

# STRATEGIC PLAN 2025 - 2030





# STRATEGIC PLAN

2025 - 2030

# TABLE OF CONTENTS

01

Executive Authority Statement	4
Accounting Officer Statement	5
Official Sign-Off	8
Acronyms and Abbreviations	9

02

## PART A: OUR MANDATE

1.	CONSTITUTIONAL MANDATE	13
2.	LEGISLATIVE AND POLICY MANDATES	13
3.	INSTITUTIONAL POLICIES AND STRATEGIES OVER THE FIVE-YEAR PLANNING PERIOD	13
4.	RELEVANT COURT RULINGS	14

03

## PART B: OUR STRATEGIC FOCUS

5.	VISION, MISSION, AND VALUES	17
6.	SITUATIONAL ANALYSIS	18
6.1.	Scenario Planning	18
6.1.1	2025 - 2030 Strategic Choices	18
6.2.	External Environment Analysis	21
6.3.	Internal Environment Analysis	27
6.3.1	Strengths Analysis	27
6.3.2	Weaknesses and Opportunities Analysis	29
6.3.3	Threats Analysis	29

04

## PART C: MEASURING OUR PERFORMANCE

7.	INSTITUTIONAL PERFORMANCE INFORMATION	
7.1	Impact Statement	33
7.2	Measuring Outcomes	33
7.2.1	Outcome 1: A Transformed and Sustainable RAF	33
7.2.2	Outcome 2: Digital Transformation	33

7.2.3	Outcome 3: Improved Governance and Controls	34
7.2.4	Outcome 4: Improved Claimant Focus	34
7.3	Explanation of Planned Performance over the Five-Year Planning Period	34
8.	KEY RISKS AND MITIGATIONS	35

## **PART D: TECHNICAL INDICATOR DESCRIPTION** 38

### **LIST OF TABLES**

Table 1:	Relevant court rulings	14
Table 2:	The end of the road scenario	19
Table 3:	Silver lining scenario	20
Table 4:	Summary of the PESTEL Analysis	27
Table 5:	Summary of the SWOT Analysis	31
Table 6:	Outcome 1: Outcomes, outputs, performance indicators and targets	33
Table 7:	Outcome 2: Outcomes, outputs, performance indicators and targets	33
Table 8:	Outcome 3: Outcomes, outputs, performance indicators and targets	34
Table 9:	Outcome 4: Outcomes, outputs, performance indicators and targets	34
Table 10:	Key risks and mitigations	35
Table 11:	TID for Outcome 1: A transformed and sustainable RAF	38
Table 12:	TID for Outcome 2: Digital transformation	42
Table 13:	TID for Outcome 3: Improved governance and controls	43
Table 14:	TID for Outcome 4: Improved claimant focus	45

### **LIST OF FIGURES**

Figure 1:	General fuel levy	22
Figure 2:	Inflation rate	23



**Minister of Transport**  
**Ms Barbara Creecy, MP**

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## EXECUTIVE AUTHORITY STATEMENT

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- increasing annual freight volumes on the Transnet rail network to 250 million tonnes;
- doubling crane moves per hour at ports from 16 to 30;
- increasing the number of annual passenger rail trips to 600 million;
- handling 1.5 million tonnes of airfreight and over 42 million passengers through South African airports; and
- reducing the annual number of road fatalities by half.

The Road Accident Fund's 2025–2030 Strategic Plan aims to contribute to the achievement of these objectives by:

- improving efficiency of the current RAF operating model by finalising the proposed RAF Amendment Act;
- settling all new claims within 120 days; and
- initiating the implementation of a new Integrated Claims Management System.

The Road Accident Fund will achieve these goals through fostering a culture of accountability, ethical decision-making, upholding public trust, filling vacancies and improving audit outcomes.

I hereby present the Road Accident Fund 2025–2030 Strategic Plan.

**Ms Barbara Creecy, MP**  
Minister of Transport

The Seventh Administration has placed inclusive and sustainable economic growth at the forefront of South Africa's development agenda. Over the 2024–2029 Medium-Term Development Plan (MTDP) period, government has identified three national policy outcomes to drive this vision:

- Drive inclusive economic growth and job creation.
- Reduce poverty and tackle the high cost of living.
- Build a capable, ethical, and developmental state.

The Department of Transport and its entities play a crucial role in advancing these priorities by facilitating the efficient movement of goods and people, strengthening our logistics sector, and enhancing transport infrastructure. To revitalise the transport and logistics sector and support economic recovery, the Department has set ambitious targets for 2030, including:



**RAF Chief Executive Officer  
Mr Collins P. Letsoalo**

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## **ACCOUNTING OFFICER STATEMENT**

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We shifted away from the previous, costly, and inefficient litigious operating model in favour of a more focused approach that prioritises the investigation and settlement of claims within 120 days, while also reducing administrative costs and addressing the claims backlog.

Despite the ongoing operational and financial challenges faced by the RAF, the new operating model, introduced in the 2020/21 financial year, has seen improvements in claims processing turnaround times and achieving the “settlement of claims within 120 days” for the last two years of the 2020–2025 strategic period.

We have effectively halted and reversed the growth in short-term liabilities, demonstrating a notable improvement in the management of amounts owed to claimants on settled claims, a trend that had been rising historically. Furthermore, even without an increase in the RAF fuel levy since 2021/22, the RAF has successfully reduced the Requested but not yet paid (RNYP).

The total claims liability consists of claims that have not yet been requested for payment and RNYP claims. Actuarial projections indicated that, without changes to the operating model, the system would face a total collapse by 31 March 2023. RNYP was expected to rise above R51 billion, which would have surpassed the RAF’s annual revenue of R48 billion. However, following the implementation of the 2020–2025 strategic plan, not only was this projected RNYP increase avoided, but it was also reduced from R16.3 billion in 2019/20 to R8.3 billion in 2023/24. This remarkable outcome was achieved despite the absence of inflationary adjustments to the fuel levy over the past four financial years.

The RAF’s 2020–2025 Strategy has come to an end, marking a period of significant achievements. As we now move forward with the implementation of the 2025–2030 Strategy, it is important to reflect on the progress made during the past five years. During this time, the RAF focused on transforming the Fund with key priorities of reducing operational costs, improving operational efficiency and digitising the claim process. This included revising the RAF’s structure and business processes, and enhancing internal capacity by insourcing various services used in the claims value chain.

The past five years have certainly not been without challenges. As the RAF embarked on its transformation journey, the world was struck by the Coronavirus pandemic which disrupted services globally. The RAF was not exempt from these disruptions, yet it demonstrated remarkable resilience and the ability to overcome these obstacles.



The new operating model has played a crucial role in significantly reducing and stabilising legal and other costs, cutting them nearly in half from the peak levels under the previous model, and maintaining these lower levels in subsequent years. Without the measures introduced under the 2020–2025 strategy, legal costs were projected to reach R50 billion by 2028, surpassing the current annual fuel levy receipts. By the 2030/31 financial year, these costs were expected to rise to approximately R87 billion.

Prior to the implementation of the 2020–2025 strategic plan, legal costs exceeded R10 billion. One of the primary objectives of the plan was to curb these rising costs. I am pleased to report that, since the plan's implementation, legal costs have been reduced by more than 75% cumulatively, surpassing the original five-year target.

Additionally, the amount paid out to claimants has increased significantly, from R29.3 billion in 2020/21, peaking at R40 billion in 2021/22, reaching R38.1 billion in 2022/23, and R38 billion in 2023/24. Over the past four years, the RAF has paid more than R146.1 billion in capital payments and medical costs.

### Claims backlog

The claims backlog continues to be a challenge, it is however worth noting that the rate of increase is decreasing from 18% in 2019/20 to 1.2% in 2023/24. The RAF team has dedicated considerable effort to addressing this issue, and it will remain a key focus for us throughout the 2025–2030 period. Notably, the percentage of claims settled by agreement has seen a significant increase, rising from 56% in 2020/21 to 81.9% in 2023/24. This shift highlights our move towards a less litigious approach to claims administration.

### RAF Act amendment

During the 2020–2025 period, the RAF made significant strides in improving service delivery and overall operations. A key aspect of this effort was submitting the proposed amendments to the RAF Act. Substantial work has been done on the proposed amendments, and the response to the public comments received has been finalised. These amendments are crucial to transforming the Fund, enabling settlement of claims through annuities rather than

lump-sum payments and improving the administration of the claims process.

As outlined in this strategic plan, we have presented two potential scenarios detailed in tables 2 and 3 below. The first scenario, referred to as “the end of the road,” assumes the legislative framework remains unchanged. In this scenario, the RAF is unlikely to survive the next five years without legislative reform. Many of the strategic outcomes and targets outlined in the 2025–2030 plan rely on this change.

The second scenario, “the silver lining,” is based on the legislative amendments. In this scenario, the RAF is on track for operational and financial sustainability by 2030. The Fund will have eliminated its short-term debt, and the shift to annuity payments will provide an opportunity to optimise the asset-liability matching strategy, reducing future reliance on the fuel levy. The simplified process with defined benefits will also make it easier for claimants to access their claims without third-party assistance. I remain hopeful that our journey during the 2025–2030 period will lead us towards the silver lining.

Over the past five years, the RAF has undertaken significant system modernisation. The Fund introduced the Integrated Claims Management System as part of its digital transformation initiative. This will remain a priority in the next five-year period, with the aim of further improving efficiencies in claims processing, as well as enhancing controls to assist in fraud prevention and detection.

The 2020–2025 strategic plan was centred around driving radical change, transforming the Fund, and moving away from the litigious and financially inefficient model. This shift was essential for the RAF's turnaround and to place it on a path toward long-term financial and operational sustainability. Transformation is a gradual process, which is why the 2025–2030 strategy offers the RAF an opportunity to build on the successes and lessons learned from the 2020–2025 period. The key strategic focus areas for 2025–2030 are:

1. amendment of the bill
2. reduction of claims backlog
3. improvement of medical management
4. improvement of customer experience
5. Enhancing digital transformation

The RAF Amendment Bill has progressed and is currently with the Department of Transport. I am optimistic that within the first year of implementing this five-year strategy, the Bill will be enacted. If the RAF Amendment is not passed, it could result in a significant surge in the number of claims registered and a substantial increase in the claims backlog, among other challenges. Furthermore, we plan to continue enhancing medical management, with the review and publication of RAF medical tariffs aimed at reducing medical costs.

### Improved customer experience

Our claimants remain our top priority. Throughout the implementation of this strategy, we are committed to ensuring they receive a seamless service. To achieve this, we continue to enhance our digital transformation, which will improve service delivery by making digital platforms available for the lodgement and processing of claims. The RAF will maintain a strong interface with external service providers and other stakeholders to ensure uninterrupted service delivery. The digital workflow processes will assign

tasks to the appropriate teams for quicker execution and enhanced operational efficiency. Ultimately, our goal is to make RAF services easily accessible to all claimants.

The 2025–2030 Strategic Plan represents a dedicated effort by the RAF to continue delivering effective and efficient support to our claimants, as mandated. Through this plan, the RAF aims to make a positive impact and create meaningful change for all claimants. I am excited about the implementation of this five-year strategy and our ongoing commitment to serving RAF claimants.



