

## MEMORANDUM OF AGREEMENT

Made and entered into by and between:

### THE EASTERN CAPE OFFICE OF THE PREMIER

(Hereinafter referred to as "OTP" / the "Department" / "Employer")

Represented by

**MBULELO SOGONI (MR.)**

In his capacity as the Accounting Officer of the Department

("Director-General")

Duly authorised thereto

and

### ALEXANDER FORBES FINANCIAL SERVICES (PTY) LTD

Company Registration Number: 1969/018487/07

(Hereinafter referred to as the "Health Risk Manager" / "HRM" / "Service Provider")

Represented by

**MYRNA SACHS**

In her capacity as Head: Health Management Solutions

Duly authorised thereto

(Collectively hereinafter referred to as "the Parties")

Annexures:

Annexure A: Contract between the DPSA and the Health Risk Manager appointing it to the Panel of Health Risk Managers

Annexure B: Monthly report format

Annexure C: Request for Proposal (RFP)

Annexure D: Service Provider's proposal in response to RFP

Annexure E: Project Implementation Plan for applications made from 1 July 2025 to the date of signature.

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#### INITIALS OF SIGNATORIES AND WITNESSES

1. OTP: MS  
2. HRM: MS

WITNESS 1: Vfn  
WITNESS 1: AD

WITNESS 2: VM  
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### INITIALS OF SIGNATORIES AND WITNESSES

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|---------|-----------|-----------------------|----------------------|
| 1. OTP: | <u>MS</u> | WITNESS 1: <u>VPW</u> | WITNESS 2: <u>VM</u> |
| 2. HRM: | <u>ms</u> | WITNESS 1: <u>AD</u>  | WITNESS 2: <u>CA</u> |

WHEREBY THE PARTIES AGREE AS FOLLOWS:

1. INTERPRETATION

1.1. In this agreement, unless clearly inconsistent with or otherwise indicated by the context

1.1.1. "agreement" means this agreement, comprising of all annexures attached hereto or referred to in this agreement and any amendments executed by the parties in writing;

1.1.2. "assessment" means in relation to an application(s) submitted by the Department to the Health Risk Manager, a consideration based *inter alia*, on medical, occupational and other relevant evidence of the existence, nature and extent of any impairment, a determination of whether any impairment reasonably results in the existence of an incapacity either on a temporary or permanent basis, the fitness or otherwise of the employee to return to work and the potential of rehabilitating the employee and any matters relating thereto;

the words "assessing" and "re-assessment" will have a corresponding meaning;

1.1.3. "application/s" means a duly and fully completed written request by an employee for incapacity leave or ill health retirement in such format and on such prescribed forms as may be determined by the Minister for the Public Service and Administration from time to time;

1.1.4. "Annexures" means the documents referred to in and annexed to this agreement.

1.1.5. "calendar days" means Monday to Sunday, i.e. including weekends and statutory public holidays.

1.1.6. "commencement date" means the date on which this agreement takes effect, being 1 July 2025, notwithstanding the date of signature.

1.1.7. "confidential information" means:

- (a) the details of the consultancy services.
- (b) all confidential material of any party.
- (c) price information of the consultancy services.
- (d) the terms of this agreement.
- (e) information or material proprietary to or deemed to be proprietary to that party.

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- (f) information designated as confidential by parties after consultation.
- (g) information acquired by the other party solely by virtue of the provision of the consultancy services.
- (h) all trade secrets of each party.
- (i) information in which either party has Intellectual Property Rights.
- (j) all medical information relating to an employee other than as provided for herein; and
- (k) extends to all forms of storage or representation of the confidential information including, but not limited to, loose notes, diaries, memoranda, drawings, photographs, electronic storage and computer print-outs.

"confidential information" excludes any confidential information, or any portion thereof, which:

- (a) information at the time of disclosure is already in the public domain;
- (b) was known to either party prior to its receipt from the other party;
- (c) is developed by either party independently of any disclosures previously made by the other party;
- (d) is disclosed with the other party's/ies' prior written consent; and
- (e) is required by law to be disclosed.

1.1.8. "consultancy services" means the professional and related services to be provided by the Health Risk Manager as described in Annexure A to this agreement;

1.1.9. "contract manager" means the person nominated by the Department from time to time to oversee its interests by ensuring that the consultancy services are rendered according to the terms hereof;

1.1.10. "data" means all information captured on a system which is utilised for electronic recording, data mining and analysis for among other the preparation of reports required in terms of this agreement.

1.1.11. "date of signature" means the date on which the last party's signature is appended to this agreement.

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- 1.1.12. "Department" or "employer" means the **Eastern Cape Office of the Premier** or "**OTP**", a provincial government department established in terms of section 7(2) of the Public Service Act, 1994 (Proclamation 103 of 1994);
- 1.1.13. "Determination" means the *Determination and Directive on Leave of Absence in the Public Service* as issued and amended from time to time by the Minister for the Public Service and Administration;
- 1.1.14. "DG" means the Director General of the Department;
- 1.1.15. "DPSA" means the Department of Public Service and Administration;
- 1.1.16. "employee(s)" means (a) person(s) employed by the Department;
- 1.1.17. "Health Risk Manager's technology" means various concepts, ideas, methods, methodologies, procedures, processes, know-how and techniques [including, without limitation, function, process, system and data models]; templates, the generalised features of the structure sequence and organisation of software, user interfaces and screen designs; general purpose consulting and software tools, utilities and routines; and logic, coherence and methods of operation of systems developed and applied by the Health Risk Manager;
- 1.1.18. "incapacity" means the loss of functional capacity, either mental or physical, or both, as a result of an impairment, to such a degree that the employee is prevented from substantially meeting the specific requirements of his or her job thus rendering the employee unfit for work, either temporarily or permanently;
- 1.1.19. "ill-health retirement" means to terminate employment in terms of the Government Employees Pension Law, 1996;
- 1.1.20. "internal difference" means a disagreement between the employee and his/her Department, related to an application for incapacity leave or ill health retirement;
- 1.1.21. "impairment" means the alteration of normal functional capacity due to a loss of use or function, or derangement of any body part, organ system or organ function, or any physical or psychological condition;
- 1.1.22. "implementation area" means the Provincial Departments and/or Provincial Components collectively in a Provincial Administration or a group of National Departments and/or Government Components collectively grouped into a cluster by the DPSA from time to time;
- 1.1.23. "incapacity leave " means leave in terms of paragraphs 15 and 16 of the Determination and paragraph 7 of the PILIR;

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- 1.1.24. "information" means the physical and electronic form of the following documents: the employee's physical application form, medical certificates or reports that accompanied the application, written motivations submitted by or on behalf of the employee, the employee's leave records provided by the Employer, any additional information or documentation provided by the employer in respect of an employee, the medical reports secured through medical referrals as part of a secondary assessment, the assessment report developed in respect of an application or any relevant correspondence.
- 1.1.25. "long period temporary incapacity leave" means leave as meant in paragraph 15 of the Determination, read with paragraph 7.3 of the PILIR for a period in excess of 29 (twenty nine) days, per occasion, after normal sick leave;
- 1.1.26. "medical specialist" means a registered and recognised medical practitioner whose speciality or specialities have been registered in terms of the Health Professions Act, 56 of 1974, and who is legally certified to diagnose and treat patients in terms of the aforesaid Act;
- 1.1.27. "medical disbursements" means the direct medical and allied costs and expenses incurred by the Health Risk Manager in providing the consultancy services set out herein;
- 1.1.28. "normal sick leave" means the sick leave entitlement of an employee in terms of paragraph 14 of the Determination;
- 1.1.29. "occupational health practitioner" means an occupational health practitioner as defined in section 1 of the Occupational Health and Safety Act, 85 of 1993;
- 1.1.30. "parties" means the Department and the Health Risk Manager and 'party' means any one of the parties, as the context may indicate;
- 1.1.31. "PILIR" means the *Policy and Procedure on Incapacity Leave and Ill-health Retirement*;
- 1.1.32. "prime rate" means the prime rate described in Annexure A to this contract;
- 1.1.33. "project manager" means such person, as nominated by the Health Risk Manager from time to time, to act as manager of this agreement on behalf of the Health Risk Manager;
- 1.1.34. "Public Service Act" means the Public Service Act, 1994 (Proclamation 103 of 1994), and any regulations, determinations or directions issued in terms thereof;
- 1.1.35. "reference material" means all material and information in whatever form provided or made available by the DPSA or the Department for the purposes of this agreement;

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| 2. HRM: | <u>ms</u> | WITNESS 1: <u>AD</u> | WITNESS 2: <u>CA</u> |

- 1.1.36. "registered and recognised medical practitioner" means a practitioner not registered as a medical specialist in terms of the Health Professions Act, 56 of 1974, but registered as a medical practitioner and who is legally certified to diagnose and treat patients in terms of the aforesaid Act;
- 1.1.37. "rehabilitation" means the process of any reasonable nature and form, that enables an impaired and consequently disabled employee to return to occupational functionality in either his/her previous occupation or in an alternate suitable occupation, allowing for task and workplace adaptation as well as reasonable redeployment;
- 1.1.38. "short period temporary incapacity leave" means the leave as meant in paragraph 15 of the Determination, read with paragraph 7.2 of the PILIR, for a period of between 1 [one] and 29 [twenty-nine] days per occasion after normal sick leave;
- 1.1.39. "Steering Committee" means the committee comprising representative members from the Health Risk Manager and the Department established to monitor and control the overall project direction, scope and costs; and
- 1.1.40. "termination date" means 31 December 2027;
- 1.1.41. "working day" means any day, except Saturdays, Sundays and public holidays, in terms of the Public Holidays Act, 1994 (Act 36 of 1994).
- 1.2. Any reference to a singular includes the plural and vice versa.
- 1.3. Any reference to a natural person includes a juristic person and vice versa.
- 1.4. Any reference to the masculine includes the feminine and vice versa.
- 1.5. Where a figure is referred to in numbers and in words, and there is a conflict between the numbers and words, the meaning of the words must prevail.
- 1.6. Where applicable, the provisions of clause 2.1 shall impose substantive obligations on the parties as provided in the provision concerned.
- 1.7. The clause headings in this agreement have been inserted for convenience only and shall not be taken into account in its interpretation.
- 1.8. Words and expressions defined in any sub-clause shall, for the purposes of the clause of which that sub-clause forms part, bear the meaning assigned to such words and expressions in that sub-clause.

In the event of any discrepancies between the contents of the various documents forming this agreement, the wording and meaning of this document will prevail.

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1. OTP: MS

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- 1.9. This agreement shall be governed by and interpreted in accordance with the laws of the Republic of South Africa.

