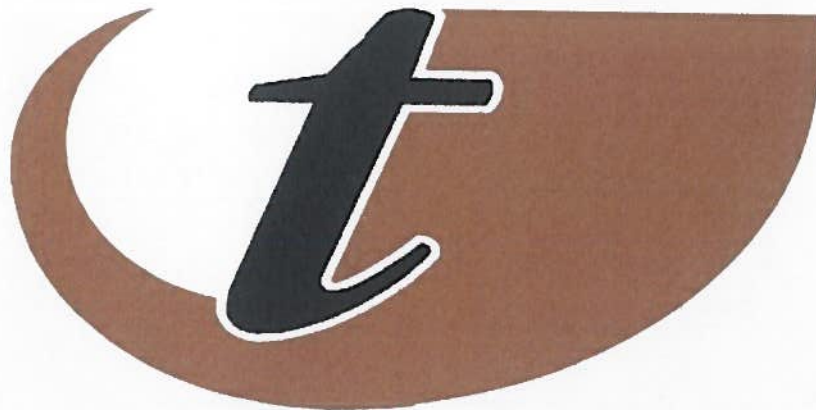


2016



***competition*tribunal**
south africa

**ANNUAL PERFORMANCE PLAN FOR
THE YEARS 2016 – 2017**

FOREWORD BY MINISTER OF ECONOMIC DEVELOPMENT

A central goal of our National Development Plan and our New Growth Path is to attain higher and more inclusive growth, in order to create the jobs we need. Achieving this will require the effective and coordinated use of all the means at our disposal.

Competition policy - and the work of the Competition Tribunal - is an essential part of this effort: competitive markets enable the entry of new businesses, ensure lower prices for consumers, promote innovation, and facilitate the international competitiveness of South African firms.

Competitive markets enhance the impact of industrial policy measures and infrastructural expansion when they provide a level playing field for new, small and historically disadvantaged businesses.

Government will continue to act decisively against practices that undermine our economic dynamism, that thwart the entry of small business, women and youth into industries, and that stifle South Africa's ability to create jobs and drive growth.

In a word, we will act against practices that hold back full economic inclusion.

South Africans pay a high price, through stunted growth and inadequate employment performance, for the pervasive abuse of market dominance and price fixing. Effective competition policy and its implementation is therefore vital if we are to achieve 5 million new jobs by 2020.

South Africa has well-run and effective competition authorities and the Competition Tribunal has been a key institution in ensuring that the objectives of the Competition Act are realised. The Brics conference held last year, "Competition and Inclusive Growth", highlighted the interest shown by developed and developing countries in the South African approach to applying public interest conditions as an integral part of competition policy.

In the past year there has been increasing pressure on the Tribunal's resources. This is a reflection of our achievements. The investigations into anti-competitive practices, for example, have increased the number of complaints about prohibited practices and abuse of dominance.

In addition, merger applications continue to impose complex requirements, given the need for the authorities to evaluate the public interest implications that result from mergers.

I welcome the Tribunal's efforts to improve stakeholder awareness and educate stakeholders through the development of a structured Communication Plan, as information and accessibility are key features in delivering effective competition regulation to the South African public.



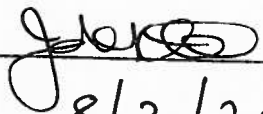
Ebrahim Patel
Minister of Economic Development
Executive Authority of the Competition Tribunal

Official sign-off

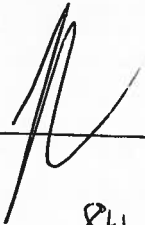
It is hereby certified that this Annual Performance Plan of the Competition Tribunal for the period 2016 – 2017 was:

- i) Developed by the management of the Competition Tribunal under the guidance of the Accounting Authority - Mr. Norman Manoim.
- ii) Prepared in line with the Competition Tribunal's Strategic Plan for the five year period 2015/2016 – 2019/2020.
- iii) Accurately reflects the performance targets the Competition Tribunal will endeavour to achieve over the period 2016 – 2017.

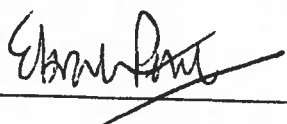
Janeen de Klerk
Chief Operating Officer – Competition Tribunal

Signature: 
Date: 8/3/2016

Norman Manoim
Chairperson – Competition Tribunal

Signature: 
Date: 8th March 2016

Ebrahim Patel
Executive Authority - Economic Development Department

Signature: 
Date: 8 MARCH 2016.

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Part A: Strategic Overview

1. Updated Situational Analysis

The Strategic Plan for the five year planning period (2015/2016 – 2019/2020) provides a detailed description of the current situational analysis, including the performance environment and the organisational environment. The Strategic Plan was tabled in Parliament on 11 March 2015 and no significant policy shifts or changes in the service-delivery environment have occurred that will warrant amendments to the Strategic Plan.

The Competition Tribunal (hereinafter referred to as the Tribunal) is a small organisation with a current staff complement of 23 (excluding the full-time Tribunal members and including one intern in the case management division). While there have been no major changes to the situational analysis that need to be detailed in the Annual Performance Plan (hereinafter referred to as APP) for the period 1st April 2016 – 31st March 2017, it is noted that the budget over the Medium Term Expenditure Framework (hereinafter referred to as MTEF) provides for the filling of the following positions on our organogram:

- 2016/2017 – Registry Clerk
- 2017/2018 – Senior Economist
- 2017/2018 - Knowledge and Document Manager

The increase in the volume and complexity of the matters brought before the Tribunal has resulted in the need to appoint an additional registry clerk and a senior economist. A knowledge and document manager is necessary to ensure that the Tribunal adheres to the National Archives Act and provide assurance that management information with regards to both case data and financial data is valid, verified and up to date against source.

The cost implication of filling these positions over the MTEF period is R 3.88m.

2. Revisions to legislative and other mandates

At present the legislative framework in terms of which the Tribunal operates remains unchanged. However, a process to review the Competition Act, 1998 (Act No. 89 of 1998) and the Competition Amendment Act, 2009 (Act No. 1 of 2009) has been put in place by the Executive Authority.

3. Overview of 2016/2017 budget and MTEF estimates

3.1. MTEF Estimates

The Tribunal's budget (inclusive of capital expenditure) over the MTEF period (2016/2017 – 2018/2019) is estimated to be R 138.55m. Following the MTEF process that took place in July 2015 the Tribunal was awarded an additional allocation of R 21.66m by EDD to its baseline. As a result of

this additional allocation the Tribunal will be in a position to fund its budget over the review period as follows:

- i) Economic Development Department (EDD) grant funding of **R 85.242m** for three years (this includes R 1.08m provided specifically to cover the monthly fee payable to the dti in 2016/2017 for occupation on the dti campus)
- ii) Expected filing fee revenue of **R 37.66m** (assuming continued merger activity)
- iii) Expected accumulated surpluses as at March 2015 of **R 12.58m**

The Tribunal is a small organisation and given fiscal constraints it operates on a tight budget adopting a “no frills” approach in managing expenses, against this background it is difficult to reduce the budget without compromising the efficiency of the organisation.

It is imperative to note that historically the Tribunal has only been able to balance its budget by using retained surpluses. The escalation in the grant allocated by government for the MTEF period has been applied using a straight line approach for all 4 years increasing the allocation by roughly 5% annually. This straight line approach was sufficient while the Tribunal was in the position to use retained surpluses.

It must be noted that the additional grant of **R 8.92m** in **2017/2018** and **R 12.74m** in **2018/2019** was required, not because our budget has been excessively inflated, but because we could no longer rely on retained surpluses to fund our budgeted expenditure.

