Pension training to ANC's Parliamentary Constituency Officers (PCOs). The purpose of this training was to have:
  - Trained representative assisting their qualifying members in completing application forms and raising awareness
  - Trained representatives assisting with initial verification
- Training was conducted in all provinces was completed in July 2010.
- The training was extended to PAC and AZAPO representatives as well.



# PRODUCTION STATISTICS

- The following data is a true reflection of Special Pensions since inception:
  - Total number of application received: 71 104
  - Total applications approved: 21 277
  - Total application declined: 35 478
  - Total Late Applications: 9 373
  - Applications in process including the backlog 4976
  - The number Average monthly receiving annuitants: 6974



# QUESTIONS AND ANSWERS

THANK YOU