## 2. RECORDAL

- 2.1. It is recorded that Annexure A to this contract constitutes the contract between the DPSA and the Health Risk Manager appointed to the Panel of Health Risk Managers. The provisions of Annexure A shall apply *mutatis mutandis* to this agreement in addition to the provisions set out herein. Annexure A amongst others-
- 2.1.1. describes and regulates the consultancy services to be rendered by the Health Risk Manager to the Department;
- 2.1.2. describes and regulates the roles and responsibilities of the Health Risk Manager in relation to the consultancy services to be rendered by the Health Risk Manager to the Department; and
- 2.1.3. describes and regulates the uniform norms and standards expected from the Health Risk Manager, relevant to the Department, in the context of the consultancy services described and regulated in the said contract.
- 2.2. The Department appoints the Health Risk Manager to provide the consultancy services set out in Annexure A to this Agreement and to perform the obligations set out in this agreement;
- 2.3. The Department has agreed to appoint the Health Risk Manager, and the Health Risk Manager has accepted the appointment on the terms and conditions set out in this agreement ;
- 2.4. This agreement takes effect on the Commencement Date and terminates on 31 December 2027 ("the Termination Date").
- 2.5. The Department reserves the right to extend the duration of the agreement in line with the extended period (when relevant) by written notice, which notice is to be given 1 (one) month prior to the termination date of this agreement, provided that the duration of this agreement does not extend beyond the period(s) stipulated in Annexure A or any addendums thereto.
- 2.6. All applications, including applications subject to internal difference procedures, submitted to the Health Risk Manager on or before the termination date in clause 2.4 or the termination date of the extended period contemplated in clause 2.5 above, shall be completed in full, in terms of the provisions of Annexure 1 to Annexure A.
- 2.7. The fees in Annexure 1 of Annexure A shall become applicable from the commencement date stipulated in clause 2.4 above and shall be subject to annual review by the DPSA.

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| 1. OTP: | <u>MS</u> | WITNESS 1: <u>VJN</u> | WITNESS 2: <u>VM</u> |
| 2. HRM: | <u>ms</u> | WITNESS 1: <u>AD</u>  | WITNESS 2: <u>CA</u> |

2.8. Neither party shall be entitled to terminate this agreement prior to the termination date unless terminated in accordance with the provisions of clauses 14 or 15.

### 3. OBLIGATIONS OF HEALTH RISK MANAGER

3.1. The obligations of the Health Risk Manager shall be to-

3.1.1. render the consultancy service and perform the obligations as described in Annexure A to this agreement only in respect of applications for short and long incapacity leave and ill-health retirement, which shall specifically include any assessment and medical disbursements which are reasonably necessary and required in respect of any internal dispute resolution process instituted by the employee within 30 days of a decision being made by the DG, provided that:

- (a) the consultancy services shall not include and the Health Risk Manager shall have no responsibility or liability for any medical disbursements or other costs incurred, of whatsoever nature, in respect of any process, appeal, review or otherwise, instituted by an employee in any Court or any other forum or tribunal of any nature;
- (b) the Department shall be responsible for any and all medical disbursements, which are not reasonably necessary or required for the purpose of any internal dispute resolution process;

3.1.2. provide the help desk/call centre as described in Annexure A to this agreement; and

3.1.3. maintain the performance levels relating to the Health Risk Manager's services in relation to the investigations and assessments as set out in the under-mentioned Annexures attached to Annexure A of this agreement:

- (a) Annexure 2: Applications for short periods of temporary incapacity leave.
- (b) Annexure 3: Applications for long periods of temporary incapacity leave.
- (c) Annexure 4: Applications for ill-health retirement.

### 4. PRICE STRUCTURE

4.1. With effect from the date of signature the Department shall pay the Health Risk Manager monthly in advance for the services to be rendered by the Health Risk Manager in accordance with the provisions of Annexure 1 of Annexure A hereto, as may be amended from time to time.

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- 4.2. The Health Risk Manager shall, within 7 (seven) calendar days from the date of signature provide the Department with a Project Implementation Plan for approval by the Department, setting out clear details and timeframes for finalising all applications made from 1 July 2025 to the date of signature. The Project Implementation Plan shall form an integral part of this agreement once approved and shall be incorporated herein as Annexure "E".
- 4.3. Once the Project Implementation Plan has been approved by the Department as referred to in clause 4.2. above, the Department shall pay the Health Risk Manager for the consultancy services rendered in accordance with the Project Implementation Plan.
- 4.4. The Health Risk Manager shall ensure that invoices, with the relevant supporting documentation, are submitted to the Department no later than 30 days prior to the pay date of the invoice in order for the Employer to verify these invoices to facilitate payment by the Department.
- 4.5. The Department shall pay the Health Risk Manager within 30 calendar days of receipt of a valid detailed tax invoice from the Health Risk Manager, which tax invoice must be supported by the relevant supporting documents, but no later than the 5th of the month in which payment is due.
- 4.6. All invoicing and payment requests will be submitted to the Department by the Health Risk Manager in both electronic and hard copy formats.
- 4.7. If the Department fails to make any payment on the due date, the Health Risk Manager shall be entitled to charge interest calculated on the basis regulated in Annexure A to this contract.

## 5. ROLE OF DEPARTMENT

In addition to its other obligations in terms hereof, the Department hereby undertakes to:

- 5.1. notify the Health Risk Manager of all applications for incapacity leave or ill-health retirement as expeditiously as possible;
- 5.2. deliver all prescribed and other relevant documentation received from the employee, including all medical reports, medical certificates and sick leave records in a coherent and legible form to the Health Risk Manager;
- 5.3. provide reasonable access to the employment records of the employee for the purpose of considering and investigating the application;
- 5.4. make available such other information and personnel as may be reasonably required for considering any application;
- 5.5. procure, on behalf of the Health Risk Manager, any and all necessary and required

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| 1. OTP: | <u>MS</u> | WITNESS 1: <u>NBN</u> | WITNESS 2: <u>VM</u> |
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consents and releases for the reasonable disclosure of any confidential medical information or other records from the employee in connection with any of the consultancy services; and

- 5.6. notify the Health Risk Manager of the transfer of an employee, whose information data is held by the Health Risk Manager because of the assessment of previous applications for incapacity leave and/or ill-health retirement, to another department (Provincially or Nationally) which is serviced by another Health Risk Manager.

## 6. MEDICAL DISBURSEMENTS

- 6.1. Save as otherwise provided for in this agreement and in particular clause 4.1 above, the Health Risk Manager shall be directly responsible for the payment of all medical disbursements incurred directly by it in connection with the provision of the consultancy services provided, that such medical disbursements were incurred on the written instruction of the Health Risk Manager and within the scope of this agreement.
- 6.2. Insofar as the Department requests-
  - 6.2.1. any additional medical information subsequent to delivery of the assessment report of the Health Risk Manager as set out in clause 5 above; and
  - 6.2.2. prior to delivery of any assessment reports, specific medical information or examinations to be obtained or undertaken which were not obtained or undertaken by the Health Risk Manager in conducting an investigation in terms of clause 5 above and which the Health Risk Manager believes were not reasonably necessary, which will result in further medical disbursements being incurred, then any such additional medical disbursements and expenses shall be for the account of the Department, unless otherwise agreed in writing by the Health Risk Manager prior to any such expense being incurred.
- 6.3. Neither the Health Risk Manager nor the Employer will be responsible for expenses resulting from an employee's negligence or failure to adhere to an appointment with an independent specialist medical examination and/or allied medical professional examination as part of the Health Risk Manager's consultancy service. Notwithstanding the foregoing, the Employer will be responsible to pay such expenses and recover the expenses paid from the employee concerned.
- 6.4. The Health Risk Manager shall not be responsible for any costs or expenses incurred by any employee in obtaining any information, documents or reports required in relation to any incapacity leave or ill health retirement application.
- 6.5. Insofar as the department has confirmed the attendance of an employee applying for incapacity leave and/or ill health retirement at a requested independent specialist's medical examination and/or allied medical professional's examination

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and the relevant employee fails for any reason whatsoever, including, but not limited to failure by the department to inform such employee of the examination, to attend such appointment(s), or is late for such appointment(s), the department will be liable for the full payment of such broken appointment.

## 7. PROJECT REPORTING, MEETINGS AND INSPECTIONS

7.1. The Contract Manager and the Project Manager shall initiate and constitute a management team and utilise the reporting format, content and frequency for reporting as required from time to time by the Department.

7.2. Subject to clause 10.1 below, the Project Manager shall furnish the Contract Manager with a report, in the format set out in of Annexure B hereto as amended from time to time in accordance with the decisions of the Steering Committee, on a monthly basis on all pertinent details regarding the progress of the consultancy services, including but not limited to:

7.2.1. the progress of the consultancy services performed by the Health Risk Manager to date;

7.2.2. the major activities of the Health Risk Manager in respect of the period under review;

7.2.3. all factors affecting the progress of the consultancy services;

7.2.4. all problems in respect of the consultancy services, whether present or anticipated and the steps proposed to rectify same;

7.2.5. details and data in respect of all applications submitted, considered and conclusions and recommendations made and submitted, including, but not limited to:

(a) short periods of incapacity leave, long periods of incapacity leave, and ill-health retirements;

(b) the number of employees who applied per category;

(c) the gender split;

(d) age distribution;

(e) salary level distribution;

(f) assessment results;

(g) medical conditions per category;

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- (h) cost savings/investment in human capital;
  - (i) deviations from recommendations;
  - (j) referral to health service providers and other specialists for secondary assessments; and
  - (k) final opinions and/or recommendations;
- 7.2.6. suspected fraudulent applications submitted;
- 7.2.7. the number and categories of high incidence claims; and
- 7.2.8. statistics in respect of the call centre, such as the number of calls relating to short and long periods of incapacity leave and ill health retirements, number of calls immediately dealt with; number of calls escalated to more senior personnel.
- 7.3. The Health Risk Manager agrees to comply with the minimum requirements set-out in clause 7.2 and Annexure B attached hereto.

## 8. STEERING COMMITTEE

- 8.1. The Contract Manager and the Project Manager shall establish and maintain throughout the duration of this agreement a joint Steering Committee, consisting of representatives from the Department and the Health Risk Manager.
- 8.2. The functions of the Steering Committee shall *inter alia* be:
- 8.2.1. to provide a means for joint oversight and management of performance against this agreement;
  - 8.2.2. to provide a means for the joint review of issues relating to all operational aspects of the performance of this agreement;
  - 8.2.3. to provide a forum for joint strategic discussion, and possible variations of this agreement to reflect more efficient performance of this agreement;
  - 8.2.4. to provide a means of agreeing on required variations and payments and deductions [if any] in accordance with this agreement; and
  - 8.2.5. in certain circumstances, pursuant to the Dispute Resolution Procedure, to provide a means of resolving disputes or disagreements between the parties amicably.
- 8.3. The frequency of the Steering Committee meetings shall be mutually agreed to between the Contract Manager and Project Manager.