The retained surpluses held by the Tribunal have been drawn down year on year to fund budgeted expenditure. This “drawing down” has been reflected in the MTEF/ENE submissions and communicated in the Tribunal’s Strategic Plan and APP annually since November 2010.

The Tribunal has indicated to National Treasury and the EDD that for the MTEF period from **2019/2020** onwards grants in excess of **R 38.00m** will be required.

These additional funds will be required to enable the Tribunal to continue to fully deliver on its legislated mandate.

Annexure A provides a graphical representation of the historic funding and expenditure pertaining to the Tribunal’s activities. Please note the following:

Figure 1 indicates that the Tribunal’s expenditure is increasing at a relatively constant rate but at a steeper rate than the increase in the government grant. Secondly the income from filing fees which in the early years once exceeded the level of the government grant is now consistently lower and in addition is highly volatile.

Figure 2 indicates that although the number of cases fluctuates annually there has been a constant increase in the number of matters heard over the 15 year period and hence we have had to increase our infrastructure and service provision to meet this demand and hence the steady rise in expenditure.

Annexure B reflects the Statement of Financial Performance over the MTEF period included in the ENE submitted in July 2015 while **Annexure C** contains a summarised version of the Tribunal’s

budgetary requirements over the five-year planning period. The budget has been drawn based on the consumer price index (CPI) of 5.8 % and cost of living (COL) adjustments range between 1.05% and 1.07%.

3.2. Expenditure Estimates

A detailed one-year budget for the 2016/2017 year is included in **Annexure D**.

As stated in the Strategic Plan 2015/2020 the Tribunal is an adjudicative body and hence reactive in terms of the cases brought before it. It is therefore difficult to accurately predict the number of cases to be heard annually. This means that budgeting accurately becomes difficult as many of the line items are based on an estimated number of cases to be heard in that year. The net result is that variances in actual expenditure as opposed to budgeted expenditure do arise.

In drafting the budget over the MTEF the Tribunal has given consideration to the main assumptions listed below for the 2016/2017 budget and has then applied the adjustments recommended by National Treasury for 2017/2018 and 2018/2019.

Prior year expenditure – particularly with regard to operational expenses is reviewed to determine whether expenditure in the future will follow similar trends. The Tribunal's budget is an operational budget and is not programme/project driven and 56.54% of the budget is allocated to personnel expenses. The remainder of the budget is driven by expected adjudicative activity and specific training or IT requirements year on year. As a result little reprioritisation can take place.

The main assumptions made in drafting the 2016/2017 budget are as follows:

- i) The appointment of an additional Registry Clerk
- ii) An annual escalation of 10% on the leasing fee charged by the dti from R 290.00 per square metre to R 319.00 per square metre
- iii) Additional funding of R1.08m from the EDD towards (ii) above
- iv) 7% cost of living increase for the Tribunal secretariat, 6% for SMS staff and 5% for Tribunal members
- v) Provision for promotional adjustments at between 1% and 2 % of secretariat salaries for secretariat staff
- vi) Provision for performance bonuses at 11 % of secretariat salaries for secretariat staff
- vii) 5.8% adjustment on operational expenses in 2017/2018 and 2018/2019
- viii) 391 person days spent in hearings, preparations and decision writing by part-time Tribunal members for the year (prior year was 385 person days) The daily fee payable to part-time Tribunal members for attendance at hearings/preparation and decision writing is budgeted at R 8 500.00 per day
- ix) All other costs associated with holding hearings are based on the estimate in (ix) above
- x) 5 international conferences/workshops/seminars to be attended by 3 Tribunal members and 4 case managers All local travel by economy class
- xi) 1 Tribunal member and 1 case manager to attend two Organisation for Economic Cooperation and Development (OECD) meetings
- xii) 3 executive members to attend 4 parliamentary portfolio committee meetings

- xiii) 1 case manager to attend 2 Appeal Court hearings
- xiv) Specific IT requirements year on year – inclusive of hardware and software support

In drafting the budget we have taken heed of Cabinet's request to curb expenditure and as illustrated in the table below the increment in our budget from 2017/2018 onwards is kept at less than 9% year on year.

CATEGORY	2016/2017	2017/2018	2018/2019	2019/2020
INCOME	R'000	R'000	R'000	R'000
Filing fees	11.53	12.45	13.69	15.06
Other income	0.78	0.60	0.60	0.00
Use of retained surpluses	9.40	3.31	0.00	0.00
EDD Grant	21.06	30.04	35.09	0.00
TOTAL INCOME	42.77	46.40	49.38	15.06
EXPENDITURE	R'000	R'000	R'000	R'000
Expenditure	41.45	45.79	48.67	51.80
Capital Expenditure	1.32	0.61	0.71	1.10
TOTAL EXPENDITURE	42.77	46.40	49.38	52.90
DEFICIT	0.00	0.00	0.00	37.84
ADDITIONAL EDD GRANT REQUIRED	0.00	0.00	0.00	37.84
ANNUAL BUDGET INCREMENT		8.49%	6.42%	7.13%

The table above illustrates that additional funding is required in 2019/2020 in order for the Tribunal to meet its future budgeted expenditure.

The table below illustrates the Tribunal's budget allocation across the various expenditure categories for both the current and the next financial year.

CATEGORY	2016/2017	2015/2016
PERSONNEL	56.54%	56.77%
PT TRIBUNAL MEMBERS	9.16%	8.33%
TRAINING	3.15%	1.57%
CONFERENCE/SEMINARS	1.09%	0.83%
SHARED SERVICES	1.45%	1.53%
FACILITY FEE/LEASE	7.03%	7.17%
CONSULTING	0.86%	0.70%
TRANSCRIPTION SERVICES	1.43%	1.89%
AUDIT EXPENSES	3.90%	4.47%
ADMIN EXPENSES	4.03%	4.45%
DEPRECIATION	1.43%	1.36%
AMORTISATION	0.54%	1.63%
OTHER IT EXPENSES	4.66%	4.85%
REPAIRS/MAINTENANCE	0.10%	0.12%
CAPITAL EXPENDITURE	3.10%	3.03%
APPEALS COURT	1.50%	1.31%
TOTAL PERCENTAGE	100.00%	100.00%
TOTAL EXPENDITURE	100.00%	100%

65.70 % of the Tribunal's current budget will be spent on personnel expenses (including the fees paid to the part-time Tribunal members (9.16%)).

"Shared service fee" refers to the payments made to the Competition Commission for shared services (in terms of a Memorandum of Agreement (MOA)) while "facility fee" refers to the fee the Tribunal is required to pay the dti for occupying space on the campus. These two figures, together, account for 8.47 % of the budget. Costs associated with audits (internal, external audit fees and audit committee expenses) account for 3.90% of the budget while administrative expenses account for 4.03% of the budgeted expenditure.

The Tribunal, in drawing the budget, has attempted to rationalise spending as far as possible, given the limited scope its activities provide for cost cutting exercises. The Tribunal has kept the number of overseas trips undertaken by Tribunal members and staff to a maximum of seven per annum with four of these trips budgeted at economy class as opposed to business class tickets.

As indicated in the Strategic Plan, the Tribunal receives a portion of the filing fees paid to the Commission for the filing of merger applications. For the 2016/2017 financial year this is estimated at R 11.52m.

Given that these fees, together with the MTEF allocation of R 20.12m for the 2016/2017 financial year, are not sufficient funding to cover the Tribunal's expected expenditure of R 42.77m (inclusive of capital expenditure), the Tribunal has estimated that it will use approximately R 9.27m in retained surpluses to cover this shortfall.