**Mr Collins P. Letsoalo**  
RAF Chief Executive Officer





## OFFICIAL SIGN-OFF

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It is hereby certified that this 2025–2030 Strategic Plan:

- was developed by the Management of the Road Accident Fund (RAF) under the guidance of the RAF Board and the Minister of Transport;
  - takes into account all the relevant policies, legislation, and other mandates for which the RAF is responsible; and
  - accurately reflects the impact and outcomes which the RAF will endeavour to achieve over the period of 2025–2030.
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**Mr Phathutshedzo Lukhwareni**  
Chief Strategy and Transformation Officer

**Mr Collins Phutjane Letsoalo**  
Chief Executive Officer

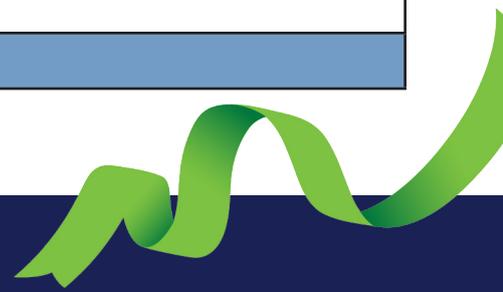
**Ms Bernice Potgieter**  
Chief Financial Officer

**Ms Lorraine Francois**  
Chairperson of the Board

**Ms Barbara Creecy, MP**  
Minister of Transport

## ACRONYMS AND ABBREVIATIONS

<b>AGSA</b>	Auditor-General of South Africa
<b>APP</b>	Annual Performance Plan
<b>B-BBEE</b>	Broad-based Black Economic Empowerment
<b>BEVs</b>	Battery Electric Vehicles
<b>BRD</b>	Back to Registration
<b>BVV</b>	Back to Validation and Verification
<b>CEO</b>	Chief Executive Officer
<b>CPI</b>	Consumer Price Index
<b>CRM</b>	Customer Relationship Management
<b>CRMP</b>	Compliance Risk Management Plan
<b>CSC</b>	Customer Service Centre
<b>CSSS</b>	Comprehensive Social Security System
<b>DCE</b>	Digital Customer Engagement
<b>DoE</b>	Department of Education
<b>DoT</b>	Department of Transport
<b>DTIC</b>	Department of Trade, Industry and Competition
<b>EA</b>	Enterprise Architecture
<b>ENE</b>	Estimates of National Expenditure
<b>ESD</b>	Enterprise Supplier Development
<b>ESG</b>	Environmental, Social, and Governance
<b>EV</b>	Electric Vehicle
<b>FCEVs</b>	Fuel-Cell Electric Vehicles
<b>FID</b>	Forensic Investigation Department
<b>GDP</b>	Gross Domestic Product
<b>GPDA</b>	Global Plan for the Decade of Action
<b>HEVs</b>	Hybrid Electric Vehicles
<b>HSC</b>	Hospital Service Centre
<b>IBNR</b>	Incurred But Not Recognised
<b>ICE</b>	Internal Combustion Engine
<b>ICMS</b>	Integrated Claims Management System
<b>ICT</b>	Information Communication Technology
<b>IMS</b>	Investigation Management System



<b>IT</b>	Information Technology
<b>L and D</b>	Learning and Development
<b>LPC</b>	Legal Practice Council
<b>MoU</b>	Memorandum of Understanding
<b>MTEF</b>	Medium-Term Expenditure Framework
<b>MTDP</b>	Medium-Term Development Plan
<b>NAAMSA</b>	National Association of Automobile Manufacturers of South Africa
<b>NDP</b>	National Development Plan
<b>NHI</b>	National Health Insurance
<b>NPA</b>	National Prosecuting Authority
<b>NRSS</b>	National Road Safety Strategy
<b>NT</b>	National Treasury
<b>O</b>	Open
<b>ORC</b>	Open Registered Claims
<b>PCoT</b>	Portfolio Committee on Transport
<b>PDPs</b>	Public Driver Permits
<b>PESTEL</b>	Political, Economic, Social, Technology, Environment and Legal
<b>PHEVs</b>	Plug-in Hybrid Electric Vehicles
<b>POP</b>	Patient Outreach Programme
<b>PwC</b>	PricewaterhouseCoopers
<b>PWD</b>	People with Disabilities
<b>QLFS</b>	Quarterly Labour Force Survey
<b>RAF Act</b>	Road Accident Fund Act, 1996
<b>RD</b>	Registered
<b>RNYP</b>	Requested But Not Yet Paid
<b>RTMC</b>	Road Traffic Management Corporation
<b>SAP</b>	System Application and Products
<b>SAPS</b>	South African Police Service
<b>SCA</b>	Supreme Court of Appeal
<b>SCM</b>	Supply Chain Management
<b>SDGs</b>	Sustainable Development Goals
<b>SOE</b>	State-Owned Entity
<b>SONA</b>	State of the Nation Address
<b>SOP</b>	Standard Operating Procedure
<b>SWOT</b>	Strengths, Weaknesses, Opportunities and Threats

<b>UN</b>	United Nations
<b>UNDA</b>	United Nations Decade of Action
<b>VO</b>	Verification and Objection
<b>VV</b>	Verification and Validation
<b>WHO</b>	World Health Organization
<b>WIC</b>	Walk-in Centres
<b>WPRPD</b>	White Paper on the Rights of Persons with Disabilities





**PART A**  
**OUR MANDATE**



## PART A: OUR MANDATE

### 1. CONSTITUTIONAL MANDATE

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The RAF provides social benefits to qualifying victims of road accidents in line with the guaranteed constitutional right to social security as provided for in the Constitution of the Republic of South Africa Act No. 108 of 1996 (“the Constitution”). The Constitution further provides that the state must take reasonable legislative measures to achieve the realisation of this right. This was done through the enactment of the Road Accident Fund Act No. 56 of 1996.

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### 2. LEGISLATIVE AND POLICY MANDATES

The Fund was established in terms of the Road Accident Fund Act No. 56 of 1996 (“the RAF Act”), which outlines its mandate in section 3, as the payment of compensation for loss or damage wrongfully caused by the negligent driving of a motor vehicle.

In terms of section 4(1) of the RAF Act, the powers and functions of the Fund shall include the:

- stipulation of the terms and conditions upon which claims for the compensation contemplated in section 3 shall be administered;
- investigation and settling, subject to the Act, of claims arising from loss or damage caused by the driving of a motor vehicle whether the identity of the owner or driver thereof, or the identity of both the owner and the driver thereof, has been established or not; and
- management and utilisation of the money of the Fund for purposes connected with or resulting from the exercise of its powers or the performance of its duties, and reinsurance for any risk undertaken by the Fund.

### 3. INSTITUTIONAL POLICIES AND STRATEGIES OVER THE FIVE-YEAR PLANNING PERIOD

The institutional policies and strategies of the Fund shall be developed in line with the objectives, functions, and powers of the RAF Act. The RAF will further develop and implement policies that support the national agenda. Such policies include, but are not limited to:

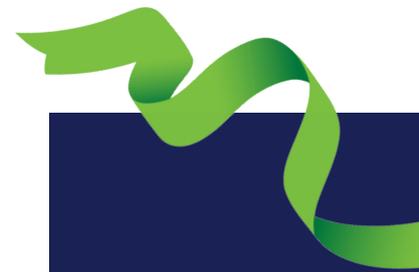
- the RAF’s B-BBEE Policy
- Disability Policy
- Gender Policy.

## 4. RELEVANT COURT RULINGS

Table 1: Relevant court rulings

Matter:	Description:
<p>RAF v LPC and 23 others <b>Legal dispute:</b> Fifth extension of the 180 days payment moratorium</p>	<p>The RAF obtained an order to stay the execution of judgements that were granted prior to 9 April 2021 and for the payment of those judgement debts to be processed within a period of 180 days. This order was extended four times. The last extension was effective until 7 February 2024.</p> <p>The RAF brought an application for a further extension of the order obtained in April 2021 and for the order to be applied to legal costs as well. The matter was argued on 21 and 23 May 2024 and judgement was reserved. The court then extended the 180-day payment moratorium to the date on which the judgement will be delivered.</p>
<p>Discovery Health (Pty) Ltd v RAF and Minister of Transport <b>Legal dispute:</b> Past medical expenses settled by medical aid schemes</p>	<p>The RAF is opposing this application. The matter was argued on 20 June 2024 before the full bench, led by the Judge President (JP). Judgement was delivered on 17 December 2024 in favour of the RAF. Discovery Health has now filed an application for leave to appeal.</p>
<p>Adam Mudawo v Minister of Transport and the RAF <b>Legal dispute:</b> Illegal foreign claimant</p>	<p>The RAF approached the Supreme Court of Appeal (SCA) for special leave to appeal, which was granted. The parties are finalising their appeal papers, whereafter a date of hearing will be allocated.</p>
<p>Sara Lewis v RAF <b>Legal dispute:</b> Loss of Support (LoS) and Loss of Earnings (LoE)</p>	<p>The plaintiff and claimant, Ms Sarah Lewis is an American national whose husband was killed in a motor vehicle accident in November 2006 while he was in South Africa. The plaintiff submitted a claim for damages as a secondary shock victim, after she allegedly sustained psychiatric injury when she heard of the death of her husband due to the accident.</p> <p>The RAF has requested that the plaintiff submit herself for interrogation in terms of Regulation 6(2)(b) of the RAF Regulations. The plaintiff's attorney has not responded to this request, which was made in November 2023. The RAF legal team did not push further on this request in order to finalise the reconsideration of the admissibility of the plea.</p>

Matter:	Description:
Mautla and eight others v RAF and others <b>Legal dispute:</b> Interdiction of minimum requirements for lodging a claim	The RAF approached the SCA president through an application for reconsideration. The reconsideration was granted and the parties are busy filing appeal papers, after which a date of hearing the appeal will be allocated.
RAF v AGSA <b>Legal dispute:</b> Accounting policy	<p>The RAF applied for leave to appeal, which was denied. The RAF then applied to the SCA for special leave to appeal, which was also refused by the SCA, stating that the RAF had not complied with the requirements for special leave.</p> <p>The RAF is now approaching the president of the SCA through an application for consideration.</p>





PART B  
**OUR STRATEGIC FOCUS**



## PART B: OUR STRATEGIC FOCUS

### 5. VISION, MISSION, AND VALUES

#### Our Vision

An equitable and sustainable social benefit scheme for motor vehicle accident victims.

#### Our Mission

To provide timely and equitable assistance to those affected by motor vehicle accidents through the provision of appropriate social benefits to ensure the financial relief and recovery for qualifying individuals.

#### Our Values

In the pursuit of its mandate, vision, and mission, the RAF upholds the following values:

*I care<sup>2</sup>*

Values:	Description:
 <b>Integrity</b>	We will conduct ourselves in a manner that is fair, transparent, and ethical, honouring our commitments and communicating honestly.
 <b>Compassion</b>	We care for and support our claimants and stakeholders. We care for and support each other.
 <b>Accountability</b>	We will account for our activities/actions, accept responsibility for them, and disclose any unethical conduct in a transparent manner.
 <b>Respect</b>	We will treat our stakeholders impartially and with respect, recognising our responsibility to them.
 <b>Excellence</b>	In the performance of our duties, we will consistently apply our knowledge and experience, and we will strive to give our best effort to deliver a professional service of an exceptional standard.
 <b>Empathy</b>	We will demonstrate the ability to understand and share the emotions, ideas, challenges, experiences, and perspectives of both our internal and external clients and stakeholders.

