

# fundtalk

The quarterly newsletter for members of the Government Employees Pension Fund

3<sup>rd</sup> Edition 2022/2023



IS IT POSSIBLE FOR GEPF TO INCREASE THE FUNERAL BENEFIT?



WHAT ARE GEPF NON-CONTRIBUTORY BENEFITS?



When are beneficiaries entitled to benefits?



## Year-end message from the PEO

As 2022 ends, it is very evident that the GEPF has begun to emerge from the challenges we faced over the past two years because of the global pandemic and the subsequent economic impact both on our organisation and our personal lives. Together we have dealt with personal and professional uncertainties and have come out stronger and more resilient.

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**GEPF**<sup>TM</sup>  
your investment. your future

we achieved a **9.6%** year-on-year growth in the last financial year with Fund having a market value of **R2.3 trillion**.

As the GEPF we have continued to remain focussed on what matters the most for us, growing the Fund for the benefit of our members, pensioners, and beneficiaries. As we faced the challenges this year I took comfort by our work, in our work and in your efforts and commitment to the GEPF and those we serve.

Despite the challenges facing our country and the world at large, we achieved a 9.6% year-on-year growth in the last financial year with Fund having a market value of **R2.3 trillion**. Together with the Board we have begun to tackle the impediments that slow our progress, in particular ensuring improved service delivery by GPAA and more sustainable investments by the PIC. These challenges need to be systematically addressed and requires patience and careful consideration as we build a more effective and efficient GEPF.

Our achievements during this year clearly demonstrates the Fund's resilience to withstand headwinds. Our continued growth is not a once-off achievement. The GEPF's accumulated funds and reserves grew at an average annual rate of 8.6% for the 10-year period 2013-2022. This is remarkable despite the tough economic conditions we operate in. I encourage you to read our latest Annual Report 2021 - 2022,

which explains in more detail our performance in the past financial year.

I do not take these achievements for granted and together with our Executive team, I am committed to continuously improve so that we can meet your expectations as well as of those we serve, our members, pensioners, and beneficiaries.


While there is much work to be done and there may be further challenges ahead, we end 2022 stronger than we started the year. The success of the GEPF during the year was built on the efforts of you and in this year, we enjoyed many successes.

Thank you for your dedication and commitment that each of you has shown. The new year will bring its own mix of successes and challenges, but our direction is clear, and we know what must be done. Together we can tackle the challenges that lie ahead with resilience, agility and gratitude. We will make mistakes, but it is the way we deal with the mistakes that will define us as a team.

Finally, as we approach the festive season, the Executive team and I wish you a safe festive period. Please enjoy a well-deserved rest with family and friends, remember mask up, and stay safe.

Warm regards.  
Musa

# IS IT POSSIBLE FOR GEPF TO INCREASE THE FUNERAL BENEFIT?



Any changes to the benefits paid out to members are determined by the GEPF Board of Trustees as governed by the rules and regulations contained in the GEP Law. The Board is the sole body that can determine the amount that the Fund pays out on Funeral Benefit.

The GEP Law itself does not prohibit the Board from making any adjustments on the benefit, but provides them with the latitude to decide on the increase of the benefit. Once the increase has been determined and implemented, all members and pensioners will be notified as such.

The approved amount is the same for all the members and pensioners. Thus members and pensioners do not have the option to have their funeral benefit increased from the set standard amount by increasing their individual contributions

to the Fund in order to receive higher funeral benefits. It is important to remember that the Funeral Benefit is a non-contributory benefit, which means that members are not contributing towards it, but the Fund offers it as an added value.

As it stands, the Funeral Benefit for members and pensioners to help contribute towards funeral costs is a taxable amount of R15 000. The same amount is also paid out on the death of a spouse or a life partner. Eligible children are covered with an amount of R6 000, including the case of a stillborn.

The GEPF Board is always monitoring the country's socio-economic situation around the cost of living in our struggling economy and will be informed by several factors if the current amounts need to be adjusted to help members, pensioners, and their eligible family members to keep up.



# GEPF DOES NOT OFFER PERSONAL LOANS

The GEPF is a defined benefit pension fund governed by the GEP Law. It was established to collect and look after the pensions of the employees of the government. These pensions are ordinarily paid out to members when they retire or exit the Fund through resignation, death or discharge from employment.

The GEP Law or rules does not make any provision for loans. No member can withdraw or is allowed to borrow money from the Fund while still in the service of government and an active member of the Fund. The Fund's primary aim is to provide members with retirement benefit for the future.



# WHAT ARE GEPF NON-CONTRIBUTORY BENEFITS?

The core business of the GEPF is to receive monthly contributions from members and to pay out pension benefits when members exit the Fund. This could be through, death, dismissal, resignation, retirement or medical boarding.

Over and above such benefits, the Fund offers additional benefits, known as non-contributory benefits. The main purpose of these benefits is to assist in sustaining the livelihood of members and pensioners.