3.3. Relating Expenditure Estimates to Strategic Outcome Goals

The Tribunal, being an adjudicative body that responds to matters brought before it, is not project or programme driven and for this reason the budget is primarily an operational/administrative budget.

Prior to the beginning of the current financial year (2015/2016) the Tribunal undertook a review of its strategic outcomes and goals. While the strategic outcomes related to its mandate and core business remain unchanged the operational and administrative aspects of its activities were unpacked to include objectives related to oversight and financial management.

The three strategic objective outcome (SOO) goals (focus areas) identified by the Tribunal are detailed in the table below. In addition strategic objectives, indicators and targets associated with each SOO are reflected in detail in Annexure G of the Strategic Plan for the five year period to 2019/2020. All targets reflected in the Strategic Plan were reassessed and based on average baseline performance over the last three years (2011/2012 to 2013/2014). These objectives, indicators and targets are reflected in Annexure E of this document for the MTEF period to 2018/2019 and in Annexure F of this document for the 2016/2017 financial year.

SOO Goal 1	Adjudicative Excellence
Goal Statement	To ensure effective and efficient adjudication on matters brought before the Tribunal.
SOO Goal 2	Stakeholder Relationships
Goal Statement	To build and develop effective stakeholder relationships.
SOO Goal 3	Accountable, Transparent and Sustainable Entity
Goal Statement	To ensure effective leadership, transparency and accountability in the Tribunal through capacity building, effective reporting, policy management and financial compliance.

It is difficult to allocate the Tribunal's entire budget across the three SOO Goals identified in the Tribunal's strategic plan; however, the Tribunal has managed to allocate **73.08%** of the annual budget across the three strategic objective outcomes as illustrated in the table below:

Strategic Outcome Objective Goal	Budget	% of budget
To ensure effective and efficient adjudication on matters brought before the Tribunal	R 23 370 941.98	54.64%
To build and develop effective stakeholder relationships.	R 934 994.48	2.19%
To ensure effective leadership, transparency and accountability in the Tribunal through capacity building, effective reporting, policy management and financial compliance.	R 6 952 588.69	16.25%

The remaining 26.92% of the budget is distributed as follows:

- Administrative costs – 20.35%
- Depreciation – 1.97%
- Capital expenditure – 3.10%
- Appeal Court costs – 1.50%

3.4. The Competition Appeal Court

The *Competition Act* (1998) set up a triad of institutions (the Commission, the Tribunal and the Competition Appeal Court (CAC)) with exclusive jurisdiction over competition matters (that is, chapters 2 and 3 of the Act).

The CAC is a specialised division of the High Court comprising at least 3 Judges, each of whom must be a Judge of the High Court. The CAC may review, or consider an appeal arising from, any Tribunal decision.

CAC Judges are appointed by the President, on the advice of the Judicial Services Commission. The tenure of office, remuneration and terms and conditions of service of a Judge of the High Court is not affected by his/her appointment to the CAC.

The Registrar of the Tribunal (and CAC) liaises with the Judicial Services Commission over the appointment of CAC Judges and is responsible for the training of the Judges. The Tribunal secretariat provides the registry function for the CAC and the registrar of the Tribunal acts as the Registrar of the CAC.

At present the Tribunal includes the Appeal Court as a line item in its budget and is responsible for the financing of all aspects of the Appeal Court except for personnel expenses.

As is the case with the Tribunal it is difficult to predict the number of appeals that may be lodged against Tribunal decisions and as a result budgeting becomes difficult and variances do occur.

The budget for 1st April 2016 - 31st March 2017 is estimated at R 642 490.91 and is reflected in the table below.

CATEGORY	2016/2017 BUDGET
Local travel	25.74%
Administrative expenses	8.94%
Conferences attendance and overseas travel	54.62%
High Court meetings/training	10.70%
Total	100.00%

The Superior Courts Act (Act No. 10 of 2013) has been promulgated and the Competition Appeal Court has been incorporated into this statute. As a result of this, it may be possible going forward that the Tribunal will no longer be responsible for the Appeal Court budget, but until then the Tribunal continues to provide administrative and financial support to the Court.

3.5. Materiality Framework

Annexure G reflects the Tribunal's materiality framework for the period 1st April 2016 – 31st March 2017.

The Tribunal is not a capital intensive institution and revenue generated from filing fees and total expenses (exclusive of capital expenditure) are identified as being the best reflection of the Tribunal's activities and are therefore used as the basis for the calculation of a materiality figure.

The materiality figure of R 474 000.00 is determined by taking the average of 1% of actual revenue and actual expenditure in 2014/2015.

Part B: Organisational Plans

4. Strategic Objectives in the Tribunal

4.1. Strategic objective annual targets for the MTEF period (2016/2017 to 2018/2019)

As indicated earlier in this document and in the Strategic Plan, the Tribunal has identified three SOO Goals. Each of these SOO goals has been further unpacked to reflect one or more strategic objective per SOO goal. Specific outputs, annual performance indicators and annual targets are assigned per objective for each year of the MTEF period. These together with prior performance against common year on year objectives are tabulated in **Annexure E.**

4.2. Performance Indicators, quarterly and annual targets

Specific outputs, performance indicators and targets have been assigned for the 2016/2017 and are tabulated in **Annexure F.**

4.3. Reconciling targets with the budget and MTEF

As indicated in Section 3.3 of the APP, the Tribunal has been able to allocate **73.08%** of its budget against the SOO goals. In doing so the Tribunal has been able to determine the direct costs associated with the core business – hearings - and has also been able to allocate a substantial portion of the budget against other stated strategic objectives.

The entire 2016/2017 budget can therefore be divided against the strategic objective as illustrated in the table on the next page:

STRATEGIC OBJECTIVE	LINK TO OBJECTIVE	BUDGET (R)
Timeous hearings and issuing of judgements (direct hearing costs)	Objective 1. 1 and 1.2	20 855 341.13
Effective business processes	Objective 1.3	2 485 600.85
Stakeholder awareness	Objective 2.1, 2.2 and 2.3	934 994.48
Effective oversight and good governance	Objective 3.1 and 3.2	3 330 257.46
Effective financial management	Objective 3.3 and 3.4	1 491 434.64
Sustainable capacity	Objective 3.5	2 130 896.58
Administration (incl. depreciation)	N/A	9 544 330.95
Capital Expenditure	N/A	1 327 062.01
Competition Appeal Court	N/A	642 490.91
TOTAL BUDGET		42 772 409.01

At present, direct hearing costs include the total salaries of the full-time Tribunal members and all case managers/researchers and registry staff despite the fact that they may perform functions that are not specifically case related.

The electronic case management system (CMS) currently in operation enables us, to determine a rough calculation of case-related costs and with time the level of accuracy is expected to improve.

The Tribunal will, on a quarterly basis, report on progress with regard to the achievement of targets and costs associated with pursuing achievement of these targets to the EDD, National Treasury and to other stakeholders.

Annexure G reflects the allocation of the Tribunal's actual (2012/2013 – 2014/2015), predicted (2015/2016) and budgeted expenditure (2016/2017 – 2018/2019) between the strategic objectives, administrative expenses and the Competition Appeal Court as included in the ENE submitted in July 2015.