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## 9. NOMINATED PERSONNEL

- 9.1. During the term of this agreement, the Health Risk Manager shall nominate a Project Manager, who shall be responsible for the overall planning, supervision and control of the consultancy services provided by the Health Risk Manager. The Health Risk Manager may change the project manager at any time, provided that the Department is informed in writing within fourteen calendar days from the change, unless for reasons beyond his or her control. The responsibilities of the project manager includes but are not limited to the following:
- 9.1.1. Monitoring the Health Risk Manager's progress and performance to ensure and the consultancy services conform to the agreement;
  - 9.1.2. Identifying potential problems and solutions;
  - 9.1.3. Implementing appropriate remedies where the Health Risk Manager's performance is unsatisfactorily or deficient;
  - 9.1.4. Resolving disputes in a timely manner;
  - 9.1.5. Meeting with the contract manager on a regular basis to review progress, discuss problems and consider necessary changes;
  - 9.1.6. Clarify the meaning of language found in the agreement when differences arise relating to the interpretation of the agreement and its provisions;
  - 9.1.7. Provide guidance to project managers, as and when needed, on contract matter; and
  - 9.1.8. Overseeing compliance with the agreement.
- 9.2. During the term of this agreement, the Department shall nominate a Contract Manager who shall be jointly responsible, along with the Project Manager, for the overall planning, supervision and control of the consultancy services provided by the Health Risk Manager in terms of this agreement. The Department will be entitled to change the contract manager at any time. If the contract manager changes the Department shall, within five working days of the change, inform the Health Risk Manager in writing of the change, unless for reasons beyond his or her control. The responsibilities of the Contract Manager includes but are not limited to the following:
- 9.2.1. Monitoring the Health Risk Manager's progress and performance to ensure consultancy services conform to the agreement;
  - 9.2.2. Identifying potential problems and solutions;
  - 9.2.3. Implementing appropriate remedies where the Health Risk Manager's performance is unsatisfactorily or deficient;

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### INITIALS OF SIGNATORIES AND WITNESSES

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| 1. OTP: | <u>MS</u> | WITNESS 1: <u>VM</u> | WITNESS 2: <u>VM</u> |
| 2. HRM: | <u>ms</u> | WITNESS 1: <u>AD</u> | WITNESS 2: <u>CA</u> |

- 9.2.4. Resolving disputes in a timely manner;
- 9.2.5. Meeting with the project manager on a regular basis to review progress, discuss problems and consider necessary changes;
- 9.2.6. Clarify the meaning of language found in the agreement when differences arise relating to the interpretation of the agreement and its provisions;
- 9.2.7. Provide guidance to project managers, as and when needed, on agreement matters; and
- 9.2.8. Oversee service level agreement compliance.

## 10. VARIATION PROCEDURES

- 10.1. The Department may request at any time the Health Risk Manager to provide additional services in respect of services that fall outside the agreed consultancy services.
- 10.2. Should the Department, decide that additional services are required, it shall immediately notify the Health Risk Manager in writing as to the nature of the required additional services and the Health Risk Manager shall prepare a proposal for approval by the Department within the period agreed upon by the parties.
- 10.3. The Health Risk Manager shall be informed in writing within 5 business days, unless otherwise agreed upon by the parties, of its acceptance or rejection of the proposal. Once the proposal is accepted, it shall be considered as part of the original scope of work of this agreement and the payment and delivery schedules of this agreement shall be adjusted accordingly.
- 10.4. The proposal shall define the nature of the additional services to be performed, the fees and other charges involved and the implications it will have on the project.

## 11. THE HEALTH RISK MANAGER PERSONNEL

- 11.1. The Health Risk Manager shall ensure that it has sufficient number of competent and qualified personnel to ensure that it honours its obligations in terms of this contract.
- 11.2. Personnel of the Health Risk Manager shall at all times be under the sole management and responsibility of the Health Risk Manager.
- 11.3. All the Health Risk Manager personnel shall comply with all site rules and regulations [including house rules] in force at the premises of the Department, a copy of which site rules and regulations will be made available to the Health Risk Manager on request. The Health Risk Manager shall at the commencement of the contract provide the Department with a detailed list of assessors who will be utilised to render the consulting service. The Health Risk Manager shall advise the Department within 14 calendar days of any changes to the list as and when it occurs.

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### INITIALS OF SIGNATORIES AND WITNESSES

1. OTP: MS

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2. HRM: MS

WITNESS 1: AD

WITNESS 2: CA

- 11.4. It is incumbent on the Health Risk Manager to ensure that all personnel with access to confidential documents must complete a declaration of confidentiality form annually.

## 12. LOCATION

- 12.1. The Department acknowledges that not all of the consultancy services need to be carried out at the offices of the Department. It is further acknowledged that the Health Risk Manager may provide the consultancy services at any other location which the Health Risk Manager deems appropriate, provided that it does not adversely affect the progress and delivery of the consultancy services.
- 12.2. The Health Risk Manager acknowledges that the Department will not provide facilities, such as office space and/or equipment, at its offices unless specifically agreed to during the duration of this agreement.
- 12.3. The Health Risk Manager shall establish and maintain a satellite office if the criteria agreed to in Annexure A is met.

## 13. INTELLECTUAL PROPERTY RIGHTS

- 13.1. The Health Risk Manager and the Department acknowledge the arrangements in relation to intellectual property rights as regulated in Annexure A to this agreement. These arrangements and/or clauses shall apply *mutatis mutandis*.

## 14. FORCE MAJEURE

- 14.1. Neither party shall be liable for any failure to fulfil its obligations under this agreement if such failure is caused by any circumstances beyond its reasonable control, including flood, fire, earthquake, war, tempest, hurricane, government restrictions or acts of God.
- 14.2. The party affected by a Force Majeure event shall notify the other party in writing within 14 calendar days from date of occurrence or expected occurrence.
- 14.3. The affected party shall use its best endeavours to mitigate the effects of the Force Majeure event in the shortest time practicable, and shall not refrain from performing any of its obligations, which can be reasonably performed in terms of this agreement.
- 14.4. Should a party/ies be unable to fulfil a material part of its obligations under this agreement for a period in excess of 30 calendar days from the date of notice in clause 14.2 due to circumstances beyond its reasonable control, as recorded in clause 14.1, the other party/ies may cancel this agreement forthwith by written notice.
- 14.5. Should this agreement be terminated in accordance with clause 14.4 neither party shall be liable to the other for indirect or consequential damages or loss, to the extent that such damage or loss was caused by an event described in clause 14.1.

### INITIALS OF SIGNATORIES AND WITNESSES

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| 1. OTP: | <u>MS</u> | WITNESS 1: <u>Ukn</u> | WITNESS 2: <u>VM</u> |
| 2. HRM: | <u>ms</u> | WITNESS 1: <u>AD</u>  | WITNESS 2: <u>CA</u> |

- 14.6. In the event of termination of this agreement in accordance with clause 14.4, the Department shall pay the Health Risk Manager all outstanding fees until date of cancellation. Any incomplete work should be returned to the Department within 7 days from the date of the cancellation of this agreement.

## 15. BREACH

- 15.1. A party will be in breach of the agreement if it-

- 15.1.1. is placed in liquidation or under judicial management or curatorship whether provisionally, or finally, voluntarily or otherwise;
- 15.1.2. gives any notice or takes any steps to convene a meeting of its shareholders to adopt a resolution placing it in liquidation or under judicial management whether provisionally, voluntarily or otherwise; or
- 15.1.3. makes or attempts to make or recommends any general offer of compromise with any or all of its creditors.

- 15.2. Notwithstanding clause 15.1, the Health Risk Manager shall be in breach of this agreement if it-

- 15.2.1. changes the nature of its activities or the activities of any of its subsidiaries or controlled companies in any material respect or materially reduces the scope thereof or disposed of any material subsidiary;
- 15.2.2. changes its accounting policies or those of any of its subsidiaries or controlled companies in any material respect;
- 15.2.3. fails to timeously progress the consultancy services except to the extent that such failure is as a result of non-compliance of the Department, with its obligations under this agreement, and in particular, but not limited to clause 4;
- 15.2.4. fails to execute the consultancy services diligently and in such a professional manner as can be expected of a specialised provider of such services, such failure not being limited to the provisions of clause 3 above, except to the extent that such failure is as a result of non-compliance of the Department, with its obligations under this agreement;
- 15.2.5. abandons the consultancy services or any part thereof;
- 15.2.6. breaches, directly or indirectly, any obligation or undertaking in terms of or arising from this agreement except to the extent that such breach was occasioned by the non-compliance of the Department with its obligations under this agreement; and/or

### INITIALS OF SIGNATORIES AND WITNESSES

1. OTP: MS

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WITNESS 1: AD WITNESS 2: CA

- 15.2.7. fails, refuses or neglects to comply with any reasonable request or instruction issued by the Department in connection with or arising from this agreement.
- 15.3. In the event of a breach listed in clause 15.1 above, either party may immediately terminate this agreement, on written notice to the other party..
- 15.4. In the event of a breach listed in clause 15.2 above, the Department shall notify the Health Risk Manager in writing of such default or failure. The Health Risk Manager shall within 30 (thirty) calendar days of receipt of such notice, remedy such default or failure, or institute a plan of action addressing the default or failure, failing which the Department shall be entitled, if it so elects, to forthwith cancel this agreement with full reservation of its rights. The Department must inform the DPSA in writing of such default or failure.
- 15.5. The Health Risk Manager may, but reserving all its rights in law, terminate this agreement on written notice if the Department breaches any material term of this agreement and such breach is not remedied within 30(thirty) calendar days after written notice from the Health Risk Manager. The written notice shall specify the breach and state the intention to terminate the agreement if the breach is not remedied but reserving all rights in law to seek damages.
- 15.6. Termination of this agreement for any reason will not affect any rights of any party against any other which arose prior to the time at which such termination occurred or the right of the Health Risk Manager to payment of all fees due prior to the date of termination.
- 15.7. The Health Risk Manager shall be liable for the penalties contemplated in clause 22.3 of Annexure A to this contract.
- 15.8. The Department shall notify the Health Risk Manager concerned in writing as and when the penalty in clause 15.7 should be effected. The Department concerned shall implement the penalties on the monthly fee subsequent to the month in which the failure occurred, be deducting the monetary value from the monthly fee due in that particular month.
- 15.9. The Health Risk Manager in the event of termination of this agreement for any reasons whatsoever has a maximum of 120 calendar days from the termination of this agreement to submit all outstanding invoices. The Department will accept responsibility for payment of invoices submitted after the expiry of the said 120 calendar days, provided that the submission of invoices after the 120 calendar day period expired, is solely due to a failure of performance on the part of the Employer.