## 6. SITUATIONAL ANALYSIS

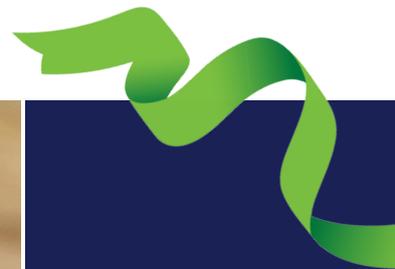
### 6.1 Scenario planning

The 2025–2030 RAF strategic plan is set against the backdrop of a real existential risk for the RAF. The previous strategic cycle of 2020–2025 was about stabilising the Fund amidst the escalating liabilities resulting from a highly ineffective and litigious operating model. At that time, the Board opted not to ask for a bailout of the R16.2 billion required to settle the amount owed to claimants on settled claims. They instead opted to completely change the operating model and aimed to drastically reduce administrative costs to keep the Fund afloat for the next five years. This inevitably resulted in difficult relations with key stakeholders from the legal, medical and actuarial fraternities who had benefited from the inefficiencies of the RAF for decades.

The 2020–2025 strategy was always premised on the RAF receiving at least inflationary adjusted fuel levy increments and the RAF Amendment Act being promulgated in year three of the strategy. The RAF has not received fuel levy increases over the past four financial years of the strategy and the legislative framework remains the same. However, the strategy has proven to be resilient as it averted the crisis of the short-term liability by decreasing it to R8.3 billion instead of the actuarial projection of R51 billion by 31 March 2023. The ambitious target of reducing legal cost by 75% in five years was achieved in year four. The drive in increasing settlements resulted in the increase of settlements by agreement from 57% in 2019/20 to 82% in the 2023/24 financial year, thereby reducing the number of RAF matters in courts.

#### 6.1.1. 2025–2030 Strategic choices

The RAF has undoubtedly arrived at a crossroads. There are two paths as outlined in table 2 and 3 below; the first path leads to a cul-de-sac and is underpinned by an unchanged legislative framework, “the end of the road” scenario. The RAF is unlikely to survive the next five years without a legislative change. Most of the strategic outcomes and targets identified in this strategic plan are dependent on this change.



**Table 2: The end of the road scenario**

Prevailing conditions:	Likely outcomes:
RAF Amendment not enacted by 31 March 2026.	Astronomical increase in claims backlog, majority of which lack sufficient information for settlement.
Rule 45A on the 180 days reprieve to pay settled claims is withdrawn.	
The RAF minimum requirements are not supported by the courts and/or a decision is taken to revert to the old RAF 1 form.	Unprecedented high levels of summonses overwhelming the state attorney model and the courts, resulting in increased default judgements. This will motivate the need to revert to a litigious operating model to manage the litigation surge, resulting in the inevitable end of the road for the Fund through litigation costs that will easily exceed the annual fuel levy income.
The legal battle to affirm the classification of the RAF as a Social Benefit Fund fails.	
The legal battle against claims by medical aid schemes seeking reimbursement from the RAF for claims falling under prescribed minimum benefits as per the Medical Schemes Act.	
Plaintiff firms find a way to attach the RAF's bank account.	
Decision to revert to a litigious operating model.	Other medical aid schemes may decide to take advantage of case law and subrogation principle and join Discovery in making claims against the RAF for prescribed minimum benefits. This, compounded by rising medical inflation, non-implementation of NHI and delays in review and publishing of RAF medical tariffs will see drastic increases in medical costs.
The accident rate continues to increase.	
The adoption of electrical vehicles (EVs) increases (without legislative provision to levy EVs).	
The RAF fuel levy remains unchanged or reduced.	
Leadership instability.	
Medical inflation continues to surge.	
National Health Insurance (NHI) is not implemented.	





## 6.2 EXTERNAL ENVIRONMENT ANALYSIS

A comprehensive assessment of the external environment is essential for strategy execution. The analysis enables the RAF to scan the horizon for changes and emerging trends which may influence the strategy. The RAF used the PESTEL analysis as a strategic tool to assess the external environment. The Fund will have to implement the strategy against the backdrop of changes in the political environment, challenging economic conditions, increasing levels of unemployment, inequality, and poverty. Moreover, the motor vehicle accident rate remains high.

### 6.2.1. Political perspective

The 2024 general elections reached a historic conclusion which ushered in the Government of National Unity (GNU) for the Seventh Administration.

The GNU has dedicated the next five years to actions that will advance three strategic priorities, which are to drive inclusive growth and job creation, reduce poverty and tackle the high cost of living, and build a capable, ethical and developmental state. These strategic priorities will be detailed in the Medium-Term Development Plan which will outline the plans and interventions that government will implement over the five-year period.

During the delivery of the Department of Transport's 2024/25 budget speech, Minister Barbara Creecy indicated that given the current status of the transport sector, her first task during the Seventh Administration is to stabilise the transport system in South Africa and make the department fit to fulfil its policy-making and regulatory role.

The Minister further reiterated that the road systems deteriorated throughout the country and many provinces failed to execute maintenance and new build programmes, resulting in unspent funds being returned to National Treasury. Thus, each year South Africa sees more than 10,000 fatal crashes, which the Road Traffic Management Corporation (RTMC) estimates to amount to almost 3% of South African annual Gross Domestic Product (GDP). As

such, this warrants government institutions including the RAF to support and contribute to the strategic priorities as outlined by the government.

### 6.2.2. Economic perspective

The National Development Plan 2030 indicates that South Africa needs an economy that is more inclusive, more dynamic and in which the fruits of growth are shared equitably. In 2030 the economy should be close to full employment, equip people with the skills they need, ensure that ownership of production is more diverse and able to grow rapidly, and provide the resources to pay for investment in human and physical capital. The National Development Plan is a broad strategic framework. It sets out a coherent and holistic approach to confronting poverty and inequality. To eliminate poverty and reduce inequality, the economy must grow faster and in ways that benefit all South Africans.

Inequality and poverty can be addressed by raising incomes through productivity growth and reducing the cost of living. A commitment to a minimum living standard will ensure that all households can meaningfully participate in the economy.

According to the Statistics South Africa quarterly labour force survey (QLFS) for quarter two of 2024, there was 0.6% increase in the unemployment rate over the first quarter from 32.9% to 33.0%, with the year-on-year comparison revealing a highly concerning 0.9% increase in the official unemployment rate from 32.6% in quarter two of 2023 to quarter two of 2024. Therefore, about 158,000 South Africans lost their jobs during the second quarter of the year and 462,000 over the last year. The QLFS shows that about 8.3 million South Africans are without work<sup>1</sup>.

The South African economy strengthened by 0.4% in the second quarter of 2024 as the country experienced no loadshedding during this period. The finance, manufacturing, trade, electricity, gas and water supply industries are said to have driven most of the economy's momentum on the production side. On the expenditure

<sup>1</sup> Statistics South Africa, 2024. *Quarterly Labour Force Survey, Second Quarter*

side, household consumption, government consumption and a build-up in inventories contributed favourably to growth.

In his address when opening Parliament after the 2024 elections, President Ramaphosa emphasised that despite the achievements of 30 years of democracy and the work undertaken over the last five years to rebuild economy and society, millions of South Africans remain poor, unemployed and live in a highly unequal society. Additionally, he further stated that for more than a decade, the South African economy has barely grown. The President said that the Government of National Unity have decided to place inclusive economic growth at the centre of its work and at the top of the national agenda. The Government of National Unity will pursue every action that contributes to sustainable, rapid economic growth and remove every obstacle that stands in the way of growth. Thus, the GNU is determined that growth must be inclusive and transformational. Inclusive growth must drive the redistribution of wealth and opportunity and must support the empowerment of previously marginalised groups, and all those relegated to the fringes of the economy in the past. *“Our experience over the past 30 years has shown that when our economy grows, jobs are created. When our economy contracts there is no job creation and jobs are lost,”* said President Ramaphosa.

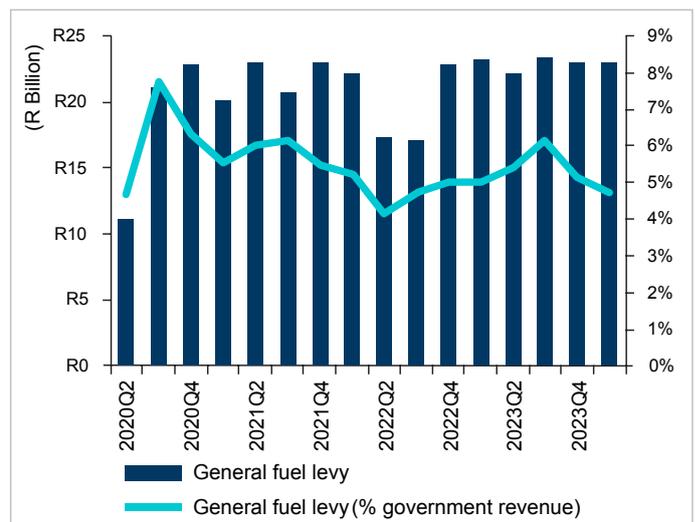
The RAF continued to support government initiatives by prioritising and empowering women-owned enterprises through its procurement processes. Thus, during the implementation of the 2020–2025 strategy, the RAF dedicated about 40% of Enterprise Supplier Development (ESD) budget towards women-owned enterprises. This was in support of the MTSF 2019–2024 which aimed to expand government spend on women, youth, and persons with disabilities through preferential procurement with the minimum targets of 40% for women, 30% for youth and 7% for persons with disabilities.

During his 2024 budget vote speech, the Finance Minister, Mr Enoch Godongwana alluded that government remains committed to the stability of the public finances, to ensure

inter-generational fairness and the preservation of critical public services. Furthermore, government continues to strive to improve transparency of the budget, maintain high quality data management and analysis, and to provide appropriate advice for the stability of the public sector wage bill and international development cooperation<sup>2</sup>.

South Africa has a well-developed petroleum industry involved in importing, producing and distributing petroleum products for its domestic market and abroad. Petroleum products play a critical role in the South African economy, supporting the smooth functioning economy and enabling people to go about their daily lives. According to the South African Petroleum Industry Association (SAPIA), South Africa consumes more than 25 billion litres of petroleum products each year, facilitated by imports and its operational refineries. Furthermore, the SAPIA states that the country boasts 3,800 kilometres of pipeline for transporting crude oil and petroleum products, as well as a network of more than 4,000 petrol stations<sup>3</sup>. The SAPIA further indicates that in quarter one of 2024, the general fuel levy contributed 4.7% to total government revenue, and thus is the lowest percentage contribution to government revenue since quarter three of 2022.