Annexure A: Historical Representation

Figure 1: Historical representation of Tribunal expenditure and funding 1999 - 2015

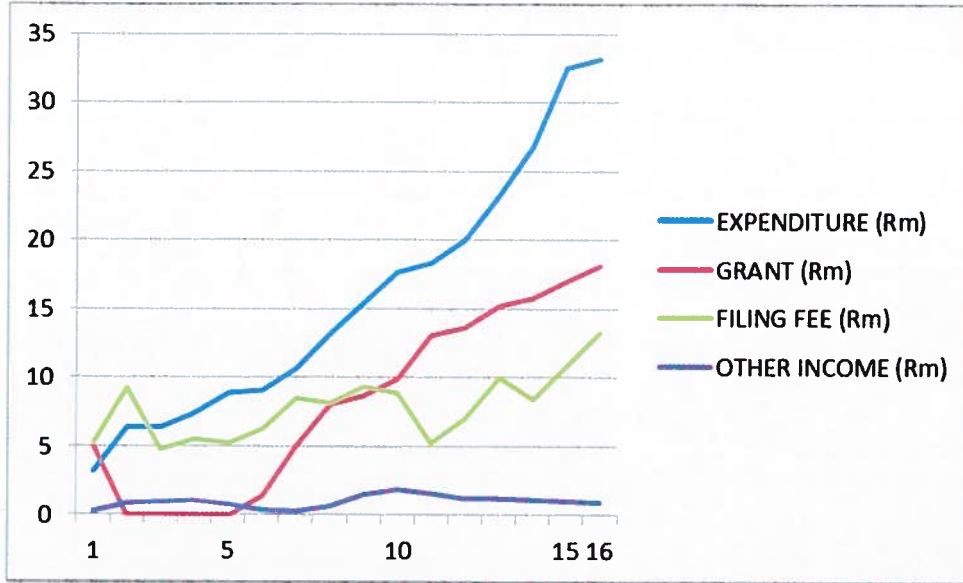
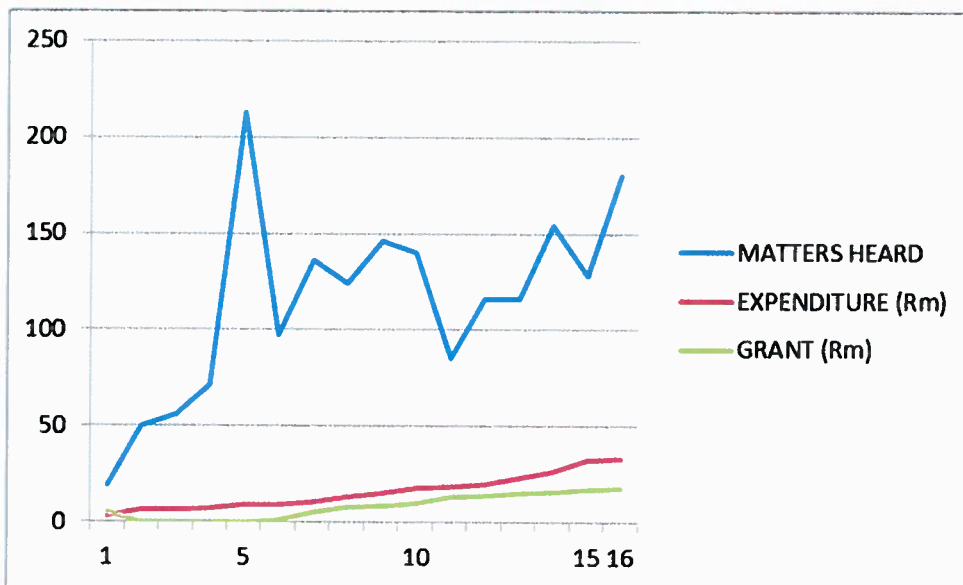


Figure 2: Historical representation of matters heard, expenditure and grant allocation



Annexure B: Statement of Financial Performance - ENE submission November 2015

Statement of financial performance	2012/13		2013/14		2014/15		2015/16		Outcome/ Budget Average %	Average growth rate (%)	Expen- ditural total: Average (%)	Medium-term estimate	
	Budget	Audited Outcome	Budget	Audited Outcome	Budget	Preliminary outcome	Budget estimate	Revised estimate				2016/17	2017/18
	R thousand												
Revenue													
Tax revenue	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-tax revenue	14 688	9 540	15 638	11 861	18 527	14 248	11 840	11 840	46.3%	7.5%	40.0%	12 304	13 046
Sale of goods and services other than capital assets of which:	9 075	8 417	9 775	10 856	9 880	13 289	10 670	10 670	30.4%	8.2%	36.4%	11 524	12 446
Administrative fees	9 075	8 417	9 775	10 856	9 880	13 289	10 670	10 670	30.4%	8.2%	36.4%	11 524	12 446
Sales by market establishment	-	-	-	-	-	-	-	-	-	-	-	-	-
Other sales	-	-	-	-	-	-	-	-	-	-	-	-	-
Other non-tax revenue	5 613	1 123	5 863	1 005	8 647	959	1 170	1 170	16.0%	1.4%	3.6%	780	600
Transfers received	15 600	15 798	16 845	16 845	18 100	18 100	19 102	19 964	53.7%	8.1%	60.0%	21 063	30 041
Total revenue	30 288	25 338	32 583	28 806	36 627	32 348	30 942	31 804	100.0%	7.9%	100.0%	33 367	43 087
Expenses													
Current expenses	30 288	26 789	32 583	32 485	35 325	33 102	37 419	36 989	100.0%	11.4%	100.0%	41 444	45 787
Compensation of employees	18 323	13 710	20 412	16 170	19 768	19 096	21 356	21 659	59.0%	16.5%	54.3%	24 182	27 668
Goods and services	11 123	12 524	11 163	15 238	14 386	13 260	15 012	14 200	38.0%	4.3%	43.0%	16 420	17 128
Depreciation	842	555	1 009	1 077	1 170	746	1 051	1 140	3.0%	27.1%	2.7%	842	791
Interest, dividends and rent on land	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-	-	-	-	-
Total expenses	30 288	26 789	32 583	32 485	35 325	33 102	37 419	36 989	100.0%	11.4%	100.0%	41 444	45 787
Surplus/(Deficit)	-	(1 452)	-	(3 679)	1 302	(754)	(6 477)	(5 185)	-	52.9%	-	(8 077)	(2 700)
													707

The deficit reflected in 2016/2017 and 2017/2018 is funded by current accumulated surpluses held by the Tribunal