**INITIALS OF SIGNATORIES AND WITNESSES**

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|---------|-----------|-----------------------|----------------------|
| 1. OTP: | <u>MS</u> | WITNESS 1: <u>UPN</u> | WITNESS 2: <u>VM</u> |
| 2. HRM: | <u>ms</u> | WITNESS 1: <u>AD</u>  | WITNESS 2: <u>CA</u> |

**16. REQUIRED ACTIONS IN THE CASE OF CANCELLATION**

Where this agreement has been terminated as provided for in clause 15 then-

- 16.1. a final account shall be prepared for that portion of the consultancy services executed by the Health Risk Manager; and
- 16.2. each party shall return to the other/s all material disclosed, including the reference material and the Department shall similarly return to the Health Risk Manager all Confidential Information disclosed to it but excluding all material for which the Department has made payment, except such material as is contemplated under clause 14.6.
- 16.3. In the event of termination of this agreement, the relevant implementation areas in which the Service Provider was appointed shall initiate a Request for Proposal (RFP) process to select a new Health Risk Manager from the approved Panel of Health Risk Managers. The selection process must be conducted in accordance with the pre-determined evaluation criteria specified in the RFP to ensure fairness, transparency, and competitiveness.

**17. LIMITATION ON EMPLOYMENT**

The Health Risk Manager and the Department agree that, during this agreement and for a period of 12 months thereafter none of the parties shall, except with the prior written consent of the other party concerned, solicit or offer employment to any employee of the other party who was directly or indirectly involved in the consultancy services.

**18. SURVIVAL OF AGREEMENT**

Each party acknowledges and agrees that the undertakings given in relation to confidential Information and intellectual property rights and any other provisions of this agreement which by virtue of their nature survive termination, shall remain in force after the termination of this agreement.

**19. NO ASSIGNMENT AND CESSION**

- 19.1. Notwithstanding any provision to the contrary in Annexure A, the Health Risk Manager shall not assign or cede nor purport to assign or cede any of its rights and/or obligations under this agreement.
- 19.2. The Department shall not assign or purport to assign any of their rights or obligations under this agreement without the prior written consent of the Health Risk Manager. The Health Risk Manager shall not be unreasonably withheld its consent.

**INITIALS OF SIGNATORIES AND WITNESSES**

1. OTP: MS  
2. HRM: MR

WITNESS 1: VEN  
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WITNESS 2: VM  
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## 20. RIGHT OF AUDIT

20.1. The Health Risk Manager shall maintain all records and accounts pertaining to the consultancy services performed by it for a period of 24 months from termination date. The Department or its authorised representatives shall have the right, on reasonable notice and at its cost, to audit, copy and inspect the said records and accounts at all reasonable times during the provision of the consultancy services and for the aforementioned 24-month period for the purpose of verification of fees and medical disbursements.

## 21. DISPUTES

### 21.1. General

If any dispute arises out of or in connection with this agreement, or related thereto, whether directly or indirectly, the parties must refer the dispute for resolution firstly by way of Negotiation and in the event of that failing, by way of Mediation and in the event of that failing, by way of Arbitration. The reference to Negotiation and Mediation is a precondition to the Parties having the dispute resolved by Arbitration. The procedure set out in this clause 21 [the 'Dispute Resolution Procedure'] shall apply to any dispute, claim or difference between the parties arising out of or relating to this agreement except where excluded from this procedure by an express term of this agreement.

### 21.2. Project and Contract Managers

21.2.1. All disputes shall first be referred to the Project Manager and the Contract Manager who shall attempt to resolve the Dispute amicably within 5 (five) working days of that referral.

21.2.2. Should the Project Manager and the Contract Manager be unable to resolve the dispute the matter shall then be referred to the Steering Committee, who shall attempt to resolve the dispute amicably within 10 (ten) working days of that referral.

21.2.3. Should the Steering Committee be unable to resolve the dispute, the matter shall be referred to the Managing Director of the Health Risk Manager and the DG of the Department or his designated representative who shall attempt to resolve the dispute amicably within 10 (ten) working days of that referral.

21.2.4. Should the Managing Director and the DG of the Department or his designated representative be unable to resolve the dispute, the matter shall be referred to the Director: General Benefits (the DPSA) who shall attempt to resolve the dispute amicably within ten (10) working days of that referral.

### INITIALS OF SIGNATORIES AND WITNESSES

1. OTP: MS

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### 21.3. Mediation

21.3.1. If the parties fail to resolve the Dispute in accordance with clause 21.2 and the dispute is not a matter as contemplated in clause 21.4.1 then either party may refer the Dispute to mediation by an independent mediator appointed by the parties. The parties shall appoint an independent mediator. If parties cannot agree on the appointment of an independent mediator, either party may within 5 (five) working days of either party calling for mediation, approach the Arbitration Foundation of Southern Africa ['AFSA']. Any mediation shall be completed within 10 (ten) working days of such referral and any agreement arising there from shall be binding.

### 21.4. Arbitration

21.4.1. Should any dispute arise between the parties with regard to-

21.4.1.1. the details of the consultancy services provided;

21.4.1.2. the interpretation of;

21.4.1.3. the carrying into effect of;

21.4.1.4. any of the parties' rights and obligations arising;

21.4.1.5. the rectification of; and/or

21.4.1.6. the termination, cancellation, alleged termination or alleged cancellation of this agreement, then that dispute shall be submitted to and decided by arbitration.

21.4.2. That arbitration shall be held with only the parties and their representatives present unless otherwise agreed in writing. The intention being that the arbitration shall be held, where possible, and concluded in 21 working days after it has been demanded.

21.4.3. The arbitrator shall be agreed to between the parties and failing agreement within 7 (seven) working days after the arbitration has been demanded, then the arbitrator shall:

21.4.3.1. if the matter is primarily of an accounting nature, be an independent; auditor of not less than 10 (ten) years' standing, appointed by the President for the time being of the South African Institute of Chartered Accountants or its successor body;

#### INITIALS OF SIGNATORIES AND WITNESSES

1. OTP: MS

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- 21.4.3.2. If the matter is primarily of a legal nature or any matter which is neither primarily of an accounting or a legal nature, be an independent attorney of not less than 10 (ten) years standing or independent advocate of not less than 15 (fifteen) years' standing appointed by the President for the time being of the Law Society or its successor body; or
- 21.4.3.3. if the matter is primarily of a medical nature or any matter, which is neither primarily of an accounting, or a legal nature, be an independent current University medical professor or appropriate independent Medical Specialist.
- 21.4.4. If the parties fail to agree whether the matter is primarily of an accounting, legal or medical nature, the matter shall be deemed to be primarily of a legal nature.
- 21.4.5. The arbitrator shall have the fullest and freest discretion with regard to the proceedings, and his award shall be final and binding on the parties to the dispute. Furthermore, the arbitrator:
- 21.4.5.1. may dispense wholly or in part with formal submissions or pleadings; and
- 21.4.5.2. shall include such order as to costs as he deems just.
- 21.4.6. The parties shall be entitled to have the award made an order of court having jurisdiction. The parties' record that they consent to the jurisdiction of the High Court of South Africa, Eastern Cape Division, Bhisho .
- 21.4.7. Notwithstanding anything to the contrary contained herein, this clause shall not preclude any party from obtaining interim relief on an urgent basis from a court of competent jurisdiction pending the decision of the arbitrator or from instituting in any court of competent jurisdiction any proceedings for an interdict or any other injunctive relief.

## 21.5. Costs

The costs of any reference to arbitration will be borne by the respective parties or as determined by the arbitrator, irrespective of which party referred the Dispute to arbitration. Each party shall bear its own costs in respect of all other Dispute Resolution Procedures.

## 22. CONFIDENTIAL INFORMATION

Each party undertakes to keep information confidential as described and regulated in Annexure A to this contract.

### INITIALS OF SIGNATORIES AND WITNESSES

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| 1. OTP: | <u>MS</u> | WITNESS 1: <u>VM</u> | WITNESS 2: <u>VM</u> |
| 2. HRM: | <u>ms</u> | WITNESS 1: <u>AD</u> | WITNESS 2: <u>CA</u> |

## 23. WHOLE AGREEMENT

- 23.1. This agreement constitutes the whole agreement between the parties relating to the subject matter hereof.
- 23.2. No amendment or consensual cancellation of this agreement or any provision or term thereof or of any other document issued or executed pursuant to or in terms of this agreement and no settlement of any disputes arising under this agreement and no extension of time, waiver or relaxation or suspension of any of the provisions or terms of this agreement or of any other document issued pursuant to or in terms of this agreement shall be binding unless recorded in a written document signed by the parties. Any such extension, waiver or relaxation or suspension, which is so given or made shall be strictly construed as relating strictly to the matter in respect whereof it was made or given.
- 23.3. No extension of time or waiver or relaxation of any of the provision or terms of this agreement or any other document issued or executed pursuant to or in terms of this agreement, shall operate as an estoppel against the other party in respect of its rights under this agreement, nor shall it operate so as to preclude such party thereafter from exercising its rights strictly in accordance with this agreement.
- 23.4. No party shall be bound by any term, representation, warranty, promise or the like not recorded in this agreement.
- 23.5. This agreement shall be binding on and enforceable by the executors, administrators, trustees, assignees, liquidators, curators or other legal representatives of the parties as fully and effectually as if they had signed this agreement in the first instance and reference to any party shall be deemed to include such party's executors, administrators, trustees, assigns, liquidators, curators or other legal representatives as the case may be.

## 24. DOMICILIUM CITANDI ET EXECUTANDI

- 24.1. The parties choose as their *domicilia citandi et executandi* for all purposes under this agreement, whether in respect of court process, notices or other documents or communications of whatsoever nature the following addresses:

### 24.1.1. The Department:

Office of the Premier Building  
Independence Avenue  
Bhisho  
5605  
Email: dgsupport@ecotp.gov.za

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| 1. OTP: | <u>MS</u> | WITNESS 1: <u>VW</u> | WITNESS 2: <u>VM</u> |
| 2. HRM: | <u>ML</u> | WITNESS 1: <u>AD</u> | WITNESS 2: <u>CA</u> |

24.1.2. The Health Risk Manager:

155 West Street

Sandton

2196

Email: sachsm@alexforbes.com

24.2. Any notice or communication required or permitted to be given in terms of this agreement shall be valid and effective only if in writing but shall be competent to be given by email.

24.3. Any party may by written notice to any other party change the physical address chosen as its *domicilium citandi et executandi vis-à-vis* that party to another physical address in the Republic of South Africa or its email address which change shall take effect from the date of deemed receipt of such notice.