Figure 1: General fuel levy



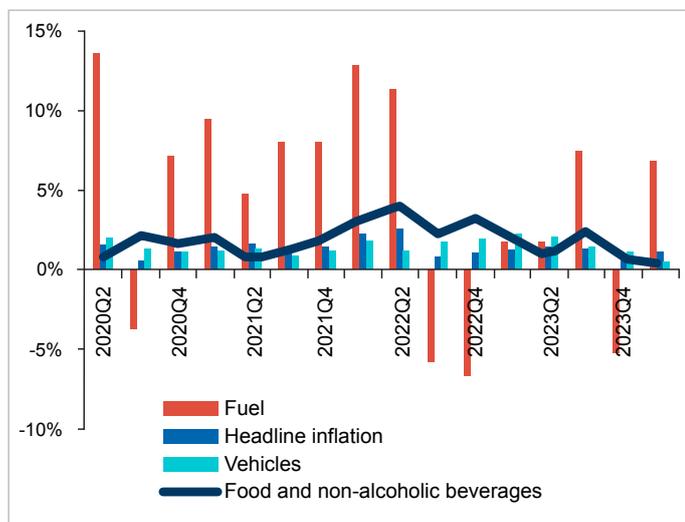
Source: National Treasury

<sup>2</sup> South African National Treasury, 2024 Budget Vote Speech by Minister of Finance, Mr Enoch Godongwana

<sup>3</sup> South African Petroleum Industry Association, 2024. *Petroleum Industry Quarter 2 Review: Key performance indicators for the South African petroleum industry*

The poor performance of the South African economy is linked to significant supply chain pressures, such as the Covid-19 pandemic, escalating loadshedding, the 2021 civil unrest, and the Russia-Ukraine and Israel-Palestine conflicts. Since quarter one of 2020, petrol price inflation has consistently and significantly exceeded both headline and food price inflation. This trend is linked to the increase in the global oil price (SAPIA, 2024).

**Figure 2:** Inflation rate



Source: Stats SA

According to the 2024 National Treasury Budget Review, the general levy remained unchanged in the 2022 and 2023 budgets to mitigate the effects of higher inflation arising from fuel price increases. Fuel prices have remained high with diesel retail prices reaching R27/litre in October 2023. No increase was proposed to the general fuel levy for 2024/25, resulting in tax relief of around R4 billion. The RAF levy, and the customs and excise levy also remained unchanged.

### 6.2.3. Social perspective

The South African National Development Plan aims to eliminate poverty and reduce inequality by 2030. South Africa can realise these goals by drawing on the energies of its people, growing an inclusive economy, building capabilities, enhancing the capacity of the state, and promoting leadership and partnerships throughout society. The poverty rate was estimated at 21.6% in 2023, and the Gini coefficient was 0.63. Overall unemployment stood at

32.1% and youth (25–34 years) unemployment at 39%. South Africa is said to be among the top 10 most unequal countries globally.

President Ramaphosa said on his opening of Parliament that the second strategic priority of the GNU is to tackle poverty and the high cost of living. Therefore, an effective, integrated and comprehensive poverty alleviation strategy is necessary to provide protection and support to the most vulnerable in society. The President further indicated that even at a time when many companies are making large profits, millions of South Africans are suffering as a result of rising prices. Thus, the GNU will look to expand the basket of essential food items exempt from VAT and undertake a comprehensive review of administered prices, including the fuel price formula, to identify areas where prices can be reduced. Sustainable Development Goal 1 dealing with eradication of poverty, aims to reduce the proportion of men, women and children of all ages living in poverty, at least by half by 2030.

Many citizens rely on public transport in South Africa. PricewaterhouseCoopers' (PwC's) 2024 Voice of the Consumer Survey report shows that 8 out of 10 South Africans would be willing to use public transport if their area had better public transport infrastructure. Thus, commuters are willing to swap private road transport for public transport options due to increasing congestion, concerns over road safety, and the rising cost of private transport. However, data from the United Nations shows that only 1 out of 5 urban South Africans can access a public transport stop that is within walking distance.

The high incidence of road traffic crashes in South Africa has profound consequences, significantly impacting both the socio-economic development and overall well-being of its citizens. These accidents not only lead to tragic loss of life and serious injuries but also contribute to substantial economic losses. Often, whether injured or killed, those affected are key breadwinners, playing crucial roles in their families and the broader economy. The economic and financial analysis underscores the urgent need to enhance road safety measures. By doing so, South Africa can ensure its citizens live longer, more productive lives and redirect fiscal resources towards further national development.

The National Road Safety Strategy (NRSS) 2016–2030 has been developed based on the Safe Systems approach and aligns with the five pillars of the UN Decade of Action for Road Safety (UNDA). The NRSS aims to create a safer road environment for all users, significantly reducing road crash-related injuries and fatalities. The strategy incorporates the UNDA's pillars: Road Safety Management, Safer Roads and Mobility, Safer Vehicles, Safer Road Users, and Post-Crash Response. Its vision is to ensure "Safe and Secure Roads" by focusing on reducing fatal crashes and serious injuries through several strategic objectives. These include promoting responsible and safe road user behaviour, enhancing road infrastructure to be safer and more forgiving, ensuring the safety of vehicles on South African roads, and delivering effective road safety management.

The Global Plan for the Decade of Action for Road Safety 2021–2030, developed by the United Nations and the World Health Organization, advocates for a transformative approach to road safety. It rejects the status quo, urging governments and stakeholders to adopt an integrated Safe Systems approach that positions road safety as a crucial driver of sustainable development. The plan aims for a 50% reduction in road traffic deaths and serious injuries by 2030. While traffic laws are vital for promoting safe road user behaviour, their effectiveness depends on rigorous enforcement and appropriate penalties to deter violations. Enforcement strategies should be supported by well-crafted communication campaigns to ensure public understanding and support. Additionally, engaging local stakeholders is crucial to enhance compliance and maximise the impact of these safety measures.

To effectively manage road traffic and enhance road safety, it is crucial to strengthen institutional capacity. This includes upgrading safety mechanisms, rigorously enforcing compliance with road safety regulations, and implementing extensive road safety education. In support of government initiatives, the RAF actively participates in various road safety programmes. These initiatives include road safety awareness campaigns, such as wellness programmes for bus drivers, youth engagement programmes, promotion of tyre safety, and practical safety training for motorcyclists. Through these efforts, the RAF contributes to improving road safety and supporting broader governmental objectives.

Post-crash care and survival are critically time-sensitive, with delays of just minutes potentially making the difference between life and death. Therefore, it is essential to provide immediate, integrated, and coordinated care following a crash. Effective mechanisms for this include a universal alert system, such as a single call number, which connects to relevant professionals who can quickly dispatch emergency services. These services, which may involve ambulances or helicopters equipped with trained personnel and necessary equipment, must be mobilised swiftly.

Rehabilitation plays a crucial role in post-crash care, significantly reducing long-term disability for those injured in road traffic accidents. To enhance the provision and accessibility of rehabilitation services, it is vital to integrate these services into acute care systems, make them available at various levels of care, and establish effective financing mechanisms. The RAF is dedicated to improving post-crash care through its medical management approach and corporate social responsibility programme. During the implementation of the 2020–2025 strategy, the RAF in partnership with the Department of Health refurbished hospital rehabilitation and emergency units in Gauteng, Limpopo and the Eastern Cape to better support victims of motor vehicle accidents. This commitment demonstrates the RAF's ongoing efforts to enhance rehabilitation services and aid recovery for crash victims.

The Global Plan for the Decade of Action (GPDA) emphasises the need for comprehensive support systems for victims of road traffic crashes and their families. Governments are urged to establish mechanisms for multidisciplinary crash investigations and to ensure justice. Additionally, financial and social support should be provided to prevent victims and their families from falling into poverty due to the high costs associated with prolonged treatment, rehabilitation, or the loss of a breadwinner.

In line with these recommendations, the RAF has continued to offer extensive support to motor vehicle accident victims and their families. This includes providing compensation and social support to mitigate the financial impact of accidents. Over the past four years, the RAF has paid out more than R146.1 billion in social benefits to claimants. This reflects the RAF's commitment to alleviating the financial burden on accident victims and their families.

#### 6.2.4. Technological perspective

Technology plays a crucial role in transforming various aspects of society in today's fast evolving world. Its integration into different sectors has transformed operations, enhanced efficiency, and improved overall outcomes. However, as technology advances, so do cyber threats. To counteract these evolving risks, continuous updates and improvements in security protocols are essential. Advanced cybersecurity technologies are crucial for protecting against digital threats, safeguarding sensitive information, and ensuring the continuity of business operations.

In the road transport sector, technology has brought notable benefits, including enhanced safety, increased efficiency, and greater environmental sustainability. Innovations like intelligent transportation systems, advanced vehicle technologies, and smart infrastructure are reshaping how people manage and experience road transport. However, to fully realise the benefits of these technologies, it is essential to address challenges related to infrastructure investment and regulatory frameworks. By effectively navigating these issues, the road transport sector can continue to evolve and make meaningful contributions to societal advancement.

The Electric Vehicles White Paper by the Department of Trade, Industry, and Competition highlights both the potential benefits and risks associated with the rise of electric vehicles (EVs). On the positive side, EVs can significantly reduce reliance on fossil fuels and lower emissions, contributing to a cleaner environment. However, a notable risk is the potential decrease in government revenue from fuel levies, as reduced petrol and diesel consumption could lead to a substantial drop in these revenues.

The rise of EVs presents both opportunities and challenges for the RAF. While EVs offer potential benefits such as enhanced safety features and reduced emissions, they also introduce new variables in terms of repair costs and accident dynamics. The RAF will need to adapt to these changes through careful analysis, updated policies, and strategic adjustments to continue to effectively support accident victims and managing its financial resources. By proactively addressing these impacts, the RAF can

better navigate the evolving landscape of road transport and ensure its continued effectiveness in promoting road safety and providing compensation.

In his 2024 State of the Nation Address (SONA), President Cyril Ramaphosa emphasised the government's commitment to supporting EV manufacturing in South Africa as a means to bolster the automotive sector and create job opportunities for the unemployed. Supporting these sentiments, Minister of Finance Enoch Godongwana, in his 2024 Budget Speech, announced that the government will introduce an investment allowance to promote the production of electric and hydrogen-powered vehicles starting 1 March 2026. This incentive will allow producers to claim 150% of qualifying investment spending on these vehicles in the first year, complementing the existing support under the Automotive Production Development Programme. Additionally, the government has allocated approximately R964 million over the medium-term to facilitate the transition to EVs. Minister Godongwana also confirmed that there will be no increase to the general fuel levy for the 2024/25 financial year.

During the implementation of the 2020–2025 Strategy, the RAF prioritised technological advancements through the rollout of the Integrated Claims Management System (ICMS). This system modernisation aims to leverage digital transformation initiatives to enhance the efficiency of claims settlement processes.

#### 6.2.5. Environmental perspective

Climate change has profound and far-reaching effects across the globe, impacting natural ecosystems, human societies, and economies. Rising average global temperatures have led to more frequent and intense heatwaves. Additionally, increasing sea levels are contributing to heightened coastal erosion, which threatens coastal communities and habitats, and raises the risk of flooding in low-lying areas, adversely affecting infrastructure. In South Africa, floods have caused significant damage to road infrastructure nationwide. Heavy rainfall has not only compromised road visibility but has also exacerbated damage to roadways, increasing the likelihood of motor vehicle accidents. The high frequency of such accidents results in a substantial number of claims being lodged with the RAF.



In his 2024 Opening of Parliament remarks, President Ramaphosa addressed the aftermath of severe storms that have damaged homes, businesses, and infrastructure, affecting tens of thousands of people across the Western Cape province. He also highlighted the tragic fires in KwaZulu-Natal, which claimed lives, including those of brave firefighters.