Annexure C: Summarised Five Year Budget 2016/2017 – 2020/2021

CATEGORY	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
INCOME							
EDD GRANT REQUIRED	0	0	0	0	0	37 840 721	39 373 671
COMMITTED EDD GRANT	18 100 000	19 102 000	20 115 000	30 041 000	35 086 000	0	0
FEES RECEIVED	9 878 780	10 670 141	11 523 752	12 445 652	13 680 217	15 059 239	16 565 163
LEASE FUNDING		862 245	1 080 000	0	0	0	0
GRAL BRWD	7 477 110	6 349 833	9 273 657	3 311 578	0	0	0
INTEREST RECEIVED	1 170 000	1 170 000	780 000	800 000	598 249	0	0
TOTAL INCOME	36 626 870	38 154 219	42 772 409	46 398 230	49 374 466	52 899 960	55 938 834
EXPENDITURE							
PERSONNEL	19 769 155	21 659 337	24 183 365	27 869 046	29 618 266	31 528 809	33 565 735
PT TRIBUNAL MEMBERS	3 087 125	3 179 328	3 919 897	4 114 842	4 320 584	4 536 613	4 763 443
TRAINING	1 136 306	599 859	1 345 798	1 423 854	1 506 438	1 593 811	1 686 252
CONFERENCES AND SEMINARS	487 689	317 067	487 387	494 486	523 176	553 521	585 625
SHARED SERVICE	559 063	593 297	621 845	658 017	696 183	736 561	779 282
FACILITY FEE	2 114 881	2 795 489	3 009 038	3 308 941	3 640 936	4 005 029	4 405 532
CONSULTING	859 540	266 111	368 735	390 122	412 749	436 688	462 016
LEGAL FEES	150 000	0	0	0	0	0	0
TRANSCRIPTION FEES	663 076	721 266	612 286	647 788	685 371	725 122	767 179
AUDIT EXPENSES	1 584 228	1 704 716	1 669 672	1 766 513	1 868 971	1 977 372	2 082 059
RECRUIT COSTS	108 510	0	0	0	0	0	0
ADMIN EXPENSES	1 678 155	1 698 016	1 725 808	1 824 747	1 929 367	2 041 270	2 159 664
AMORTISATION		612 883	612 883	648 218	685 815	725 592	767 877
DEPRECIATION	1 170 416	1 139 697	229 489	142 778	151 059	159 821	169 090
OTHER IT EXPENDITURE	1 352 184	1 852 042	1 993 482	1 771 215	1 861 323	1 970 038	2 085 104
REPAIRS/MAINTENANCE	34 159	45 302	44 313	46 883	49 802	52 479	55 523
TOTAL EXPENDITURE	34 782 499	36 500 626	40 802 856	45 108 472	47 948 659	51 042 726	54 344 181
APPEALS COURT BUDGET	643 271	489 291	642 491	679 755	719 181	760 884	805 026
TOTAL AS PER MTEF	35 325 770	36 999 819	41 445 347	45 768 227	48 659 040	51 803 620	55 149 206
CAPITAL EXPENDITURE	1 301 100	1 154 400	1 327 082	610 093	705 425	1 099 340	789 626
GRAND TOTAL	36 626 870	38 154 219	42 772 409	46 398 230	49 374 466	52 899 960	55 938 834
ANTICIPATED SURPLUS/(DEFICIT)	0	0	0	0	0	0	0

The 5 year budget is calculated by taking the 2016/2017 budget and

Applying a 1.058% increase to goods and services annually

Annually inflating full-time members and SMS salaries by 5% and 6% respectively

Annually inflating other staff salaries by 7%

Estimating the annual increase in filing fees received from the Commission to be 10% annually

Estimating the annual increase in the facility fee payable to the dti to be 10% annually

Annexure D: Detailed One Year Budget - 2016/2017

BUDGET ITEM	ACTIVITY	2016/2017 BUDGET	PERCENTAGE
INCOME			
	FEES RECEIVED	11 523 752	26.94%
	EDD GRANT	20 115 000	47.03%
	ADDITIONAL GRANT REQD	0	0.00%
	LEASE FUNDING	1 080 000	2.52%
	BAL BFWD	9 273 657	21.68%
	INTEREST RECEIVED	780 000	1.82%
TOTAL INCOME		42 772 409	100%
EXPENDITURE			
PERSONNEL	SALARIES & ALLOWANCES	21 900 322	51.20%
	COMPANY CONTRIBUTIONS	823 365	1.92%
	CASUAL LABOUR	18 000	0.04%
	PERFORMANCE BONUS	1 441 677	3.37%
PT MEMBERS	TRIBUNAL MEMBERS	3 918 897	9.16%
TRAINING	TRAINING LOCAL	267 848	0.63%
	TRAINING OVERSEAS	122 800	0.29%
	AIR TRAVEL OVERSEAS	315 688	0.74%
	HOTEL ACCOMODATION OVERSEAS	151 998	0.36%
	SUBSISTENCE OVERSEAS	104 102	0.24%
	OECD MEETINGS	327 114	0.76%
	BURSARIES AND SCHOLARSHIPS	56 248	0.13%
CONFERENCES AND SEMINARS	CONFERENCES/SEMINARS/STUDY VISITS	434 387	1.02%
	DIVISIONAL MEETINGS	33 000	0.08%
SHARED SERVICES	PROF FEES - CC MANAGEMENT FEE	621 945	1.45%
FACILITY FEE/LEASE	PROF FEES - dti	3 009 038	7.03%
LEGAL FEES	LEGAL FEES	0	0.00%
CONSULTING	OTHER	368 735	0.86%
TRANSCRIPTION	RECORDING SERVICES	612 286	1.43%
AUDIT EXPENSES	EXTERNAL FEE	735 080	1.72%
	EXTERNAL AUDIT COMMITTEE	444 710	1.04%
	INTERNAL FEE	459 598	1.07%
	FPC MEETING	30 285	0.07%
RECRUIT COSTS	RECRUITMENT FEES	0	0.00%
	STAFF ADVERTISING	0	0.00%
ADMIN EXPENSES	AIR TRAVEL	82 780	0.19%
	OTHER TRAVEL	15 719	0.04%
	MILEAGE	22 680	0.05%
	HOTEL ACCOMODATION - LOCAL	35 583	0.08%
	CAR RENTAL	18 200	0.04%

BUDGET ITEM	ACTIVITY	2016/2017 BUDGET	PERCENTAGE
ADMIN EXPENSES	PER DIEM ALLOWANCE	9 884	0.02%
	PARKING	52 440	0.12%
	BANK CHARGES	23 832	0.06%
	REFRESHMENTS	88 761	0.21%
	ENTERTAINMENT	6 000	0.01%
	PRINTING	118 670	0.28%
	STATIONERY	111 423	0.26%
	WEBSITE CONSULTING	54 000	0.13%
	TECHNICAL/SOFTWARE CONSULTING	410 281	0.96%
	ADVERTISING BROCHURES & PAMPHLETS	210 504	0.49%
	GOVERNMENT GAZETTE	32 087	0.08%
	PUBLIC RELATIONS	0	0.00%
	NEWSPAPER AND MAGAZINE SUBSCRIPTIONS	37 189	0.09%
	BOOKS AND PUBLICATIONS	21 783	0.05%
	COURIER SERVICES	11 554	0.03%
	POSTAGE AND STAMPS	1 200	0.00%
	TELEPHONES/TELEFAXES	38 045	0.09%
	CELL PHONES	6 900	0.02%
	INTERNET SERVICES	101 397	0.24%
	EMAIL ARCHIVING	43 322	0.10%
	FIRST AID	2 400	0.01%
	GIFTS AND FLOWERS	11 703	0.03%
	GENERAL HOUSEKEEPING	8 600	0.02%
	OFFSITE STORAGE	45 770	0.11%
	INSURANCE	103 101	0.24%
OTHER IT EXPENSES	LEASE- PHOTOCOPIER	195 529	0.46%
	COMPUTER SOFTWARE	912 360	2.13%
	R&M COMPUTERS	743 780	1.74%
	WEBSITE SERVICE PROVIDER	141 792	0.33%
REPAIRS/MAINTENANCE	LOOSE TOOLS	20 000	0.05%
	FUEL, R&M MOTOR VECHILES	21 313	0.05%
	REPAIRS & MAINTENANCE	3 000	0.01%
DEPRECIATION	DEPRECIATION	612 683	1.43%
	AMORTISATION	229 469	0.54%
CAPITAL EXPENDITURE	COMPUTER EQUIPMENT - COST	374 700	0.88%
	INTANGIBLE ASSETS	525 000	1.23%
	FURNITURE AND FITTINGS - COST	415 362	0.97%
	MOTOR VECHILE - COST	0	0.00%
	OFFICE EQUIPMENT	12 000	0.03%
TOTAL		42 129 918	98.50%
APPEAL COURT		642 491	1.50%
TOTAL EXPENDITURE		42 772 409	100.00%
SURPLUS/ (DEFICIT)			

Annexure E: Audited Actual, Estimated and Medium Term Targets

Goal Statement 1: To ensure effective and efficient adjudication on matters brought before the Tribunal.