24.4. Any notice to a party:

24.4.1. sent by prepaid registered post [by airmail if appropriate] in a correctly addressed envelope to it at its *domicilium citandi et executandi* shall be deemed to have been received on the 7th [seventh] calendar day after posting [unless the contrary is proved];

24.4.2. delivered by hand to a responsible person during ordinary business hours at its *domicilium citandi et executandi* shall be deemed to have been received on the day of delivery [unless the contrary is proved]; or

24.4.3. sent by telefax or email to its chosen telefax number or email address shall be deemed to have been received on the date of despatch [unless the contrary is proved].

24.5. Notwithstanding anything to the contrary herein contained a written notice or communication actually received by a party shall be an adequate written notice or communication to it notwithstanding that it was not sent to or delivered at its chosen *domicilium citandi et executandi*.

25. **SIGNATURE**

25.1. The parties sign this agreement and Annexures on the dates and at the places indicated above their respective names.

25.2. This agreement and Annexures may be executed in one or more counterparts, each of which shall be deemed an original and all of, which shall be taken together and deemed one instrument.

INITIALS OF SIGNATORIES AND WITNESSES

1. OTP: MS

WITNESS 1: Vhr

WITNESS 2: VM

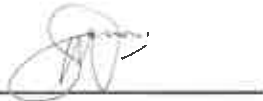
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WITNESS 1: AD

WITNESS 2: CA

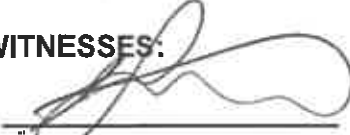
SIGNED AT Bhisho ON THIS 05 DAY OF January 2026 ~~2025~~.

For the Eastern Cape Office of the Premier, the Director-General as Accounting Officer of the Department.

Full names: MBULELO SOGONI (MR.) Signature: 

(WHO WARRANTS THAT HE IS DULY AUTHORISED)

AS WITNESSES:

1. 
2. 

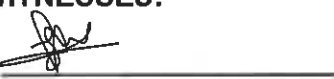
SIGNED AT Sandton ON THIS 10th DAY OF December 2025.

For The Health Risk Manager, Alexander Forbes Financial Services (Pty) Ltd as Head: HMS of the Health Risk Manager

Full names: Myrna Sachs Signature: Myrna Sachs

(WHO WARRANTS THAT HE/SHE IS DULY AUTHORISED)

AS WITNESSES:

1. 
2. 

INITIALS OF SIGNATORIES AND WITNESSES

1. OTP: MS

WITNESS 1: VM

WITNESS 2: VM

2. HRM: ms

WITNESS 1: AD

WITNESS 2: CA

ANNEXURE A: CONTRACT BETWEEN THE DPSA AND THE  
HEALTH RISK MANAGER APPOINTING IT TO THE PANEL  
OF HEALTH RISK MANAGERS

INITIALS OF SIGNATORIES AND WITNESSES

1. OTP: MS

WITNESS 1: VM

WITNESS 2: VM

2. HRM: ms

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ANNEXURE B: SERVICE LEVEL REPORTING REQUIRED  
FROM SERVICE PROVIDER IN TERMS OF SERVICES  
DELIVERED AND KNOWLEDGE GAINED OVER THE  
PRECEDING PERIOD

INITIALS OF SIGNATORIES AND WITNESSES

1. OTP: MS

WITNESS 1: VAM

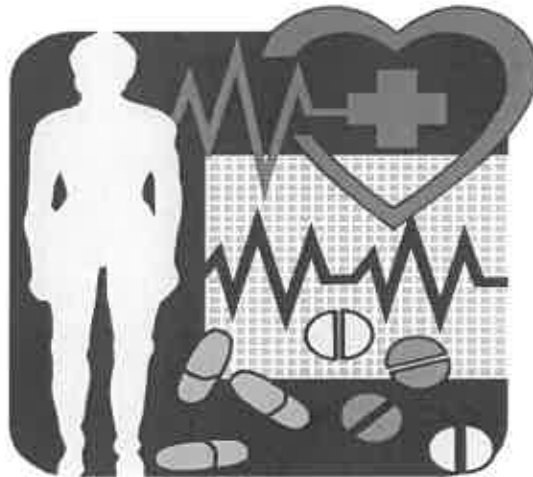
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WITNESS 1: AD

WITNESS 2: CA

## POLICY AND PROCEDURE ON INCAPACITY LEAVE AND ILL-HEALTH RETIREMENT (PILIR)



(Eastern Cape Provincial Administration):

Report

for the period ending \_\_\_\_\_

Compiled by (Alexander Forbes Financial Services (Pty) Ltd

**INITIALS OF SIGNATORIES AND WITNESSES**

1. OTP: MS

WITNESS 1: VM

WITNESS 2: VM

2. HRM: MS

WITNESS 1: HD

WITNESS 2: CA

## 1. OBJECTIVES

The objective of this report/service level agreement is to-

- 1.1. monitor and evaluate the implementation and application experience of the Policy and Procedure on Incapacity Leave and Ill-health Retirement.
- 1.2. provide a uniform format and standard of reporting.
- 1.3. capture important global information and data on temporary incapacity leave and ill-health retirement empowering the DPSA to report to its principles on the application of PILIR as well as trends observed in the different areas of the Public Service;
- 1.4. capture important information and data on departmental level empowering departments to understand their own experiences enabling them to take corrective steps where applicable and to report to their principles.

## 2. MANDATORY GENERAL REQUIREMENTS TO THE REPORT:

- 2.1. The report is a year-to-date report. In other words, the information provided in the report must cover the period from the first day of implementation (in the case of the former pilot sites this would be the first day of the pilot project). The report must be supplemented and updated with the latest developments.
- 2.2. All reports must be presented in the under-mentioned format and must carry as a minimum the information described in the reporting format.
- 2.3. Statistics in the main report must as far as possible be provided in graphs and tables. The detailed tables that inform the graphs in the report must be appended as an Annexure to the report. This is necessary to enable reporting to the Minister, etc. Statistics/graphs/tables must always be supplemented by narrative text to explain or contextualize the statistics, as well as to describe the trends observed. Statistics must also highlight trends such as the highest, lowest and average number of incidents. Statistical information/trends must where possible be benchmarked against the previous sick leave cycle(s) and/or relevant years of the current and previous sick leave cycle(s). Statistics depicting trends in a specific implementation area/individual department must be measured against the overall profile of the implementation area or individual department. Statistics that are included over and above the minimum requirements must be useful to either party concerned, e.g. to describe a particular trend. Nice to have information must be avoided.
- 2.4. The report must always be presented with narrative of good quality but plain understandable language. Remember that some of the readers do not have a medical background and English is for some a second language. Bulleted statements should be avoided since on their own they become nonsensical and can

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2. HRM: ms

WITNESS 1: AD

WITNESS 2: CA

be misunderstood. Negative and officious language tones must be avoided since it could be construed as offensive and interfering which may compromise the project and good working relationships.

INITIALS OF SIGNATORIES AND WITNESSES

1. OTP: MS

WITNESS 1: VW

WITNESS 2: YM

2. HRM: ms

WITNESS 1: AD

WITNESS 2: CA

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WITNESS 1: VM

WITNESS 2: VM

2. HRM: MB

WITNESS 1: AD

WITNESS 2: CA

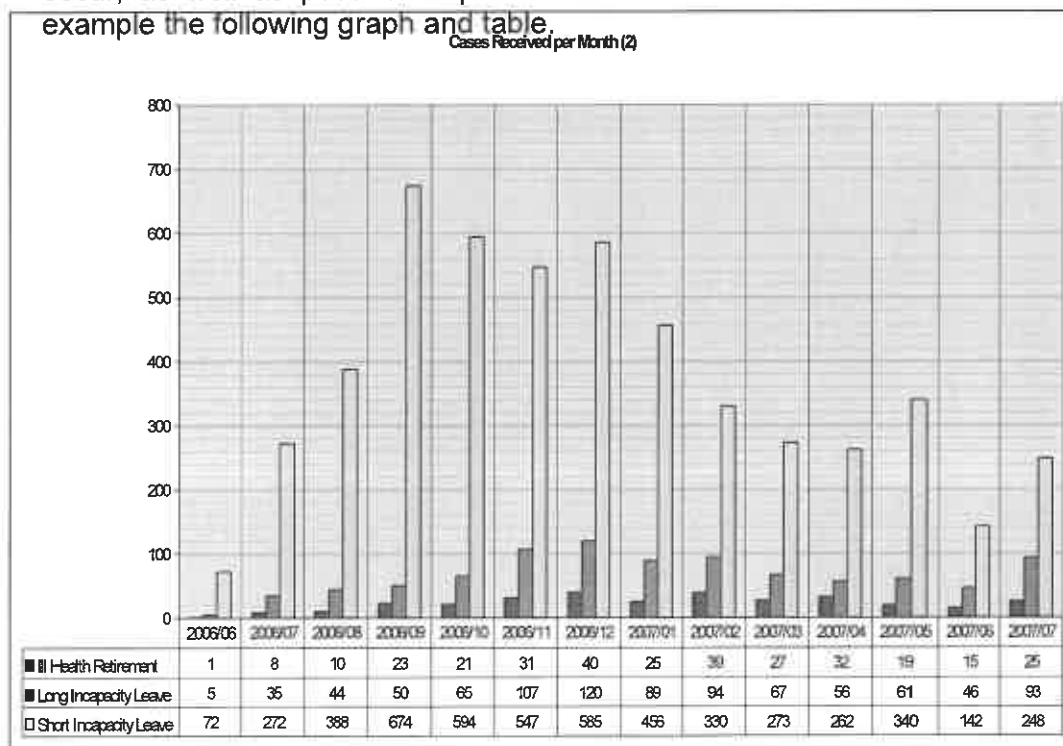
## CHAPTER 1: OVERVIEW

1. This section deals with general information regarding the implementation process to date, and should include as a minimum the following information:

1.1. General perceptions of success/evolution of the process(es). In this context attention must be given to the under-mentioned aspects. Tables and graphs must be provided summarizing statistics, depicting trends, comparisons, etc. See examples of graphs included. The graphs must be contextualized and explained with narrative:

1.1.1. The number of applications received by month and year to date, in respect of the three application types. In the statistical analysis, current experience must always be measured against the previous sick leave cycle(s), as well as comparative year(s) in the previous sick leave cycle(s). This will enable the management of an implementation area/department to identify potential compliance and management aspects that warrants their attention.