The Green Transport Strategy (2018–2050), developed by the Department of Transport, aims to mitigate the environmental impact of transportation while addressing both current and future transport demands. This strategy seeks to support economic development, build a safe, efficient, reliable, and affordable transport system, and align with the objectives of the National Transport Master Plan 2050. The goal is to reduce transport-related greenhouse gas emissions by 5% by 2050. However, the Department of Transport acknowledges that the transition to greener transport will be influenced by several factors, including energy shortages and power availability issues, such as loadshedding. These challenges may impact South Africa's short-term adoption of EVs, as there is a need to manage the increased energy demand from EVs without overburdening the current grid capacity while it is being upgraded.

The United Nations' goal 13 of the Sustainable Development Goals calls for urgent action to combat climate change and its impacts. In response, the global automotive landscape is evolving due to climate change mitigation efforts, new regulations, and technological advancements. This shift is moving away from a reliance on internal combustion engine (ICE) vehicles toward a diverse mix of battery electric vehicles (BEVs), plug-in hybrid electric vehicles (PHEVs), hybrid electric vehicles (HEVs), and fuel cell electric vehicles (FCEVs).

Given the pressing need to reduce greenhouse gas emissions and address climate change, South Africa has committed to cutting its greenhouse gas emissions as part of its 2021 National Determined Contributions. The transport sector in South Africa is a significant contributor to these emissions, being the third largest source, accounting for 11%.

The PwC 2024 Voice of the Consumer Survey report indicates that 3 out of 4 respondents expressed a strong

interest in purchasing hybrid or electric vehicles. Sales of these vehicles in South Africa surged by 65% in 2023 and are projected to increase by an additional 30% by the end of 2024.

The study reveals that many South African consumers are interested in EVs primarily due to their environmental benefits and potential to mitigate climate change. Additionally, 9 out of 10 survey respondents expressed concern about climate change, with over a third feeling anxious on a daily basis. This anxiety is partly due to the potential impact of climate change on South Africa's economy, including income and wealth effects within the business sector. Extreme weather events can disrupt business operations, which may directly affect employment and wages, further amplifying consumer concerns.

#### 6.2.6. Legal perspective

The Seventh Administration has already demonstrated that policy and legislative landscape will be a difficult terrain to navigate. The NHI Act, promulgated in the Sixth Administration is undergoing further discussions around the modalities of its implementation. The RAF Amendment Act remains critical and how it is processed in the current administration will be critical.

The RAF is the biggest litigant in the country, and therefore judgements handed over continue to create jurisprudence in the form of case law that has direct impact on the operational and financial sustainability of the RAF.



The table below depicts the summary of the PESTEL analysis.

**Table 4: Summary of the PESTEL Analysis**

Political factors	Economic factors	Social factors
<ul style="list-style-type: none"> <li>Political uncertainty and instability</li> </ul>	<ul style="list-style-type: none"> <li>Inflation and interest rates</li> <li>Economic downturn – high poverty levels</li> <li>Fraud and corruption</li> <li>Road to Rail Strategy</li> <li>Insufficient funding</li> </ul>	<ul style="list-style-type: none"> <li>High unemployment levels</li> <li>High road accident rates</li> <li>Demographic changes and population growth</li> <li>Increasing demand for RAF services and support</li> <li>Reliable public transportation</li> </ul>
Technological factors	Environmental factors	Legal factors
<ul style="list-style-type: none"> <li>Electronic vehicles</li> <li>Digitisation of Business Process</li> <li>Cybersecurity and data protection</li> </ul>	<ul style="list-style-type: none"> <li>Climate change and global warming</li> <li>Poor road infrastructure</li> <li>Fuel-efficient and electric vehicles</li> <li>Environmental, social, and governance (ESG) considerations</li> </ul>	<ul style="list-style-type: none"> <li>RAF amendment bill</li> <li>RAF case law</li> <li>Lack of visible support from the regulator</li> <li>Introduction of NHI</li> <li>Conflict of interest between RAF and legal fraternity</li> <li>Clogged court rolls</li> </ul>

### 6.3. INTERNAL ENVIRONMENT ANALYSIS

As part of analysing the internal environment, a SWOT analysis is pivotal to understand the RAF's strengths, weaknesses, threats, and opportunities. This is a useful tool for analysing the organisation's position in an environment within which it operates.

#### 6.3.1. Strengths analysis

##### 6.3.1.1 RAF capacity, professional and skilled workforce

Institutional capacity directly impacts the ability to deliver high-quality services. Well-resourced and capable institutions can respond effectively to the needs of their stakeholders. With strong institutional capacity, organisations can maintain consistent service delivery, leading to increased public trust and satisfaction. Institutions with high capacity can better manage their human, financial, and technological resources leading to more efficient operations. Strong institutional capacity makes organisations more attractive to talented individuals, enhancing recruitment and retention efforts. A focus on institutional capacity encourages ongoing training and development, ensuring that staff are equipped with the necessary skills to perform their roles effectively.

Since the implementation of the 2020–2025 Strategic Plan, the RAF organisational structure was reviewed to ensure that the organisation's current resources are aligned more effectively to deliver on its strategic priorities and mandate, and that it has adequate capacity and skilled workforce to serve its claimants. The purpose of the review was to analyse the structure, roles, governance, key processes and ways of working in RAF within the context of identifying potential opportunities to improve the organisation. The RAF continues to implement a new structure and has placed skilled resources to be able to support the RAF through its transformation journey and fulfil its mandate. Skilled workforce is essential in ensuring that the RAF reaches its vision and ultimately realises its impact. Furthermore, the stable leadership of RAF has led the organisation through its transformation journey.

As at the end of the 2023/24 financial year, the RAF had 2,853 employees, inclusive of temporary employees, fixed-term contractors and interns. Female representation within the RAF was at 58% (1,665 of 2,853) compared to male representation of 42% (1,188 of 2,853). The RAF continues to support the implementation of government policies and ensures that they are embedded in its operations. This includes contributing to the South African National Policy Framework for Women's Empowerment

and Gender Equality of 2000. This policy aims to ensure that the process of achieving gender equality is prioritised and placed at the forefront of the transformation process in South Africa, within all the institutions, structures, policies, practices, procedures, and programmes of government as well as the private sector<sup>4</sup>. Thus, at the end of the 2023/24 financial year, female representation was 52% (257 of 493) as opposed to male representation of 48% (236 of 493) at management level.

The RAF supports the Department of Social Development's White Paper on the Rights of Persons with Disabilities (WPRPD) which aims to provide a mainstreaming trajectory for realising the rights of persons living with disabilities through the development of targeted interventions that remove barriers and apply the principles of universal design<sup>5</sup>. However, the RAF recorded a representation of only 54 (1.89%) People with Disabilities (PWD) as at the end of 2023/24 financial year, while during the 2022/23 financial year, PWD's representation was at 2.80%. This is slightly below the target of 3.40%. The RAF has deployed various interventions and continues to address the underrepresentation of PWDs. Thus far, a service provider has been contracted to assist with recruitment of PWDs. Additionally, the RAF has developed a recruitment strategy document to accelerate attraction and recruitment of PWDs. This demonstrates the RAF's efforts in contributing to government priorities and making a difference to promote equity in the organisation.

Youth representation within the RAF remains a priority. The Department of Women, Youth and Persons with Disabilities' National Youth Policy (2020–2030) is a cross-sectoral policy aimed at making change for the youth at national, provincial, and local levels<sup>6</sup>. It focuses on redressing the wrongs and injustices of the past, while addressing persistent, emerging, and current challenges of South Africa's diverse youth. In support of this policy, the RAF incorporates youth on its operations and through the recruitment processes. This includes the graduate, internship and learnership programmes provided by the RAF. The RAF has thus far provided workplace skills and experience to 481 interns and 60 learners.

### 6.3.1.2 Enhanced customer experience

The 2020–2025 Strategy brought about significant shifts for the RAF while ensuring the RAF remained intentional towards prioritising the needs of its claimants. The fourth and remainder of the financial years of implementing the 2020–2025 strategy were declared the “the year of the claimant”, followed by the inclusion of “empathy” as an addition to the Fund's values. This was the RAF's commitment to various stakeholders who were facing challenges with accessing RAF services and unresponsiveness by the Fund's officials.

The organisation's transformation journey, which included the implementation of customer relationship management (CRM), is essential for enhancing service delivery. This initiative also involved configuring digital customer engagement (DCE) for walk-in centres (WICs). Additionally, the RAF established a contact centre designed to give claimants direct access to their claims information, reducing reliance on legal representatives. A key initiative from this contact centre is the Know Your Rights campaign, which enables claimants to verify the payments made to their legal representatives by the RAF. These efforts are crucial for ensuring that all stakeholders interacting with RAF employees in person at any office can have their interactions documented within the CRM system, enhancing transparency and accountability. The CRM ensures coordinated query handling through a unified platform, improved response times, efficient complaint tracking and resolution workflow, and timely and proactive responses to customer inquiries. The RAF contact centre was launched in July 2023. Since the launch, overall positive performance on key metrics was realised. Initially, the agents applied a lot of focus towards implementing what they learned prior to the launch. As expected, the team needed to get comfortable first, to better assist claimants.

Since inception, a total of 293,783 inbound telephone contacts were received, along with 37,020 emails, and 53,063 outbound calls were attempted. From all the combined customer contacts (inbound, email,

<sup>4</sup> Department of Women, Youth and Persons with Disabilities, 2000. The South African National Policy Framework for Women's Empowerment and Gender Equality

<sup>5</sup> Department of Social Development, 2016. White Paper on the Rights of Persons with Disabilities

<sup>6</sup> Department of Women, Youth and Persons with Disabilities, 2020. The 2020–2030 National Youth Policy

and outbound), 288,165 cases were created. Of the cases created, 278,596 were resolved, and 9,569 were unresolved, resulting in a resolution rate of 96.68% for the year.

### 6.3.2. Weaknesses and opportunities analysis

#### 6.3.2.1 Manual-based claims process

The RAF still has a paper heavy claims process. This leads to increased claims processing turnaround times as well as the increased risk of fraud and corruption. The files are not digitised thus should the files be damaged or lost, the RAF will encounter challenges as the Fund would not have backup files. The RAF has commenced with the implementation of the ICMS which is expected to reduce the risk in relation to future claims.

The RAF should continue leveraging new technologies to boost productivity. ICT is crucial for implementing the RAF Strategy. Initiatives such as the ICMS rely on a transformed ICT environment to operate effectively and achieve a competitive edge. This transformation aims to automate business processes, ensure data integrity and protection, and enhance IT governance within the organisation. ICT should evolve from merely enabling business operations to becoming a core component of the RAF's business strategy. It is for this reason the RAF's Digital Business Strategy, which seeks to enhance operational efficiency, is aligned with the Fund's broader objectives. Digitising claims processes is essential for the RAF, as it will improve efficiency, reduce fraud in the claims value chain and enhance turnaround times and customer experience.

#### 6.3.2.2 Claims backlog

The claims backlog continues to be a significant challenge for the RAF. The most crucial issue was the lack of sufficient information on these claims, which hindered the RAF's ability to settle, resulting in a high volume of summonses against the Fund. This created a vicious cycle of invalid claims leading to summonses, prolonged settlement periods, and escalating claims liability. However, the RAF Minimum Requirements in July 2022 alongside the new RAF 1 Form were introduced to address this issue. Evidence shows that only 3% of claims undergoing the required pre-assessment for Minimum Requirements were compliant, meaning that 97% of non-compliant claims

would likely have led to summonses, further perpetuating the litigation cycle.