Members do not contribute towards these benefits but may qualify for these benefits if they meet the qualifying criteria. The benefits include:

- **Post-retirement medical benefit;**
- **Funeral Benefit;**
- **Injury on duty;**
- **Child's Pension.**

# HOW **SECURE** IS MY PENSION BENEFITS?



GEPF members' pension benefits are safe and sound. This is because the Fund has always been on a continuous financial growth due to prudent investments that have been yielding positive returns, thus contributing towards improving and stabilising the financial situation of the Fund.

Another reassuring factor to help put members at ease, is that GEPF is a defined benefit pension fund. This implies that the pension benefits members are entitled to are guaranteed and are

not dependent on the performance of the Fund's investment portfolio. Fluctuations in the market or economic instability will not have an impact on the retirement benefits of members.

Currently the Fund's net assets are valued at over **R2 trillion** with over **1.2 million** contributing members and over **450 000** pensioners and beneficiaries. The latest statutory actuarial valuation showed that the Fund was in a sound financial position, with the Fund holding **R110.1 in assets** for every **R100** that it owes its members.

## Currently the Fund's net assets are valued at over **R2 trillion**



# I AM UNHAPPY WITH GEPF SERVICES, WHERE CAN I LODGE MY COMPLAINT?

As a caring and progressive Pension Fund responsible for the pension benefits of over 1.2 million active members and around 400 000 pensioners and beneficiaries, GEPF has recently established a Government Employees Pension Ombud (GEPO) Office.

This is an independent internal structure with highly skilled officials whose function is to provide GEPF clients with a remedy if they are not satisfied with the services offered by the Fund.

The main purpose of the Office is to facilitate, investigate, determine and resolve complaints lodged by GEPF clients in a fair, impartial and timely manner.

If you are unhappy or dissatisfied with the services during your interaction with the Fund, you are urged to approach the GEPO and lodge your complaint once you have exhausted all other avenues.

## How to lodge a complaint?

Any complaint related to your GEPF pension can be lodged via post, email, on the Ombud's website, by fax or by visiting the Ombud's offices.

The requirements to lodge a complaint:

- You must be a GEPF member, pensioner, a spouse or beneficiary, or a former member.
- Describe your relationship to the Fund and provide the background facts which led to the complaint as well as the possible outcome you would like the Ombud to order in your favour.
- Your complaint must have happened within the last three (3) years from the establishment of the Ombud Office.

If a GEPF client wants to submit a complaint that happened more than three years ago they will be required to specify the exception applicable to their complaint as stipulated in the Prescription Act No. 68 of 1969.

More information about GEPO and the applicable guidelines can be found on the GEPO website: [www.gepo.co.za](http://www.gepo.co.za)

Alternatively, you can contact the Office of the Ombudsman through these channels:

PO Box 11005, Hatfield, Pretoria 0028  
Email: [enquiries@gepo.co.za](mailto:enquiries@gepo.co.za) /Telephone: 012 110 4950



# The implications of Early Retirement

We always encourage our members to retire with the Fund as opposed to resigning. However, while advocating for members to go on retirement, the choice to remain a member of the GEPF is a personal one. The same applies to opting for normal or early retirement - both options are informed by personal choice and circumstances, and both bear significant implications on the benefits that you will receive when you exit the public service. This warrants careful consideration.

Sixty (60) years is the normal retirement age for GEPF members, however, under certain circumstances you may retire before reaching the normal retirement age of 60. In order to understand whether you qualify for early retirement you need to consult with your employer department as retirement ages are embedded in your specific service conditions. The years of your pensionable service is one of the factors that will determine the amount that you receive on retirement.

When a member chooses to take early retirement with LESS THAN 10 YEARS of pensionable service, they will receive a once-off lump sum called a gratuity. However when a member takes early retirement with MORE THAN 10 YEARS of service the member's benefits will be in two parts: a once-off lump sum and a monthly pension called an annuity.

The Fund always urges members who decide to go on early retirement to consider the following:

- Can you afford to retire early, given the reduced benefits?
- Can you maintain your standard of living throughout your retirement?
- If you pass on, will your surviving spouse be able to meet the financial obligations left behind?

Ultimately, the choice to take early retirement lies entirely with the member, but considering that possible impact of benefits being reduced, it is important to consider the decision thoroughly by weighing both the positives and negatives that the decision will have on your future financial wellbeing. It is best to seek professional financial advice in such important decisions.





# When are beneficiaries entitled to benefits?

The beneficiaries of GEPF members and pensioners may be entitled to certain benefits when the member or pensioner dies. The death benefits are paid to lawful qualifying beneficiaries or nominees as provided for on the completed Nomination of Beneficiaries form.