1.1.2. Trends analysis re statistics of incapacity leave applications received with previous months and comparable periods in the previous sick leave cycles incapacity leave statistics. The trends analysis should indicate whether a decline or increase is observed, and the periods during which such trends occur, as well as possible explanations for the trend observed. See for example the following graph and table



### INITIALS OF SIGNATORIES AND WITNESSES

1. OTP: MS

WITNESS 1: VM

WITNESS 2: VM

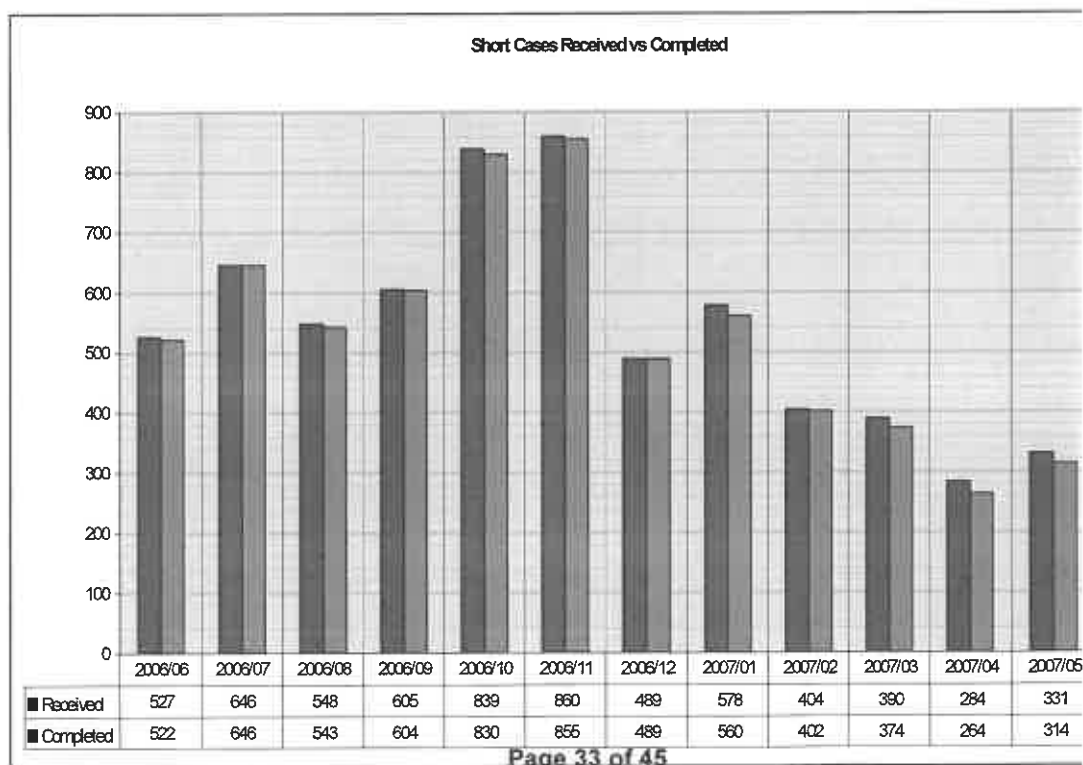
2. HRM: ML

WITNESS 1: AD

WITNESS 2: CA

| Short Temporary Incapacity Leave |              |              |              |              |
|----------------------------------|--------------|--------------|--------------|--------------|
| PERIOD:                          | Total        | 2001 to 2003 | 2004 to 2006 | 2007 to 2009 |
| January – December 2004          | 3036         | 2624         | 412          | 0            |
| January – December 2005          | 3186         | 1094         | 2092         | 0            |
| January – December 2006          | 6333         | 377          | 5953         | 3            |
| January – June 2007              | 2374         | 13           | 2264         | 97           |
| <b>GRAND TOTAL:</b>              | <b>14929</b> | <b>4108</b>  | <b>10721</b> | <b>100</b>   |

1.1.3. Record of the status of the finalization of the different application types, as well as the completion ratio. See example of table:



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**INITIALS OF SIGNATORIES AND WITNESSES**

1. OTP: MS

WITNESS 1: VW

WITNESS 2: VM

2. HRM: ms

WITNESS 1: HD

WITNESS 2: CA

|         | Short Incapacity Leave by Sick Leave Cycle |                 |             |                 |
|---------|--------------------------------------------|-----------------|-------------|-----------------|
|         | 2004-2006                                  |                 | 2007-2009   |                 |
|         | Total Cases                                | Cases Completed | Total Cases | Cases Completed |
| 2006/06 | 72                                         | 72              | 0           | 0               |
| 2006/07 | 271                                        | 27<br>0         | 0           | 0               |
| 2006/08 | 388                                        | 38<br>7         | 0           | 0               |
| 2006/09 | 670                                        | 67<br>0         | 1           | 1               |
| 2006/10 | 593                                        | 59<br>2         | 1           | 1               |
| 2006/11 | 546                                        | 54<br>6         | 0           | 0               |
| 2006/12 | 581                                        | 58<br>1         | 4           | 4               |
| TOTAL   | 3121                                       | 3118            | 6           | 6               |
| 2007/01 | 449                                        | 44<br>7         | 7           | 7               |
| 2007/02 | 306                                        | 30<br>5         | 2<br>4      | 22              |
| 2007/03 | 237                                        | 22<br>7         | 3<br>5      | 30              |
| 2007/04 | 240                                        | 23<br>8         | 2<br>2      | 22              |
| 2007/05 | 282                                        | 28<br>1         | 5<br>8      | 56              |
| 2007/06 | 103                                        | 10<br>2         | 3<br>9      | 34              |
| 2007/07 | 182                                        | 11<br>1         | 6<br>6      | 49              |
| TOTAL   | 1799                                       | 1711            | 251         | 22<br>0         |

**INITIALS OF SIGNATORIES AND WITNESSES**

1. OTP: MS

WITNESS 1: VKH

WITNESS 2: VM

2. HRM: MB

WITNESS 1: HD

WITNESS 2: CA

|                        |      |      |     |         |
|------------------------|------|------|-----|---------|
| <b>GRAND<br/>TOTAL</b> | 4920 | 4829 | 257 | 22<br>6 |
|------------------------|------|------|-----|---------|

1.1.4. The strengths, weaknesses, opportunities and threats identified in relation to the PILIR process and related processes and systems. The Health Risk Managers recommendations and advice to deal with such issues.

1.2. Positive and negative aspects experienced, where relevant.

1.3. Give a narrative discussion of the factors influencing the delivery of the required services, such as the quality of applications, adherence to turn around times, etc. Where possible cite possible solutions and/or recommendations to address the factors influencing the delivery of services. In this context attention must also be given to communication with the Employer, the DPSA, etc.

1.4. Problems experienced as well as proposed/implemented solutions. This can include any recommendations regarding internal processes affecting the service delivery of the Health Risk Manager, but which falls outside the scope of the contracted services.

1.5. Feedback on interaction with medical practitioners and medical account applications. Any problems related to the costs of using specialized services such as Occupational Therapists, or where cost exceeded the limits provided for in the SLA, must be described/discussed.

## CHAPTER 2: OUTCOMES: SHORT TEMPORARY INCAPACITY LEAVE

1. This chapter must provide a global statistical and narrative analysis of the assessment outcomes by –

1.1. approved;

1.2. declined;

1.3. other outcomes such as resignation etc. If another outcome than approved or declined is relevant, it must be assigned with a proper label to properly understand the outcomes.

See examples of summary graph

### INITIALS OF SIGNATORIES AND WITNESSES

1. OTP: MS

WITNESS 1: VPW

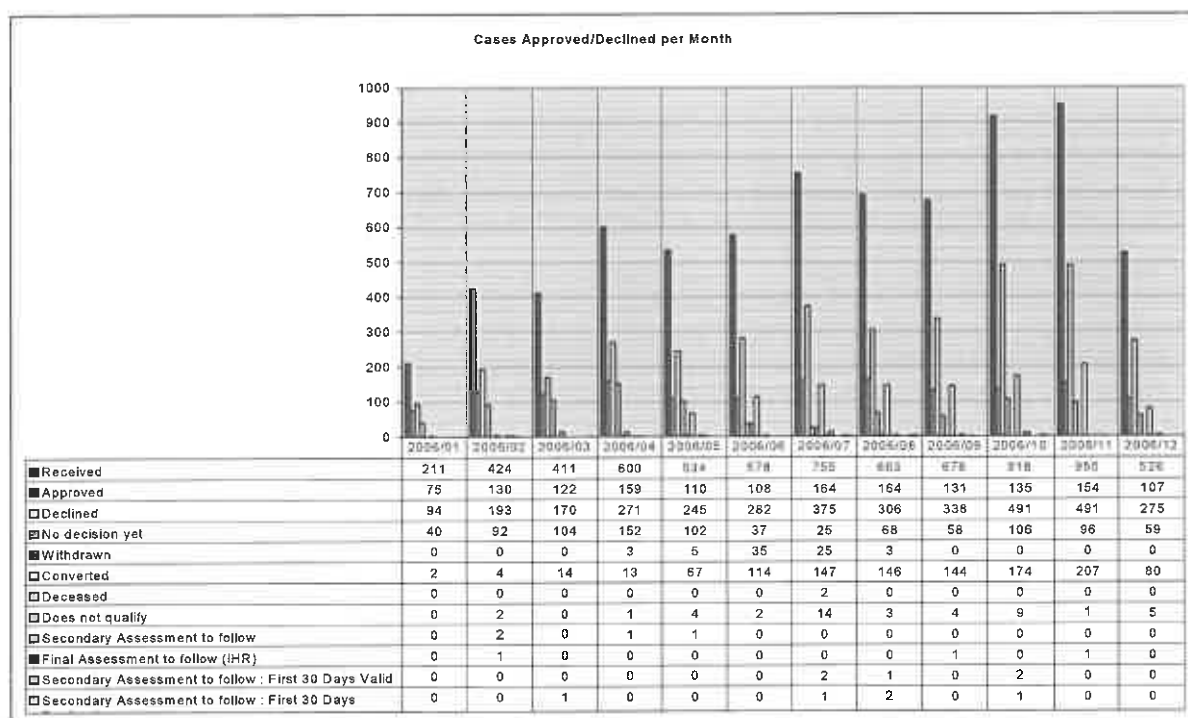
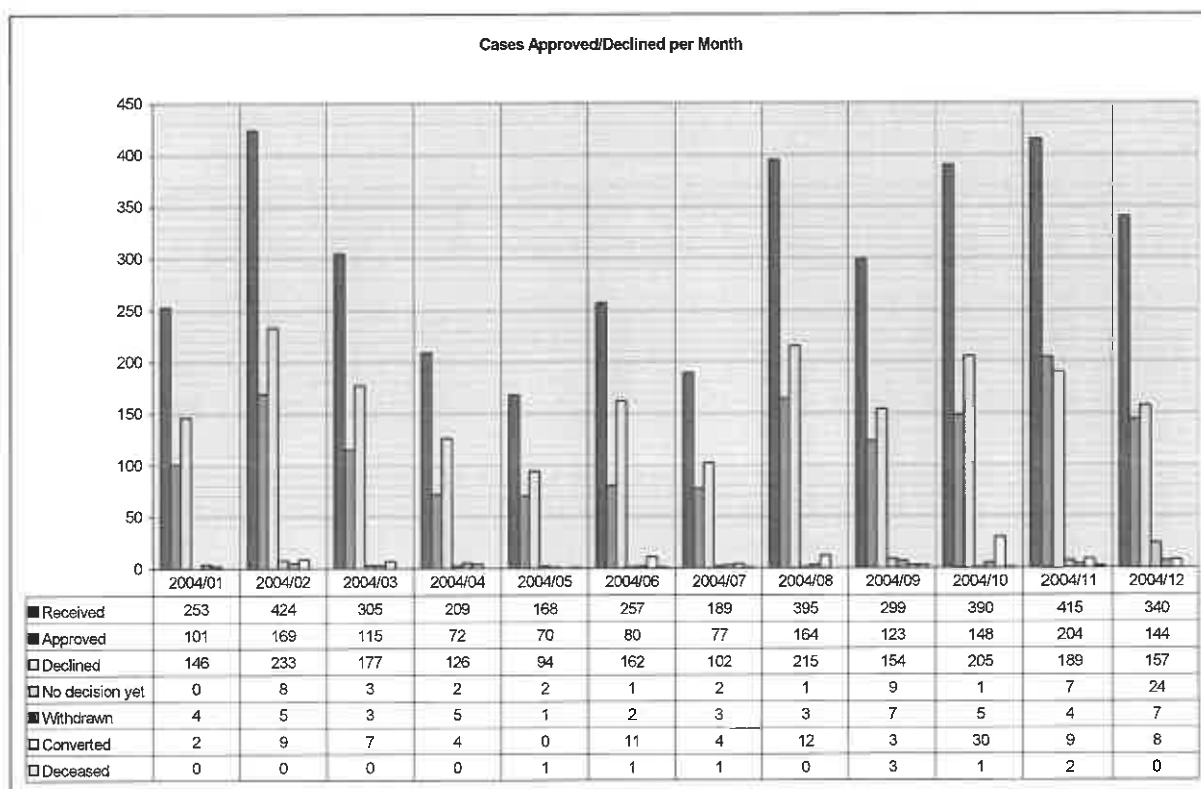
WITNESS 2: VM