Despite these positive changes, the legal fraternity has challenged the implementation of the RAF 1 Form, resulting in various court actions brought against the RAF. In response to these challenges and as part of the 2020–2025 Strategy, the RAF launched a backlog campaign to encourage claimants to submit any outstanding documents necessary to finalise their claims. Additionally, block settlement initiatives have been introduced to help reduce the claims backlog more effectively.

### 6.3.3. Threats analysis

#### 6.3.3.1 Contestation on the identity of the RAF (social v insurance)

One of the fundamental threats to the RAF arises from the contestation of what is essentially the identity of the Fund. In conducting their audit the Auditor-General of South Africa (AGSA) asserted that the RAF is an insurer or insurance-like entity and must account accordingly. This is despite the South African Reserve Bank Institutional Sector Classification Guide of 1998 classifying the RAF as a Social Security Fund. The 2011 Financial Services Board Directive 1 issued in terms of Financial Supervision of the Road Accident Fund (FSRAF) Act also classifies the RAF as “fundamentally a social security Fund” and in *LSSA v Minister of Transport and Others* the constitutional court defines the RAF as “part of South Africa's social security system”.

This is crucial because classifying the RAF (an entity without insurance contracts and not fully funded) as an insurer will have a devastating impact on its financial sustainability. This threat has the potential to singularly catapult the RAF to the “end of the road” scenario indicated above.

#### 6.3.3.2 Inadequate legislative framework

The RAF embarked on the process to amend the RAF Act to respond to its operational and financial sustainability challenges. The proposed amendments went to the public to solicit their comments regarding the proposals, and the RAF received an enormous number of public comments. As indicated in the scenario planning outcomes, the non-



promulgation of the RAF Amendment Act would result in an existential crisis for the RAF.

The rising medical inflation, the lack of implementation of the NHI, and delays in reviewing and publishing RAF medical tariffs could lead to skyrocketing medical costs.

### 6.3.3.3 Fraud and corruption

Fraud and corruption are complex issues that have significant social, economic, and political implications. Chapter 14 of the NDP emphasises the importance of combating corruption. It highlights that overcoming corruption and a lack of accountability requires political will, strong institutions, a solid legal framework, and an engaged citizenry that holds public officials accountable. In response, the RAF has adopted a zero-tolerance approach to fraud and corruption. This includes efforts to enhance transparency and accountability, promote ethical behaviour, and foster a culture of integrity within the organisation.

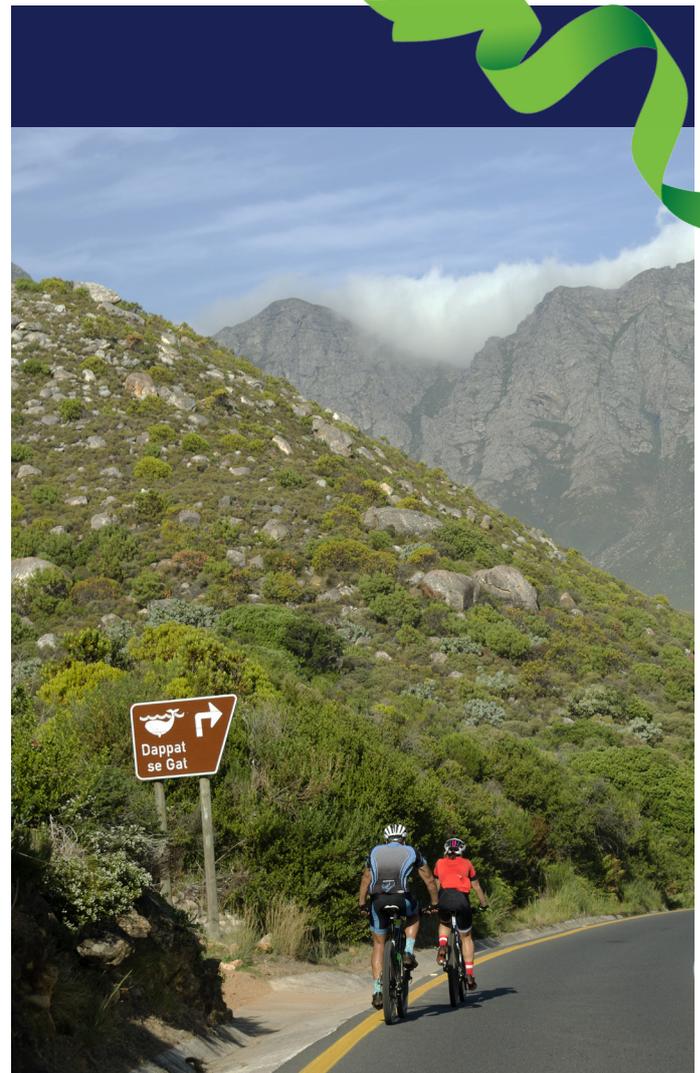
The Forensic Investigation Department (FID) has made significant strides in combating fraud, corruption, and other criminal activities within the RAF. Fraud detection measures were implemented as part of the 2020–2025 strategy, leading to the 2023/24 financial year recording the repudiation of 870 claims valued at R757,670,355.00. Additionally, the RAF organised fraud awareness initiatives in previous financial years to educate employees and external stakeholders on identifying and reporting fraud and corruption. The primary goal of these initiatives was to strengthen the ethical culture within the RAF and among the external stakeholders with whom it engages. The implementation of these initiatives will continue throughout the next five years.

The RAF has established effective mechanisms for reporting fraud and corruption. A robust whistle-blowing programme, managed by the FID and ethics units, has been implemented through the appointment of a dedicated service provider to operate a fraud and ethics tip-off hotline. This allows employees and external stakeholders to report fraudulent activities and unethical behaviour securely and anonymously, in compliance with the Protected Disclosures Act, 2000 (Act No. 26 of 2000). For those who prefer not to remain anonymous, the RAF also accepts walk-ins and

emails for reporting fraud allegations. The hotline operates 24/7 and provides assistance to whistle-blowers in all official languages. Additionally, the ethics policy serves as the code of conduct for the RAF, promoting an ethical culture within the organisation, and is aligned with King IV and section 195(1a) of the Constitution.

### 6.3.3.4 Cybersecurity

The ever-evolving nature of cybersecurity threats necessitates continuous investment in cybersecurity infrastructure, training, and response strategies. The RAF is implementing a cybersecurity roadmap as part of its digital transformation strategy aimed at improving the cybersecurity posture and resilience. This is critical because the RAF is likely to be targeted by cyber criminals due to the annual budget of R48 billion.



The table below depicts the summary of the SWOT analysis for the RAF.

**Table 5: Summary of the SWOT analysis**

Strengths:	Weaknesses:
<ul style="list-style-type: none"> <li>• Leadership stability</li> <li>• Professional and skilled workforce</li> <li>• High performance culture</li> <li>• Good governance framework</li> <li>• Strong financial management</li> </ul>	<ul style="list-style-type: none"> <li>• Manual-based claims process</li> <li>• Claims backlog</li> <li>• Inadequate ICT infrastructure</li> </ul>
Opportunities:	Threats:
<ul style="list-style-type: none"> <li>• Legislative amendments</li> <li>• Integration and collaboration with various stakeholders (e.g. Justice, SARS, EMS, DHA)</li> </ul>	<ul style="list-style-type: none"> <li>• Cybersecurity</li> <li>• Fraud and corruption</li> <li>• Litigation against the new model</li> <li>• Political change</li> <li>• Inadequate legislative framework</li> <li>• Diesel rebate for food manufacturers</li> <li>• The impact of EVs on the RAF's revenue</li> <li>• Political and judiciary overreach</li> </ul>





**PART C**  
**MEASURING OUR**  
**PERFORMANCE**



## PART C: MEASURING OUR PERFORMANCE

### 7. INSTITUTIONAL PERFORMANCE INFORMATION

#### 7.1. IMPACT STATEMENT

<b>Impact statement</b>	A sustainable and equitable motor vehicle accident social benefit scheme
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#### 7.2. MEASURING OUTCOMES

##### 7.2.1. Outcome 1: A Transformed and Sustainable RAF

**Purpose:** To optimise the processing of claims in the early stage of a claim and minimise unnecessary further complications with a claim.

**Table 6: Outcomes, performance indicators and targets**

Outcome	Outcome indicator	Baseline	Five-year target
A transformed and sustainable Road Accident Fund	1.1. Percentage of total compensation to claimants	New target	75%
	1.2. Percentage of new personal compliant claimed products settled within 120 days	11.02%	25%
	1.3. Percentage of new personal claimed products validated and verified within 60 days	98%	95%
	1.4. Percentage reduction in net open claimed products	New target	20%
	1.5. Percentage of claimed products settled by agreement	New target	70%
	1.6. Percentage of new undertakings issued with basket of care (injury specific)	93%	95%
	1.7. Case management framework implemented	Case Management Framework developed	Case Management Framework implemented

##### 7.2.2. Outcome 2: Digital Transformation

**Purpose:** The improved efficiency of claim settlement that will ensure the reduction of administrative costs and a transformed RAF.

**Table 7: Outcomes, performance indicators and targets**

Outcome	Outcome indicator	Baseline	Five-year target
Digital transformation	2.1. Integrated Claims Management System rolled-out	Release 1 of Integrated Claims Management System rolled-out	Integrated Claims Management System rolled-out

### 7.2.3. Outcome 3: Improved Governance and Controls

**Purpose:** Ensure compliance to standards and improve governance and accountability.

**Table 8: Outcomes, performance indicators and targets**

Outcome	Outcome indicator	Baseline	Five-year target
Improved governance and controls	3.1. Percentage resolution rate of reported incidents of fraud and corruption	85%	90%
	3.2. Percentage ESD committed on women-owned enterprises	40%	50%
	3.3. Number of workplace opportunities created for unemployed youth	New target	450

### 7.2.4. Outcome 4: Improved Claimant Focus

**Purpose:** Increase accessibility to the RAF's services through various channels to improve service delivery by increasing the reach of the Fund's service offerings to all motor vehicle accident victims.

**Table 9: Outcomes, performance indicators and targets**

Outcome	Outcome indicator	Baseline	Five-year target
Improved claimants focus	4.1. Percentage of total queries resolved	New target	75%
	4.2. Customer Experience Strategy implemented	New target	Customer Experience Strategy implemented

## 7.3. EXPLANATION OF PLANNED PERFORMANCE OVER THE FIVE-YEAR PLANNING PERIOD

The RAF's outcomes contributing towards the achievement of the Fund's mandate, the impact and the MTDP are:

- i) Outcome 1: A transformed and sustainable RAF
- ii) Outcome 2: Digital transformation
- iii) Outcome 3: Improved governance and controls
- iv) Outcome 4: Improved claimant focus

The RAF's impact statement is centred on achieving a sustainable and equitable motor vehicle accident social benefit scheme. Over the next five years, the RAF will ensure that compensation is provided to claimants in accordance with its mandate. This includes settling new personal claims within 120 days and validating and verifying claims within 60 days. These measures

are designed to streamline the claims process and ensure a more efficient lifecycle for claims. Additionally, there will be a greater focus on settling claims through mutual agreements.