Should a pensioner pass on within five (5) years of retirement, the pension benefit the pensioner would have received up to 5 years after retiring is payable to the pensioner's beneficiaries and is referred to as the 5 year balance. In addition, a Spouse Pension benefit may be payable to the

lawful surviving spouse or qualifying surviving life partner of the member or pensioner who has passed on.

For the Fund to make payments on time, the beneficiaries will have to ensure that they complete the correct forms and submit the relevant documents. In the event that they need assistance or more information on the required documents, they can contact the GEPF Client Service Centre or visit their nearest GEPF office. All GEPF services are for free and beneficiaries are urged not to enlist the services of brokers who will require payments to assist them.



# Together we can stop fraud & corruption.

As part of our continued commitment to zero tolerance towards fraud, corruption and unethical behaviour, the GEPF is urging members to join the fight against fraud today by reporting any fraudulent activities.

## What is fraud?

Fraud is an illegal act or a series of illegal acts committed through non-physical means through hiding information or changing information to obtain money.

## What are the types of fraud encountered by the GEPF?

Fraudulent activities include but are not limited to:

- Fraudulent exits
- Fraudulent bank forms
- Fraudulent beneficiaries
- Fraudulent payments.

## What can you do?


Speak up against fraud by calling the FREE and CONFIDENTIAL Whistle Blower Line.


Tel: 0800 203 900 | SMS: 30916 | Email: [gepf@thehotline.co.za](mailto:gepf@thehotline.co.za) |


Website: [www.thehotline.co.za](http://www.thehotline.co.za)


### For more information contact us at:

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# Register your customary marriage

As much as the GEPF recognises customary marriages in terms of the Recognition of Customary Marriages Act, 120 of 1998, the Fund strongly encourages all members and/or pensioners who are married customarily to register their marriages with the Department of Home Affairs.

Customary marriage refers to marriages that were negotiated, celebrated or concluded according to the systems of indigenous African customary law that exist in South Africa.

The Fund is of the view that registering customary marriages will greatly assist in minimising any disputes over the validity of the marriage during the pension claims process done by the surviving spouse.

There are many cases where the Fund has had to deal with family disputes regarding the validity of a customary marriage at the time of a member's death. These disputes can delay the payment of benefits and the most vulnerable family members suffer while the payment of benefits is put on hold until the issues have been resolved.

Customary marriages should be registered within three months of taking place. This can be done at any office of the Department of Home Affairs or through a designated traditional leader in areas where there are no Home Affairs offices.

GEPF is therefore appealing to members who have not registered their marriages to do so, as this will assist the Fund to pay out the correct benefits to the right beneficiaries without delays when the time comes.

# Do you know where to find us?

GEPF has a national toll free Call Centre number, **0800 117 669**.  
Calls to this number are free from any Telkom line.  
We also have regional Client Service Centres in all nine provinces of South Africa.

## Contact Details

Toll free number: **0800 117 669**  
Email: [enquiries@gepf.co.za](mailto:enquiries@gepf.co.za)  
Website: [www.gepf.co.za](http://www.gepf.co.za)

Postal address:  
GEPF Private Bag X63  
Pretoria  
0001

Twitter: @GEPF\_SA

## Client Service Centres

### Eastern Cape

No. 12 Global Life Centre,  
Circular Drive, Bhisoh

### Free State

Brandwag Centre, 20 Stapelberg Street  
Brandwag, Bloemfontein

### Gauteng

Trevenna Campus, Building 2A,  
Corner Meintjies and Francis Baard  
Streets,

Sunnyside, Pretoria

### Kwa-Zulu Natal

Brasfort House, 3rd Floor,  
262 Langalibalele Street,  
Pietermaritzburg

### Limpopo

87 (a) Bok Street,  
Polokwane

### Mpumalanga

Imbizo Place, Shop no 5,  
Samora Machel Street, Mbombela

### North West

Mega City, Entrance 4,  
Ground floor, Office no 4/17,  
Mmabatho, Mahikeng

### Northern Cape

11 Old Main Road, Kimberley

### Western Cape

Buitengracht Centre, 4<sup>th</sup> Floor  
125 Buitengracht Street  
Cape Town

## Satellite Offices

### Durban

Salmon Grove Chambers, 12th Floor,  
407 Anton Lembede Street

### Johannesburg

UCB House, 2nd Floor,  
78 - 74 Marshall Street, Marshalltown

### Thohoyandou

2010 Centre, next to Phalaphala FM (SABC)

### Mthatha

Manpower Building, Ground Floor,  
Corner Elliot & Madeira streets,

### Phuthaditjhaba

Mandela Park Shopping Centre,  
712 Public Road

### Gqeberha (formerly Port Elizabeth)

1<sup>st</sup> Floor, Regus House  
Fairview Office Park, 66 Ring Road  
Greenacres

### Rustenburg

Ditiro House, Ground Floor, Corner Motsatsi  
and Monareng Streets, Unit 1, Tlhabane  
(opposite Tlhabane Square Mall)

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