Strategic objective statements	Outcome	KPI	Audited actual Performance					Target		
			Audited actual Performance					Estimated Performance 2015/2016	Medium Term Targets	
			2012/2013	2013/2014	2014/2015	2016-2017	2017-2018		2018-2019	
1.1 Matters brought before the Tribunal are heard within the adopted delivery time frames	Hearings are set down within required timeframes	% of large mergers to be set down for the beginning of a hearing or a pre-hearing, within 10 days of filing of the Merger Referral	81%	74%	74%	75%	75%	75%	75%	
		% of intermediate and small merger considerations to be set down for the beginning of a hearing or a pre-hearing, within 10 days of filing of the request for consideration	57%	100%	100%	100% ¹	75%	75%	75%	
1.2 Improvement in the Issuing of judgements/decisions in line with adopted timeframes	Expeditious Conclusion of matters	% Large merger orders issued to parties within 10 business days of last hearing date	100%	100%	100%	95%	95%	95%	95%	
		% Large merger reasons issued within 20 business days of order being	100%	100%	82%	70%	70%	70%	70%	

¹ The drop in the percentage targets over the MTEF period is attributable to (i) increase in complexity, (ii) increase in case load and (iii) need for additional capacity which is being addressed by the Executive

Strategic objective statements	Outcome	KPI	Target									
			Audited actual Performance			Estimated Performance 2015/2016	Medium Term Targets					
			2012/2013	2013/2014	2014/2015		2016-2017	2017-2018	2018-2019			
	issued											
	% Intermediate and small merger consideration orders issued to parties within 10 business days of last hearing date	100%	No orders were issued in this period	No orders issued in this period	95%	95%	95%	95%	95%	95%	95%	95%
	% Intermediate and small merger consideration reasons issued within 20 business days of order being issued	13%	No reasons were issued in this period	No reasons were issued in this period	60%	60%	60%	60%	60%	60%	60%	60%
	Reasons in Prohibited practices cases ² issued to parties in accordance with the delivery timeframes per category: A, B or C	New annual target in 2015/2016			A ³ - 100 business days B - 125 business days C - 150 business days	A - 100 business days B - 125 business days C - 150 business days	A - 100 business days B - 125 business days C - 150 business days	A - 100 business days B - 125 business days C - 150 business days	A - 100 business days B - 125 business days C - 150 business days	A - 100 business days B - 125 business days C - 150 business days	A - 100 business days B - 125 business days C - 150 business days	A - 100 business days B - 125 business days C - 150 business days
	% Procedural matters ⁴ orders issued within 20 business days of the last hearing date	89%	83%	83%	85%	85%	85%	85%	85%	85%	85%	85%

² Prohibited practice cases refer to all complaints from the commission, the complainant and the High Court

³ A refers to Simple matter, B to Complex matter and C to Very Complex matter

⁴ Procedural matters includes interlocutory applications

Strategic objective statements	Outcome	KPI	Target						
			Audited actual Performance			Estimated Performance 2015/2016	Medium Term Targets		
			2012/2013	2013/2014	2014/2015		2016-2017	2017-2018	2018-2019
1.3 Enhancing record keeping, performance information and case flow management by harnessing facility and functionality of business applications	% Orders for consent orders and settlement agreements issued within 10 business days of the last hearing date. % Interim Relief reasons issued within 20 business days of last hearing date.	100% 98% 98%	100% 98%	98% ⁵	90% 90%	90% 90%	90% 90%	90% 90%	
									No reasons issued during this period
Improved management information to inform strategic decision making and access to historical data	Enhancement of case management system facility in line with project plan New annual target in 2015/2016	User Acceptance Testing of Case 360 Phase II development completed by December 2016 Plan and process for reporting enhancement established and signed off by December 2016	Feasibility study of automation opportunities completed by December 2016 25% of plan implemented	Dependent on outcome of feasibility study and associated plans 50% of plan implemented	25% of plan implemented	50% of plan implemented	50% of plan implemented	50% of plan implemented	
									New annual target in 2015/2016

⁵ See footnote 1

Goal Statement 2: To build and develop effective stakeholder relationships.

Strategic objective statements	Outcome	KPI	Audited actual Performance				Target		
			2012/2013	2013/2014	2014/2015	Estimated Performance 2015/2016	2016-2017	2017-2018	2018-2019
			New annual target in 2015/2016			Communicati on plan approved by EXCO by September 2015	Review plan based on performance and achievement and obtain approval by June 2017	Implement plan against agreed timeframes	
2.1 Ensure that an integrated Communication plan is developed and implemented	A structured and focused process to create and enhance awareness of the work of the Tribunal	Communication Plan developed and implemented in line with EXCO requirement and agreed timeframes	New annual target in 2015/2016			N/A for this year	Implement plan against agreed timeframes	Implement plan against agreed timeframes	
			New annual target in 2015/2016			N/A for this year	Report on implementation against plan by March 2017	75%	75%
2.2 Ensure communication pertaining to Tribunal's adjudicative process is issued to	Timely and compliant communication of Adjudication outcomes	Monitored performance and implementation against approved plan	New annual target in 2015/2016			75%	75%	75%	75%
			93%	98%	98%				
		% of press releases of final merger decisions communicated within 2 business days of order date	93%	98%	98%				

Strategic objective statements	Outcome	KPI	Target							
			Audited actual Performance			Estimated Performance 2015/2016	Medium Term Targets			
			2012/2013	2013/2014	2014/2015		2016-2017	2017-2018	2018-2019	
the stakeholders within adopted delivery timeframes		% of press releases of final decisions in prohibited practices communicated within 2 business days of order date	93%	98%	100%	100%	100%	100%	100%	100%
		% of non-confidential version (ncv) reasons posted on website within 2 business days of issue date of ncv	92%	100%	69%	100%	100%	100%	100%	100%
Level of stakeholder satisfaction		Number of Tribunal Tribunes published annually and distributed according to agreed distribution list	3 to 69 stakeholders	3 to 86 stakeholders	3 to 86 stakeholders	3 annually	3 annually	3 annually	3 annually	3 annually
		Stakeholder satisfaction survey results		75% satisfaction level	No survey conducted	Planned and implemented actions against stakeholder satisfaction survey results	Satisfaction survey is conducted by March 2018 and Satisfaction levels are 75%			

Goal Statement 3: To ensure the Tribunal has effective strategic leadership, administration and management through adherence to good corporate governance and sound business practices.