Improved governance and controls as an outcome play a key role in achieving the RAF's impact by ensuring compliance with established standards, policies, frameworks, and regulations, while enhancing governance and accountability. The RAF is also committed to contributing to the government's 2024–2029 Medium-Term Development Plan, particularly Priority 1: driving inclusive growth and job creation. This will be accomplished by supporting women-owned enterprises, creating job opportunities and empowering unemployed youth, promotion of women to senior management, and ensuring the inclusion of people with disabilities. Additionally, the RAF maintains a zero-tolerance policy towards fraud and corruption, ensuring all reported incidents are thoroughly



investigated and addressed, aligning with Priority 2: building a capable, ethical, and developmental state.

The outcome of digital transformation is to improve the efficiency of claim processes, reduce administrative costs, and implement effective and appropriate systems.

Furthermore, the RAF aims to enhance claimant focus by increasing accessibility to its services through various channels. This will improve service delivery, expand the reach of the Fund's offerings to victims of motor vehicle accidents, and expedite the resolution of claimant queries.

## 8. KEY RISKS AND MITIGATIONS

**Table 10: Key risks and mitigations**

Outcomes	Key Risks	Risk Mitigations
<b>Outcome 1:</b> A transformed and sustainable RAF	<ul style="list-style-type: none"> <li>Claims management risk</li> <li>Financial sustainability risk</li> </ul>	<ul style="list-style-type: none"> <li>Legislative amendments.</li> <li>Implement the actuarial calculation for loss of earnings, loss of support and general damages.</li> <li>Implement the ICMS that will streamline claims processing to fast track merits and product settlement.</li> <li>CRM to deal with queries and to allow consultants to focus on claims settlements.</li> <li>Move dormant claims out of the open claims' portfolio.</li> <li>Continue with block settlement drives to increase settlement rate.</li> <li>Collaborate with emergency management services and hospital groups to proactively collect data at accident scenes and to support pre-claims processes.</li> <li>Review the RAF Act to enable instalment payments, standardisation of benefits, removal of general damages.</li> <li>Investigate other possible sources of revenue i.e.               <ul style="list-style-type: none"> <li>Introduction of the RAF levy for all foreign registered motor vehicles entering South Africa.</li> <li>RAF levy on motor vehicle registration and/or licence renewal introduced to cover electric and hybrid vehicles.</li> </ul> </li> <li>Implement the asset and liability matching strategy.</li> <li>Continuously monitor and review the effectiveness of the cash management strategy.</li> </ul>
<b>Outcome 2:</b> Digital transformation	<ul style="list-style-type: none"> <li>Information and communication technology risk</li> </ul>	<ul style="list-style-type: none"> <li>Implement the ICT and digital business strategy, including thorough testing, user training, and change management processes to minimise disruptions and ensure the smooth transition to the updated ICT infrastructure.</li> <li>Implement strong cybersecurity framework as well as other security measures such as firewalls, encryption, access controls, cloud cybersecurity controls and regular security audits to ensure that the organisation's digital assets are secure and protected.</li> <li>Integrate ICMS with relevant external parties.</li> </ul>

Outcomes	Key Risks	Risk Mitigations
<p><b>Outcome 3:</b> Improved governance and controls</p>	<ul style="list-style-type: none"> <li>• Fraud and corruption risk</li> <li>• Regulatory framework risk</li> <li>• People management risk</li> <li>• Governance and leadership risk</li> </ul>	<ul style="list-style-type: none"> <li>• Strengthen internal controls, implement regular audits, and enforce a zero-tolerance policy against fraudulent activities.</li> <li>• Continuous analysis of fraud trends and recommendation of control improvement measures by assurance providers.</li> <li>• Acquire or upgrade FID systems and tools to replace manual processes.</li> <li>• Roll out fraud and corruption awareness across the organisation.</li> <li>• Stay updated with relevant laws and regulations, including monitoring the progress of the bill submitted to Parliament to amend the RAF Act, and establish robust processes for regulatory adherence.</li> <li>• Increase the capacity of state attorneys through recruiting, training, and augmenting with the legal panel when necessary.</li> <li>• Improve claims administration.</li> <li>• Utilise the legal panel experts for corporate matters.</li> <li>• Improve management of corporate litigation and turn-around times.</li> <li>• Implement effective recruitment and retention strategies, invest in employee development and engagement initiatives, and foster a positive workplace culture.</li> <li>• Implement the new structure in line with the terms of reference for placements.</li> <li>• Implement the L&amp;D strategy and training implementation plan in line with the skills audit outcome.</li> <li>• Implement the ethics strategy.</li> <li>• Enhance the analysis of conflict of interest.</li> <li>• Capacitate the ethics unit in line with the new structure.</li> <li>• Implement ongoing privacy training programmes for employees to stay informed about privacy best practices, regulatory updates, and organisational policies.</li> </ul>
<p><b>Outcome 4:</b> Improved claimant focus</p>	<ul style="list-style-type: none"> <li>• Reputational risk</li> </ul>	<ul style="list-style-type: none"> <li>• Increase the RAF footprint through the establishment of customer service centres in all provinces.</li> <li>• Implement and monitor the effectiveness of the stakeholder engagement strategy.</li> <li>• Implement the marketing and corporate communications strategy.</li> <li>• Improve clinical outcomes of road accident victims through trauma intervention strategies.</li> <li>• Improve the case management strategies.</li> <li>• Improve management of undertakings.</li> <li>• Integrate ICMS with CRM.</li> </ul>





**PART D**  
**TECHNICAL INDICATOR**  
**DESCRIPTION**



## 9. PART D: TECHNICAL INDICATOR DESCRIPTIONS

### OUTCOME 1: A TRANSFORMED AND SUSTAINABLE RAF

Table 11: TID for Outcome 1: A transformed and sustainable RAF

Indicator Title	1.1. Percentage of total compensation to claimants
Definition	<p>This indicator measures the total compensation paid to claimants in proportion to total claims expenditure for the reporting period.</p> <p>Total compensation to claimants and total expenditure refer to:</p> <ul style="list-style-type: none"> <li>• Total compensation includes all capital payments made in the reporting period (i.e. personal and supplier). This would be all capital paid with fee or compensation indicator = C</li> <li>• Total claims expenditure includes all claims related payments made over the reporting period (capital and costs on personal and supplier claims).</li> </ul>
Source of Data	Claims database
Method of Calculation/ Assessment	$\frac{\text{Total capital compensation paid during the reporting period}}{\text{Total claim expenditure during the reporting period}} \times 100$
Assumptions	Not applicable
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable
Desired Performance	75% of total claims expenditure should be towards capital compensation
Indicator Responsibility	Chief Claims Officer, Chief Investment Officer and Chief Governance Officer

Indicator Title	1.2. Percentage of new personal compliant claimed products settled within 120 days
Definition	<p>This indicator aims to measure the time it takes to settle a claim using a product-based approach. Settlement is when a claimed product is processed, offer issued and accepted.</p> <p>This is new personal compliant claimed products settled within 120 working days of compliance date.</p>
Source of Data	<ul style="list-style-type: none"> <li>• Claims system database</li> <li>• SharePoint</li> </ul>
Method of Calculation/ Assessment	$\frac{\text{Number of new compliant personal claim products settled within 120 working days of compliance date}}{\text{Number of all new compliant personal claim products}} \times 100$
Assumptions	Not applicable
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable
Desired Performance	25% of new personal compliant claimed products settled within 120 days
Indicator Responsibility	Chief Claims Officer



Indicator Title	1.3. Percentage of new personal claimed product validated and verified within 60 days
Definition	<p>This indicator aims to measure the number of days it takes to validate and verify new personal claimed products.</p> <p>These are new personal claimed products verified and validated within 60 working days of the compliance date.</p> <p>New personal claimed products are defined as new personal claimed products lodged/compliant from 1 January of the previous financial year, and registered from 1 April of the current financial year until 31 March at the end of the financial year.</p> <p>The claimed product must be fully compliant in terms of the RAF 1 Form and can be categorised as fully compliant on the claims system.</p> <p>Exclusions</p> <ul style="list-style-type: none"> <li>Public holidays and officially approved RAF office closure dates.</li> </ul>
Source of Data	Claims system
Method of Calculation/ Assessment	$\frac{\text{Number of new personal claimed products verified and validated within 60 working days of the compliance date}}{\text{Number of new personal claimed products verified and validated}} \times 100$
Assumptions	<ul style="list-style-type: none"> <li>Summons can be legally issued after 120 days if no objection to the validity thereof was not raised in 60 days.</li> <li>Litigation on claims validated within 60 days and validity objected to, are at the costs of the plaintiff.</li> </ul>
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable
Desired Performance	95% of new personal claimed products verified and validated by objecting or accepting within 60 days
Indicator Responsibility	Chief Claims Officer

Indicator Title	1.4. Percentage reduction in net open claimed products
Definition	<p>This indicator is aimed at ensuring that net open claimed products are being reduced, relative to a set baseline, either through settlement of the underlying products or rejection of the claim and its associated products.</p> <p>Net open claims consist of all claims on an open status at the reporting date which include O, RD, VV, VO, BRD, and BVV and excludes open claims with a final settlement RNYP.</p>
Source of Data	Claims database
Method of Calculation/ Assessment	$\frac{\text{Current number of all open claimed products}}{\text{Baseline number of all open claimed products}} \times 100$
Assumptions	Not applicable
Disaggregation of Beneficiaries (where applicable)	Not applicable

PART D:

Indicator Title	1.4. Percentage reduction in net open claimed products
Spatial Transformation (where applicable)	Not applicable
Desired Performance	10% reduction of net open claims from baseline
Indicator Responsibility	Chief Claims Officer

Indicator Title	1.5. Percentage of claimed products settled by agreement
Definition	<p>This indicator is aimed at maintaining the percentage of claimed products that are settled through agreement, i.e. offer acceptance, over court order settlements.</p> <p>This indicator is limited to personal claim capital settlements excluding future medical expenses. The products to be included are past medical expenses, loss of earnings, general damages, loss of support, and funeral.</p> <p>Settlements by agreement are determined as follows:</p> <ul style="list-style-type: none"> <li>• Include all offers loaded on the offer control system as an offer acceptance with an offer acceptance date captured on the payment checklist.</li> <li>• Additionally, all claims that may possibly be captured outside of the offer control system, will be assessed on whether the settlement date on the payment checklist is either an offer acceptance date or a court order date.</li> <li>• In the event that an offer acceptance date is captured but the payment is due to the sheriff, these settlements are to be excluded from the count of settlements by agreement as these would then not be settled by agreement anymore.</li> </ul>
Source of Data	Claims database
Method of Calculation/ Assessment	$\frac{\text{Number of personal claim capital payments requested that are settled through agreement}}{\text{Number of all personal claim capital payments requested}} \times 100$
Assumptions	Continued organisational efforts towards settlement of claimed products within 120 days and reducing litigation.
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable
Desired Performance	Maintain at 70% of all personal claim capital settlements
Indicator Responsibility	Chief Claims Officer