2. HRM: MB

WITNESS 1: AD

WITNESS 2: CA

**AGREEMENT BETWEEN OTP AND ALEXANDER FORBES FINANCIAL SERVICES (PTY) LTD FOR THE IMPLEMENTATION OF PILIR FOR ECPG: 2025-2027**



**INITIALS OF SIGNATORIES AND WITNESSES**

1. OTP: MS

WITNESS 1: VM

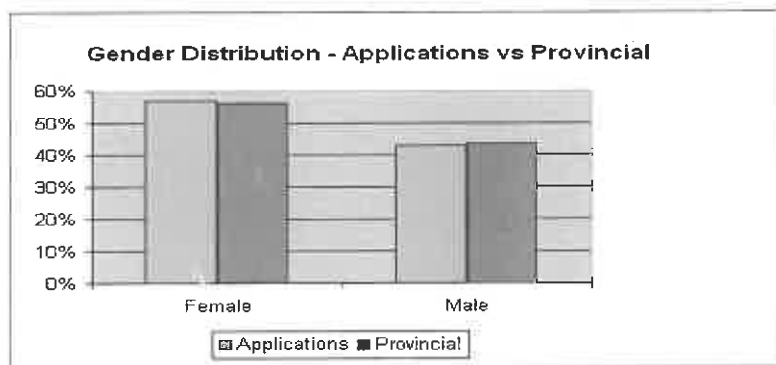
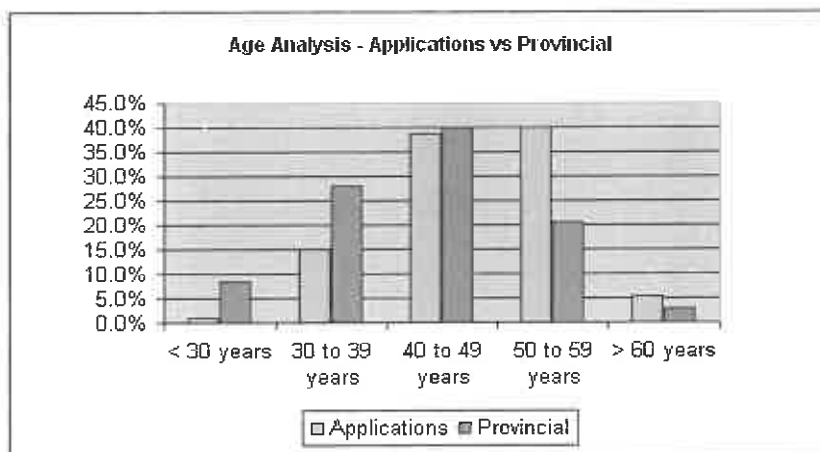
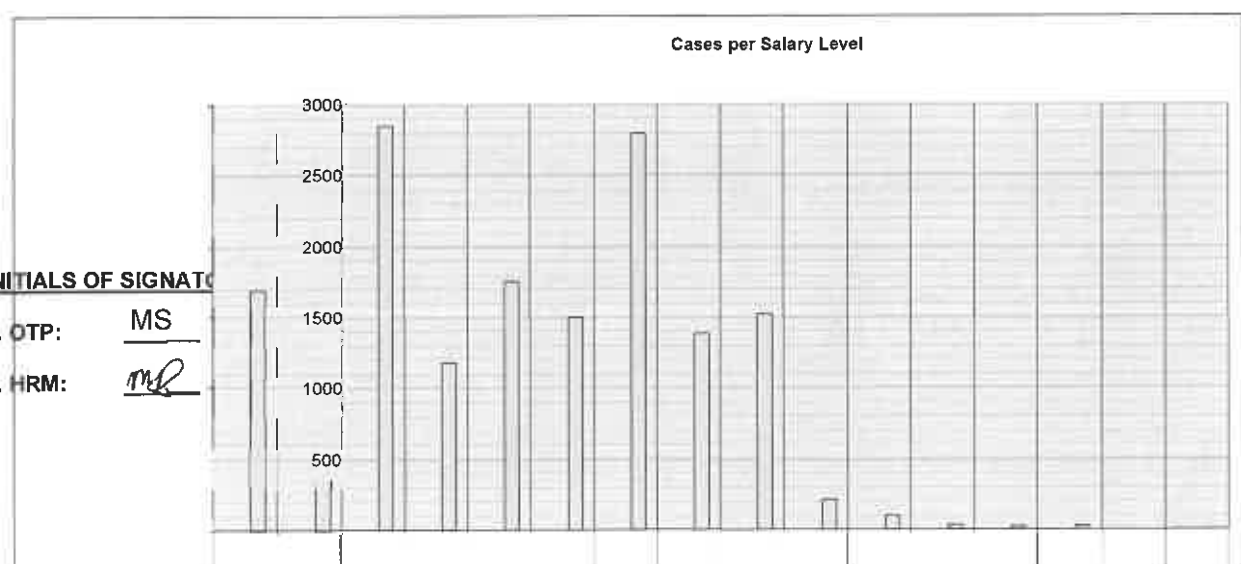
WITNESS 2: VM

2. HRM: ms

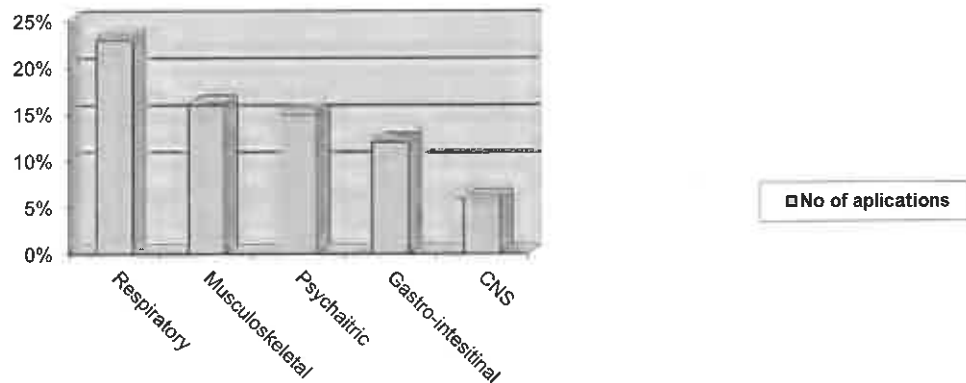
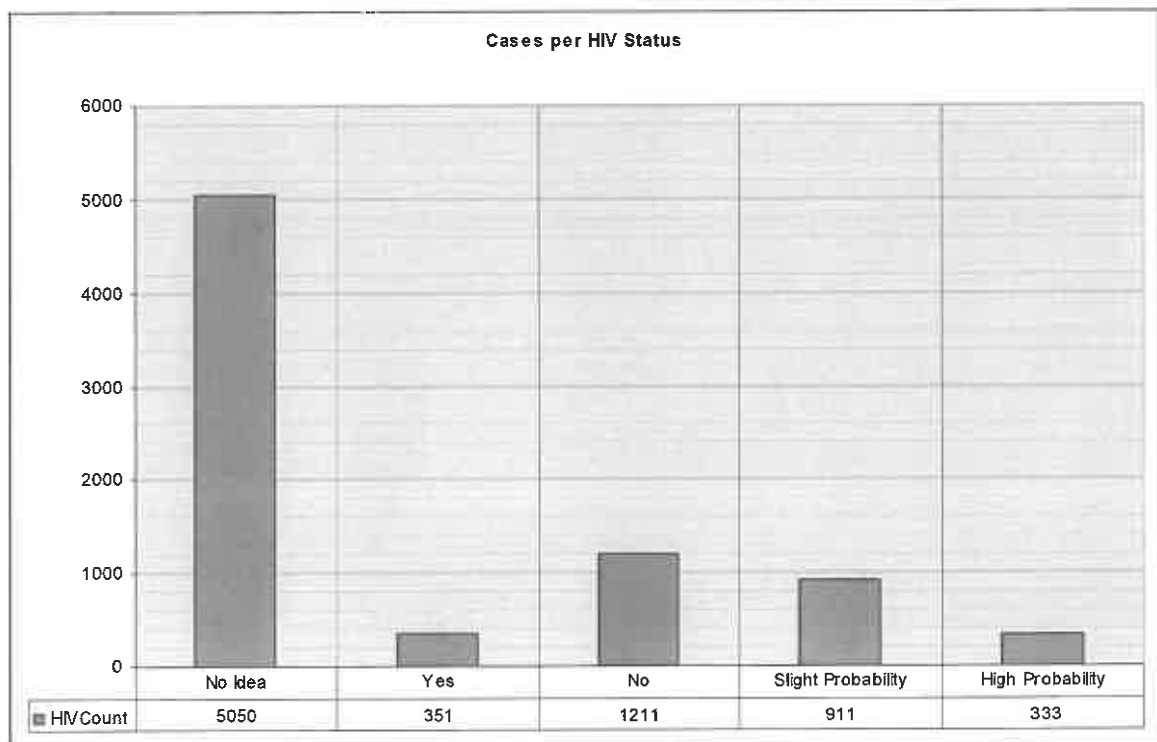
WITNESS 1: AD