Strategic objective statements	Outcome	KPI	Audited actual Performance				Target		
			2012/2013	2013/2014	2014/2015	Estimated Performance 2015/2016	2016-2017	2017-2018	2018-2019
			New annual target in 2015/2016			Unqualified audit – no issues of governance raised	Unqualified audit – no issues of governance raised	Unqualified audit – no issues of governance raised	Unqualified audit – no issues of governance raised
3.1 Increase the level of compliance with the precepts of good governance	Accountable and transparent Public Entity	Achieve an unqualified audit outcome year on year	New annual target in 2015/2016			Unqualified audit – no issues of governance raised	Unqualified audit – no issues of governance raised	Unqualified audit – no issues of governance raised	
3.2 Maintain effective oversight structures that promote solid business practice	Sound Business Practice	Achieve an unqualified audit outcome year on year	New annual target in 2015/2016			Unqualified audit – no issues of governance raised	Unqualified audit – no issues of governance raised	Unqualified audit – no issues of governance raised	
3.3 Ensure financial management that promotes effective and efficient use of resources	Optimal financial resource allocation and utilisation	Achieve an unqualified audit outcome year on year	New annual target in 2015/2016			Unqualified audit – no findings of fruitless/wasteful expenditure	Unqualified audit – no findings of fruitless/wasteful expenditure	Unqualified audit – no findings of fruitless/wasteful expenditure	
3.4 Ensure a sound control environment and monitor and maintain compliance and ensure that all reporting	Compliance to requirements as an accountable, transparent Institution	Submission against annual deadline and no material misstatements for May submission	New annual target in 2015/2016			No material misstatements on May submission	No material misstatements on May submission	No material misstatements on May submission	
			New annual target in 2015/2016			Annual reporting submission dates met	Annual reporting submission dates met	Annual reporting submission dates met	

Strategic objective statements	Outcome	KPI	Target							
			Audited actual Performance		Estimated Performance 2015/2016	Medium Term Targets				
			2012/2013	2013/2014		2014/2015	2016-2017	2017-2018	2018-2019	
requirements are met						and July	May and July	and July		
3.5 Ensure that the Tribunal effectively leverages employee skills by recruiting, retaining and developing high quality people	Integrated risk management processes and combined assurance	Achieve an unqualified audit outcome year on year	New annual target in 2015/2016			Unqualified audit – no issues of risk management raised	Unqualified audit – no issues of risk management raised	Unqualified audit – no issues of risk management raised	Unqualified audit – no issues of risk management raised	Unqualified audit – no issues of risk management raised
	Strengthen the Tribunal's organisational capacity and performance to deliver on its legislative Mandate	Implementation of Case Management Graduate internships against plan	New annual target in 2015/2016			Graduate internship policy and plan implemented	Graduate internship targets meet plan requirements	Graduate internship targets meet plan requirements	Graduate internship targets meet plan requirements	Graduate internship targets meet plan requirements

Annexure F: Annual performance indicators, quarterly and annual targets for 2016/2017

Goal Statement 1: To ensure effective and efficient adjudication on matters brought before the Tribunal.

	Outcome	KPI	Base Line	Annual	Target				Budget	Actual - Ytd
					Q.1	Q.2	Q.3	Q.4		
1.1 Matters brought before the Tribunal are heard within the adopted delivery time frames	Hearings are set down within required timeframes	% of large mergers to be set down for the beginning of a hearing or a pre-hearing, within 10 days of filing of the Merger Referral	75%	75%	75%	75%	75%	75%	R 20 885 341.13	
					75%	75%	75%	75%		
1.2 Improvement in the Issuing of judgments/decisions in line with adopted timeframes	Expeditious Conclusion of matters	% Large merger orders issued to parties within 10 business days of last hearing date	100%	95%	95%	95%	95%	95%		
					70%	70%	70%	70%		
		% Large merger reasons issued	68%	70%	70%	70%	70%			

Outcome	KPI	Base Line	Annual	Target				Budget	Actual - Ytd
				Q.1	Q.2	Q.3	Q.4		
	within 20 business days of order being issued								
	% Intermediate and small merger consideration orders issued to parties within 10 business days of last hearing date	100%	95%	95%	95%	95%	95%		
	% Intermediate and small merger considerations reasons issued within 20 business days of order being issued	41%	60%	60%	60%	60%	60%		

Outcome	KPI	Base Line	Annual	Target				Budget	Actual - Ytd
				Q 1	Q 2	Q 3	Q 4		
	Reasons for Prohibited practices cases ⁶ issued to parties in accordance with the delivery timeframes per category: A, B or C	New annual target	A - 100 business days B - 125 business days C - 150 business days	A - 100 business days B - 125 business days C - 150 business days	A - 100 business days B - 125 business days C - 150 business days	A - 100 business days B - 125 business days C - 150 business days			
	% Procedural matter ⁸ orders issued to parties within 20 business days of last hearing date	82%	85%	85%	85%	85%			
	% Orders for consent order and settlement agreements issued to parties within 10 business days of last hearing date	96%	90%	90%	90%	90%			

⁶ Prohibited practice cases refer to all complaints from the commission, the complainant and the High Court

⁷ A refers to Simple matter, B to Complex matter and C to Very Complex matter

⁸ Procedural matters includes interlocutory applications

	Outcome	KPI	Base Line	Annual	Target				Budget	Actual - Ytd
					Q 1	Q 2	Q 3	Q 4		
		% Interim relief reasons issued to parties within 20 business days of last hearing date	0%	100%	100%	100%	100%	100%		
1.3 Enhancing record keeping, performance information and case flow management by harnessing facility and functionality of business applications	Improved management information to inform strategic decision making and access to historical data	Enhancement of case management system facility in line with project plan	New target in 2015/2016	Feasibility study of automation opportunities completed by December 2016				Feasibility study of automation opportunities completed by December 2016	R 2 485 600.85	
		Reduced reliance on manual performance reporting by 2020 according to agreed plan	New target in 2015/2016	25% of agreed plan implemented by March 2017				25% of agreed plan implemented by March 2017		

Goal Statement 2: To build and develop effective stakeholder relationships.

Strategic Objective Statement	Outcome	KPI	Base Line	Annual	Target				Budget	Actual
					Q 1	Q 2	Q 3	Q 4		
2.1 Ensure that an integrated Communication plan is developed and implemented	A structured and focussed process to create and enhance awareness of the work of the Tribunal	Communication (Comm) Plan reviewed and changes implemented in line EXCO requirements and agreed timeframes	New target in 2015/2016	Implement plan against agreed timeframes by March 2017				Implement plan against agreed timeframes by March 2017	R 934 994.48	
2.2 Ensure communication pertaining to final decisions in mergers and prohibited cases are made public within adopted delivery	Timely and compliant communication of Adjudication outcomes	% press releases of final merger decisions and prohibited practice decisions communicated within 2 business days of order date	New target in 2015/2016	Report on implementation against plan by March 2017				Report on implementation against plan by March 2017		
					75%	75%	75%	75%		
					100%	100%	100%	100%		

Strategic Objective Statement	Outcome	KPI	Base Line	Annual	Target				Budget	Actual
					Q 1	Q 2	Q 3	Q 4		
timeframes		% of non-confidential version (ncv) of reasons posted on website within 2 business days of issue date of ncv	Website - new target no baseline	75%	75%	75%	75%	75%		
		Number of Tribunal Tribunes published annually and distributed according to agreed distribution list	3 to 75 annually	3 annually				3 annually		
2.3 Identify and address stakeholder needs and expectations in order to meet or exceed requirements	Level of stakeholder satisfaction	Planned and implemented actions against stakeholder satisfaction survey results	Adjudicative process - 75% stakeholder satisfaction	No survey scheduled for this year						

Goal Statement 3: To ensure the Tribunal has effective strategic leadership, administration and management through adherence to good corporate governance and sound business practices.