Indicator Title	1.6. Percentage of new undertakings issued with basket of care (injury specific)
Definition	<ul style="list-style-type: none"> <li>• This indicator measures the percentage of all new undertakings issued with the provision of basket care.</li> <li>• An undertaking is a contract between an accident victim and the RAF where the RAF pays back incurred medical expenses in accordance with the applicable legislation, due to the injuries sustained in the motor vehicle accident.</li> <li>• Basket of care refers to pre-determined treatment for specific injuries sustained by the accident victim.</li> </ul>



PART D:

Indicator Title	1.6. Percentage of new undertakings issued with basket of care (injury specific)
Source of Data	<ul style="list-style-type: none"> <li>• Claims system</li> <li>• SharePoint</li> </ul>
Method of Calculation/ Assessment	$\frac{\text{Total number of undertakings issued with provision of basket of care}}{\text{Total number of new undertakings issued}} \times 100$
Means of Verification	Claims database
Assumptions	Not applicable
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable
Desired Performance	95% of new undertakings issued with basket of care (injury specific)
Indicator Responsibility	Chief Claims Officer

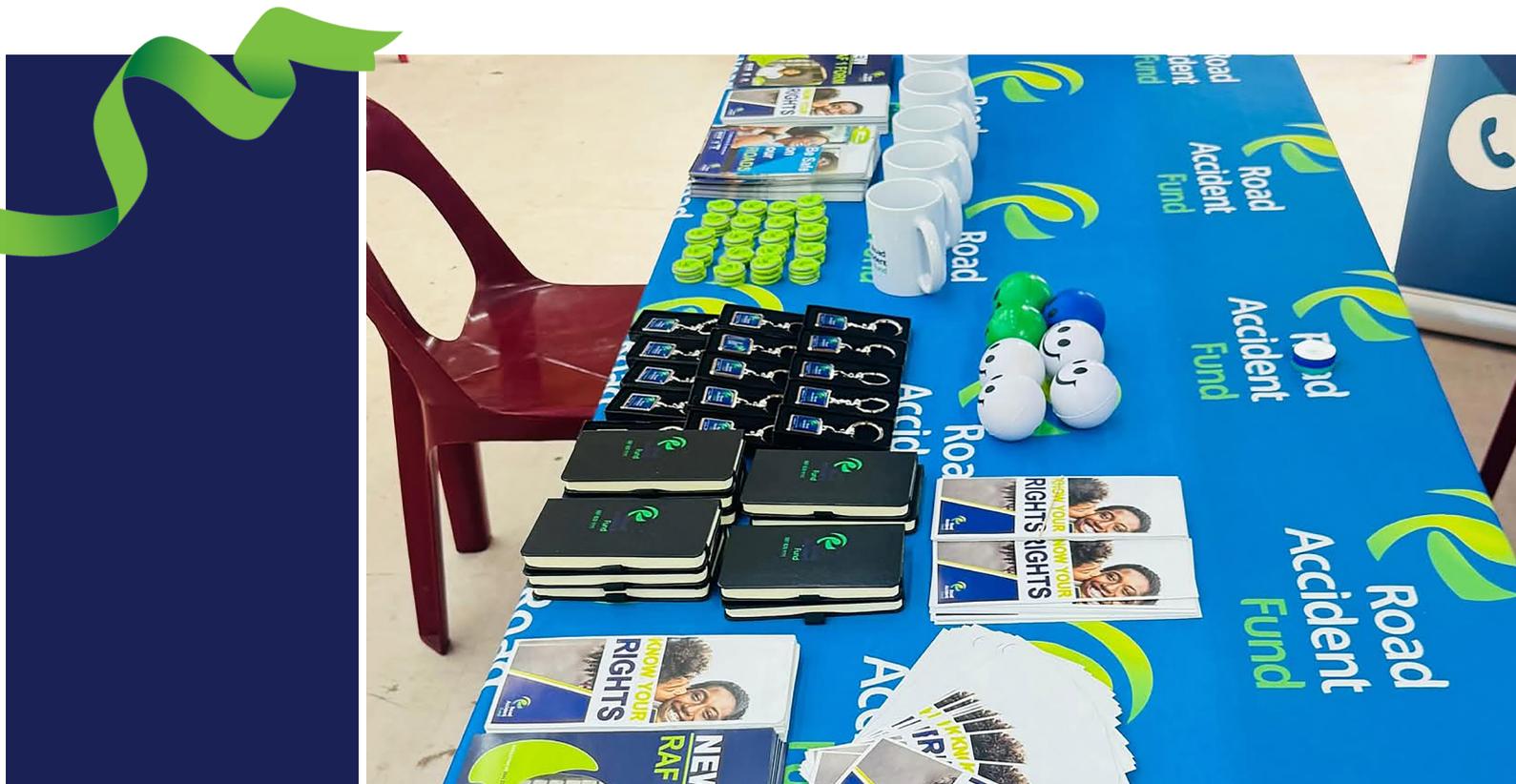
Indicator Title	1.7. Case management framework implemented
Definition	<p>This indicator aims to implement the case management framework that will assist the RAF in improving assessment and compensation of claims and therefore lead to a transformed and financially sustainable RAF.</p> <p>Case management is a process that connects patients with healthcare providers, resources, and services. It is directed towards ensuring that patients receive the best possible care. Case management requires manoeuvring different healthcare systems and collaborating with stakeholders, including patients, medical professionals, and health insurers.</p>
Source of Data	<ul style="list-style-type: none"> <li>• Case management framework</li> <li>• Approved annual operational plan</li> </ul>
Method of Calculation/ Assessment	Qualitative
Assumptions	<ul style="list-style-type: none"> <li>• Approved RAF medical tariff and treatment protocols</li> <li>• Procurement of the case management system</li> </ul>
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable
Desired Performance	Case management framework implemented
Indicator Responsibility	Chief Claims Officer



**OUTCOME 2: DIGITAL TRANSFORMATION**

**Table 12: TID for Outcome 2: Digital transformation**

Indicator Title	2.1 Integrated claims management system rolled-out
Definition	<p>This indicator aims to measure the roll-out of the ICMS.</p> <p>The goal of the project is to automate improved business processes, i.e. digitisation and the implementation of an integrated web-enabled claims management system which will support and enable business processes, allow the Fund to have real-time reporting for informed business decision-making, and reduce the risks of fraud and corruption.</p> <p>The project also aims to automate core business operations to improve the delivery of services to the organisational stakeholders and meet the Fund’s legislative mandate based on a product-centred approach of claims management.</p>
Source of Data	Approved project plan on ICMS
Method of Calculation/ Assessment	Qualitative
Assumptions	Successful implementation of all planned sprints
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable
Desired Performance	Integrated and digitised claims process
Indicator Responsibility	Head: Office of the CEO



## OUTCOME 3: IMPROVED GOVERNANCE AND CONTROLS

Table 13: TID for Outcome 3: Improved governance and controls

Indicator Title	3.1 Percentage resolution of reported incidents of fraud and corruption
Definition	<p>This indicator aims to resolve the incidents and/or allegation of fraud, corruption and other illegal activities committed against the Fund and its beneficiaries. The incidents and/or allegations of fraud, corruption and other illegal activities must have been referred to or initiated by internal fraud investigations.</p> <p>A resolution refers to where an incident and/or allegation has been substantiated (the incident and/or allegation is supported by evidence) or unsubstantiated (the incident and/or allegation is not supported by evidence).</p> <p>The preliminary investigation may lead to further investigation, which may result in punitive measures. Where an incident and/or allegation has been substantiated, it must be referred to the relevant authorities for further processing.</p>
Source of Data	<ul style="list-style-type: none"> <li>Fraud and corruption</li> <li>Whistle-blower report</li> <li>Additional data to support the reported incidents and/or allegations of fraud, corruption and other illegal activities committed against the Fund and its beneficiaries will be obtained from the Investigation Management System (IMS)</li> </ul>
Method of Calculation/ Assessment	$\frac{\text{Incidents resolved during the reporting period}}{\text{All open incidents as at cut-off period}} \times 100$
Assumptions	Not applicable
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable
Desired Performance	90% resolution of reported incidents and/or allegations of fraud, corruption and other illegal activities committed against the Fund and its beneficiaries
Indicator Responsibility	Chief Governance Officer

Indicator Title	3.2 Percentage of ESD committed to women-owned enterprises
Definition	<p>This indicator measures the promotion and support of women-owned businesses which is at least 51% owned by one or more women, or in the case of any publicly owned business, at least 51% of the stock is owned by one or more women; and the management and daily business operations are combined by one or more women.</p> <p>Commitments is when an entity has committed itself to future transactions that will normally result in the outflow of cash.</p>
Source of Data	<ul style="list-style-type: none"> <li>ESD budget</li> <li>B-BBEE certificates, sworn affidavit, share certificate, CIPC registration documents</li> </ul>
Method of Calculation/ Assessment	$\frac{\text{Total ESD committed on WOE}}{\text{Total committed on ESD}} \times 100$

PART D:

Indicator Title	3.2 Percentage of ESD committed to women-owned enterprises
Assumptions	<ul style="list-style-type: none"> <li>Budget available to spend on women empowerment</li> <li>Women-owned enterprises participating in the identified programmes</li> </ul>
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>Target for women: 50%</li> <li>Target for youth: Not applicable</li> <li>Target for people with disabilities: Not applicable</li> </ul>
Spatial Transformation (where applicable)	Not applicable
Desired Performance	Women-owned enterprises empowered
Indicator Responsibility	Chief Financial Officer

Indicator Title	3.3 Number of workplace opportunities created for unemployed youth
Definition	This indicator aims to measure the implementation of the learnership and internship programmes within the RAF.
Source of Data	<ul style="list-style-type: none"> <li>Learnership and internship policy</li> <li>Skills Development Act 97 of 1998 as amended, Section (c), (d) and (e)</li> <li>Learnership and internship framework</li> </ul>
Method of Calculation/ Assessment	<ul style="list-style-type: none"> <li>Quantitative</li> <li>Simple count</li> </ul>
Assumptions	<ul style="list-style-type: none"> <li>Unemployed youth apply for the workplace opportunities</li> <li>Availability of the budget</li> </ul>
Disaggregation of Beneficiaries (where applicable)	Target for youth: 120 unemployed youth
Spatial Transformation (where applicable)	Not applicable
Desired Performance	Unemployed youth empowered through workplace learning opportunities
Indicator Responsibility	Chief Corporate Support Officer



## OUTCOME 4: IMPROVED CLAIMANT FOCUS

Table 14: TID for Outcome 4: Improved claimant focus

Indicator Title	4.1 Percentage of total queries resolved
Definition	This indicator aims to monitor the efficiency and effectiveness of resolving claimant queries and complaints during interactions with services teams across all RAF channels.
Source of Data	CRM solution
Method of Calculation/ Assessment	Quantitative $\frac{\text{Queries resolved}}{\text{Queries received}} \times 100$
Assumptions	Integration with all relevant systems, i.e. claims system, medical management system and others
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable
Desired Performance	Improved claimant experience
Indicator Responsibility	Chief Strategy and Transformation Officer

Indicator Title	4.2 Customer experience strategy implemented
Definition	This indicator refers to the implementation of the customer experience strategy which guides the RAF's interaction with claimants, to ensure consistent and personalised experience across all customer channels.
Source of Data	CRM solution
Method of Calculation/ Assessment	Qualitative
Assumptions	Not applicable
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable
Desired Performance	Customer experience strategy implemented
Indicator Responsibility	Chief Strategy and Transformation Officer



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