WITNESS 2: CA

2. In the narrative and statistical analysis in par 1 above attention must also be given to the applications
  - 2.1. where alternative recommendations were given; and
  - 2.2. where a short temporary incapacity leave application was converted into a long temporary incapacity leave application; and
  - 2.3. where ill-health retirement was summarily advised.
3. The above statistical analysis and narrative discussion must be broken down by age, gender, salary level and occupation. This statistical analysis should be measured against the total profile of the implementation area (e.g. a province) See the following examples:



4. Provide a narrative and statistical analysis of the global disease profile of the implementation area. The different illnesses/conditions must as far as possible be categorised in generic groups, e.g. psychiatric conditions. The number of illnesses/conditions listed must be limited to a maximum of 5 or 10 conditions. In this context specific attention must also be given to other high profile conditions such as HIV and AIDS. See attached example graphs.



**INITIALS OF SIGNATORIES AND WITNESSES**

1. OTP: MS

WITNESS 1: VW

WITNESS 2: VM

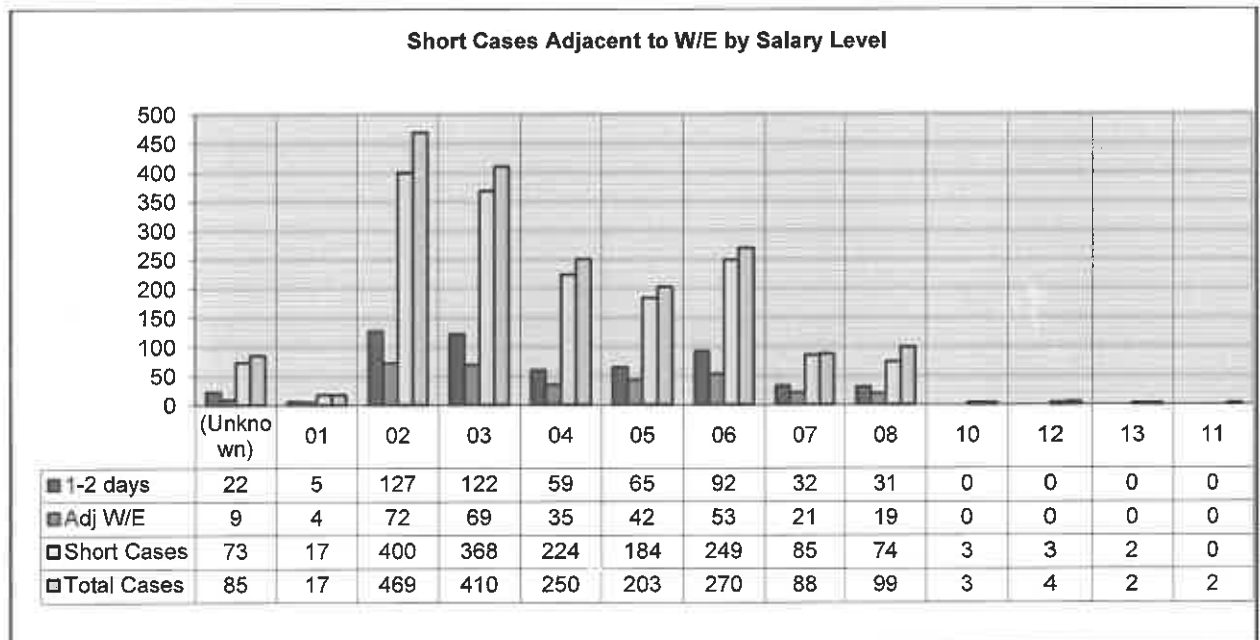
2. HRM: MB

WITNESS 1: AD

WITNESS 2: CA

5. Attention should also be given to other trends related to employees absences, i.e. linked to weekends, etc.

See attached example graphs.



6. Provide a narrative and statistical analysis of the global profile of the implementation area in respect of the five high incident illnesses as identified in PILIR.
7. Provide comments on management types related to among other-
- 7.1. disease management
  - 7.2. Rehabilitation;
  - 7.3. Health and wellness/EAP interventions
  - 7.4. Return to work outcomes, i.e. to an employee's own job, redeployment (alternative) or retraining, work adjustment (own or alternative job).
8. Provide information on deviations that departments reported to the HRM.

### CHAPTER 3: OUTCOMES: LONG TEMPORARY INCAPACITY LEAVE

The requirements in Chapter 3 apply mutatis mutandis.

### CHAPTER 4: OUTCOMES: ILL-HEALTH RETIREMENT

#### INITIALS OF SIGNATORIES AND WITNESSES

1. OTP: MS

WITNESS 1: DPN

WITNESS 2: VM

2. HRM: ma

WITNESS 1: AD

WITNESS 2: CA

The requirements in Chapter 3 apply mutatis mutandis.

## CHAPTER 5: COST SAVINGS

Provide a narrative discussion and statistical analysis (graph/table) in respect of the potential savings expressed in days and Rand brought about in the preceding quarter as well as year to date. See the following example:

| Total Days Applied for | Total Days Not Advised | Potential Savings |
|------------------------|------------------------|-------------------|
| 751                    | 389                    | 91,435.37         |
| 837                    | 351                    | 90,647.08         |
| 344                    | 140                    | 62,690.07         |
| 653                    | 426                    | 238,285.40        |
| 15,333                 | 7,119                  | 2,159,311.66      |

## CHAPTER 6: DEVIATIONS FROM RECOMMENDATIONS

Provide a narrative report and statistical analysis (graph/table) on the deviations from the recommendations of the HRM

## CHAPTER 7: MEDICAL FRATERNITY AND ENGAGEMENTS WITH OTHER SPECIALTIES.

1. Provide a narrative discussion with regard to -
  - 1.1. the total number of referrals to health service providers and other specialties for secondary assessments; and
  - 1.2. health service providers employed in the Public Service and who are utilised for this service.
2. Summarise the statistical breakdown of the different health service providers and other specialties in a graph. The detailed table could be appended to the report as an annexure. Similar record must please be given of service providers in the employ of the Public Service as well as their geographic location.

## CHAPTER 8: CALL CENTRE

Provide a narrative report and statistical analysis (graph/table) on the utilisation and effectiveness of the utilisation and operation of the call centre with specific attention to the following aspects:

### INITIALS OF SIGNATORIES AND WITNESSES

1. OTP: MS

WITNESS 1: VPN WITNESS 2: VM

2. HRM: ms

WITNESS 1: AD WITNESS 2: CA

1. The number of calls related to short and long temporary incapacity leave as well as ill-health retirement, respectively.
2. The number of calls received-
  - 2.1. handled immediately by help desk administrator;
  - 2.2. referred to assessor for further attention;
  - 2.3. referred to supervisor for further attention; and
  - 2.4. referred to medical advisor for further attention.
3. The number of calls resolved within the required time frames set in the contract, as well as the number of calls resolved beyond the set time frames.
4. The number of calls unresolved.
5. Types of calls – general enquiries, follow up, status check, etc
6. Types of callers – Heads of Department, employees, doctors, etc.

## CHAPTER 9: GENERAL ISSUES

1. Fraudulent/Irregular Conduct
  - 1.1. Provide a narrative record of evidence or suspicion of fraud detected or suspected by the HRM in or during the assessment of an employee's application, including the information related to the cases mentioned. Fraudulent or irregular conduct could involve either practitioners or employees. Mention must also be made whether the cases were brought to the attention of the employing department.
  - 1.2. Elaborate in a narrative record and statistical analysis (supported by graph and table) on the use of medical practitioners by employees' recurring use of the same medical practitioners, especially where unethical or malpractice is in the order of the day.
2. Further narrative discussion/comments on-
  - 2.1. the improvement recommended in terms of processes;
  - 2.2. recommended best practices, etc.

## CHAPTER 10: ESCALATED ISSUES

1. Any items escalated to the Employer that arose and that were resolved should be addressed under this heading.
2. Any item that needs the attention of the Employer that must be discussed and/or resolved must be identified and described to facilitate discussion with the relevant party (parties).
3. Escalated issues must not be hidden in the content of the report.

## CHAPTER 11: CONCLUSION

Provide final summary remarks.

Page 41 of 45

### INITIALS OF SIGNATORIES AND WITNESSES

1. OTP: MS

WITNESS 1: VFH

WITNESS 2: VM

2. HRM: ms

WITNESS 1: AD

WITNESS 2: CA

## ANNEXURES

List Annexures appended to report.

### INITIALS OF SIGNATORIES AND WITNESSES

1. OTP: MS

WITNESS 1: UPW

WITNESS 2: VM

2. HRM: MB

WITNESS 1: AD

WITNESS 2: CA

## ANNEXURE C: REQUEST FOR PROPOSAL (RFP)

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INITIALS OF SIGNATORIES AND WITNESSES

1. OTP: MS  
MB

2. HRM: \_\_\_\_\_

WITNESS 1: AM

WITNESS 1: AD

WITNESS 2: VM

WITNESS 2: CA

## ANNEXURE D: SERVICE PROVIDER'S PROPOSAL IN RESPONSE TO RFP

Page 44 of 45

INITIALS OF SIGNATORIES AND WITNESSES

1. OTP: MS

WITNESS 1: VN

WITNESS 2: VM

2. HRM: MS

WITNESS 1: AD

WITNESS 2: CA

ANNEXURE E: PROJECT IMPLEMENTATION PLAN FOR  
APPLICATIONS MADE FROM 1 JULY 2025 TO DATE OF  
SIGNATURE

TYPE PRINT HERE

Page 45 of 45

INITIALS OF SIGNATORIES AND WITNESSES

1. OTP: MS

WITNESS 1: VM

WITNESS 2: VM

2. HRM: ms

WITNESS 1: AD

WITNESS 2: CA