Strategic Objective Statement	Outcome	KPI	Base Line	Annual	Target				Budget	Actual - Ytd
					Q1	Q2	Q3	Q4		
3.1 Increase the level of compliance with the prescripts of good governance	Accountable and transparent Public Entity	Achieve an unqualified audit outcome year on year	New annual target in 2015/2016	Unqualified audit – no issues of governance raised	Unqualified audit – no issues of governance raised	-	-	-	R 3 330 257.46	
3.2 Maintain effective oversight structures that promote solid business practice	Sound Business Practice	Achieve an unqualified audit outcome year on year	New annual target in 2015/2016	Unqualified audit – no issues of governance raised	Unqualified audit – no issues of governance raised	-	-	-		
3.3 Ensure financial management that promotes effective and efficient use of resources	Optimal financial resource allocation and utilisation	Achieve an unqualified audit outcome year on year	New annual target in 2015/2016	Unqualified audit-no findings of fruitless /wasteful expenditure	Unqualified audit –no findings of fruitless/wasteful expenditure	-	-	-	R 1 491 434.64	
3.4 Ensure a sound control environment and monitor	Compliance to requirements as an accountable,	No material misstatements for May submission	New annual target in 2015/2016	No material misstatement on May submission	No Material Misstatements on May submission	-	-	-		

Strategic Objective Statement	Outcome	KPI	Base Line	Annual	Target				Budget	Actual - Ytd
					Q1	Q2	Q3	Q4		
compliance and ensure that all reporting requirements are met	transparent institution	Submission against annual deadline		Annual reporting submission dates met May and July		Annual reporting submission dates met May and July				
	Integrated risk management processes and combined assurance	Achieve an unqualified audit outcome year on year	New annual target in 2015/2016	Unqualified audit – no issues of risk management raised		Unqualified audit –no issues of risk management raised				
3.5 Ensure that the Tribunal effectively leverages employee skills by recruiting, retaining and developing high quality people	Strengthen the Tribunal's organisational capacity and performance to deliver on its legislative mandate	Implementation of Case Management Graduate Internships against plan	New annual target in 2015/2016	Graduate internship implemented	Graduate internship targets meet plan requirements	Graduate internship targets meet plan requirements	Graduate internship targets meet plan requirements	Graduate internship targets meet plan requirements	R 2 130 896.58	

Annexure G: Expenditure allocation by objective – ENE submission November 2015

R thousand	Audited Outcome		Preliminary outcome		Revised estimate		Average growth rate (%)		Expenditure total: Average (%)		Medium-term estimate		Average growth rate (%)		Expenditure total: Average (%)		
	2012/13	2013/14	2014/15	2015/16	2012/13-2015/16	2013-2015/16	2016/17	2017/18	2018/19	2015/16 - 2018/19	2016/17	2017/18	2018/19	2015/16 - 2018/19	2016/17	2017/18	2018/19
Administration	10 295	14 168	14 452	8 887	-4.8%	37.4%	9 543	10 162	10 932	7.1%	22.9%	10 932	10 932	7.1%	22.9%	10 932	10 932
To ensure effective and efficient adjudication on matters brought	14 405	16 179	16 455	18 635	9.0%	50.9%	20 885	23 611	24 985	10.3%	50.9%	24 985	24 985	10.3%	50.9%	24 985	24 985
To build and develop effective stakeholder relationships	622	729	871	884	11.6%	2.4%	935	998	1 066	7.3%	2.2%	1 066	1 066	7.3%	2.2%	1 066	1 066
Ensure that the Tribunal effectively leverages employee skills	991	980	1 000	1 280	8.9%	3.3%	2 131	2 258	2 394	23.2%	4.6%	2 394	2 394	23.2%	4.6%	2 394	2 394
Competition Appeal Court	476	429	324	499	1.6%	1.4%	642	680	719	12.9%	1.5%	719	719	12.9%	1.5%	719	719
Ensure the Tribunal has effective strategic leadership, administrative record keeping, performance information and case	-	-	-	3 245	-	2.2%	3 331	3 528	3 736	4.8%	8.0%	3 736	3 736	4.8%	8.0%	3 736	3 736
Ensure financial management that promotes effective and efficient	-	-	-	2 289	-	1.5%	2 486	2 954	3 130	11.3%	6.3%	3 130	3 130	11.3%	6.3%	3 130	3 130
	-	-	-	1 320	-	0.9%	1 491	1 598	1 707	8.9%	3.5%	1 707	1 707	8.9%	3.5%	1 707	1 707
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total expense	26 789	32 485	33 102	36 999	11.4%	100.0%	41 444	45 787	48 669	9.6%	100.0%	48 669	48 669	9.6%	100.0%	48 669	48 669

Annexure H: Materiality Framework

Materiality Framework in terms of Treasury Regulation 28.3.1

1 Definitions

Accounting Authority : The Competition Tribunal Chairperson

Executive Authority : Minister of Economic Development

PFMA : The Public Finance Management Act (Act 1 of 1999 as amended by Act 29 of 1999)

Treasury Regulations as issued in terms of section 76 of the Public Finance Management Act, 1999.

2 Introduction

28.3.1 For purposes of material [section 55(2) the Act] and significant [section 54(2) of the Act], the accounting authority must develop and agree a framework of acceptable levels of materiality and significance with the relevant executive authority.

3 Framework

PFMA Section	Quantitative [Amount]	Qualitative [Nature]
	Materiality figure for the year ending March 2017 is R 474 000.00	
<p>S55 Annual report and financial statements (PFMA Section 55) (2) The annual report and financial statements referred to in subsection (1) (d) must—</p> <p>(a) fairly present the state of affairs of the public entity, its business, its financial results, its performance against predetermined objectives and its financial position as at the end of the financial year concerned;</p> <p>(b) include particulars of—</p>		
<p>(i) any material losses through criminal conduct and any irregular expenditure and fruitless and wasteful expenditure that occurred during the financial year:</p> <p>(ii) any criminal or disciplinary steps taken as a consequence of such losses or irregular expenditure or fruitless and wasteful expenditure;</p> <p>(iii) any losses recovered or written off;</p> <p>(iv) any financial assistance received from the state and commitments made by the state on its behalf; and</p> <p>(v) any other matters that may be prescribed; and</p>	<p>1. Losses through criminal conduct –any loss identified.</p> <p>2. Losses through irregular / fruitless / wasteful expenditure.</p>	Any identified loss through criminal conduct.

PFMA Section	Quantitative [Amount]	Qualitative [Nature]
S54		
Information to be submitted by accounting authorities (PFMA section 54)		
(2) Before a public entity concludes any of the following transactions, the accounting authority for the public entity must promptly and in writing inform the relevant treasury of the transaction and submit relevant particulars of the transaction to its executive authority for approval of the transaction:	Not applicable	
(a) establishment or participation in the establishment of a company;	Not applicable	Not Applicable Not applicable
(b) participation in a significant partnership, trust, unincorporated joint venture or similar arrangement;	Not applicable	
(c) acquisition or disposal of a significant shareholding in a company;	Not applicable	Not applicable
(d) acquisition or disposal of a significant asset;	Not applicable	Any asset that would increase or decrease the overall operational functions of the Tribunal, outside of the approved strategic plan and budget
(e) commencement or cessation of a significant business activity; and	Not applicable	Not applicable
(f) a significant change in the nature or extent of its interest in a significant partnership, trust, unincorporated joint venture or similar arrangement.	Not applicable	Not applicable

4 Authorisation

This framework was adopted by the Tribunal in September 2015

Determination of Materiality

	% max	2014/2015 (audited)	1%
Materiality bases			
Gross Revenue (excl. EDD grant)	1	R 14 247 841.88	142 748.42
Total expenses	1	R 33 102 633.11	331 026.33
Materiality figure			473 504.75

- Due to the nature of the business of the Competition Tribunal (it is not a capital intensive business) the best indicator with regard to business activity is revenue and expenditure. The Tribunal has taken the average of 1% of actual revenue and actual expenditure in 2014/2015 to determine the materiality figure for 2016/2017.

- Using the calculation described above the Tribunal's recommended materiality figure for 2016/2017 is R 474 000.00.

Annexure I: Technical Indicator Descriptions

(DUE TO THE SIZE OF THIS DOCUMENT ANNEXURE I IS SUBMITTED AS A SEPARATE DOCUMENT)