



the dpsa

Department:
Public Service and Administration
REPUBLIC OF SOUTH AFRICA

Private Bag X916, PRETORIA, 0001 Tel: (012) 336 1000, Fax: (012) 326 7802
Private Bag X9148, CAPE TOWN, 8000 Tel: (021) 467 5120, Fax: (021) 467 5484

Enquiries: Ms Sebakeng Salome Email: Salomem@dpsa.gov.za

Ms. Mkhwanazi Gladys Email: Gladysn@dpsa.gov.za

CIRCULAR NR 40 OF 2026

TO: ALL HEADS OF NATIONAL/PROVINCIAL DEPARTMENTS AND
PROVINCIAL ADMINISTRATIONS.

SUBJECT: PRESERVATION AND SAFEGUARDING OF EMPLOYEE PENSION RECORDS IN
THE PUBLIC SERVICE.

1. Purpose

- 1.1 This circular draws your urgent attention to recent findings by the Public Protector regarding maladministration in pension record management of employees who previously served in the former homeland administrations.
- 1.2 The Circular further directs all Departments to take immediate and practical steps to preserve and safeguard employee pension records in line with the Public Service Regulations, 2016 as amended, and the Basic Conditions of Employment Act, 75 of 1997.

2. Background

- 2.1 The Public Protector of South Africa made findings following an investigation into allegations of failure by two government departments to provide the Government Pensions Administration Agency (GPAA) with the correct years of pensionable service of an employee.
- 2.2 The final report of the Public Protector was issued in terms of section 182(1)(b) and (c) of the Constitution of the Republic of South Africa, 1996 (the Constitution), which empowers the Public Protector to report on any conduct in state affairs that is suspected to be improper or to result in any impropriety or prejudice and to take appropriate remedial action, read with section 8(1) of the Public Protector Act, 1994 (Public Protector Act), which provides that the Public Protector may make known the findings, point of view or recommendation of any matter investigated by her.

- 2.3 The Report found that the departments concerned failed to comply with their statutory obligations under Sections 38(1)(a) and (e) of the PFMA, which requires accounting officers to maintain proper financial and personnel records; and Section 31(1) of the Basic Conditions of Employment Act, which requires employers to maintain accurate employment records.
- 2.4 The investigation and findings highlighted a systemic governance deficiency within the public service regarding the preservation, transfer, and verification of historical employment records of employees from former homeland administrations. The Report further concluded that the absence of a coordinated national framework to manage such historical service data continues to expose former homeland employees to administrative injustice and financial loss.

3. Critical Importance of Preserving Pension Records of employees

- 3.1 The loss of employees' files directly impacts the Government Employees Pension Fund (GEPF) clean break and retirement processes.
- 3.2 Accurate pension records are the foundation for the administration of retirement benefits under the GEPF. With the implementation of cost-containment measures, including early retirement and voluntary exit initiatives, and the broader need to ensure continuity of service, the integrity of pension data has become even more critical.
- 3.3 Loss or poor management of pension records has, in several instances, resulted in:
 - i. Delays in processing of retirement, resignation and death benefits
 - ii. Incorrect benefit calculations and financial prejudice to employees and pensioners
 - iii. Increased litigation and administrative costs to the State and
 - iv. Non-compliance with statutory and regulatory obligations
- 3.4 Key Risks of Poor Pension Record Keeping:
 - i. Financial Hardship: Delayed or rejected pension payouts due to unverified service histories.
 - ii. Litigation: Increased costly lawsuits against departments by frustrated retirees.
 - iii. Audit Findings: Adverse findings due to unsupported human resource expenditure.

4. Legislative and Regulatory Framework

- 4.1 All National/ Provincial departments and Provincial Administrations are reminded of the following obligations:
 - a. **Public Service Regulations, 2016 as amended,**
 - i. Regulation 70: Mandates that every Head of Department must maintain accurate records of each employee and every post on the department's establishment. These employment records must strictly comply with the information requirements and guidelines issued by the Minister.
 - b. **Basic Conditions of Employment Act, 75 of 1997**
 - i. Section 29: Employers must keep a record of, among other things, remuneration paid and time worked. These records form the basis for pensionable salary calculations.
 - ii. Section 31: Records must be retained for a period of at least 3 years. For pension purposes, departments are required to retain records for the duration of employment plus any period required by the GEPF and National Archives prescripts to ensure full benefit traceability.

5. Pension record management

5.1 All National/ Provincial departments and Provincial Administrations are directed to enforce the following safeguards within their respective departments:

- a. Audit: Conduct a comprehensive audit of all active and archived personnel files, ensuring every official has a complete, indexed paper and digital record.
- b. Pre-1994 Service Records: Ensure comprehensive verification of the pre-1994 service records, ensuring full compliance with constitutional and statutory requirements for continuity of service.
- c. Dual Storage (Digitization): Backup all physical pension forms and records into a secured, centralized digital document management system.
- d. Strict Access Control: Restrict registry access to authorized personnel only and maintain a rigorous file-tracking log.
- e. Consequence Management: Institute disciplinary action against any official found destroying, misplacing, or neglecting employees' records.

f. Timeous Submission

- i. Submit all retirement, early retirement, resignation and death documentation to GEPP within 30 days of the effective date.
- ii. Nominate a dedicated HR officer for Pension/ Service Terminations in each department to coordinate with GEPP.

g. Capacity and Training

- i. Train Human Resources payroll officials on the importance of accurate pension data capture and the legal consequences of negligence.
- ii. Consider Inclusion of pension records management as a standing item in the Departmental Risk Register.

6. Conclusion

The preservation and safeguarding of pension records is not merely a routine administrative task; it protects the livelihood of public servants who have dedicated their lives in service of citizens.

All National/ Provincial departments and Provincial administrations are directed to ensure full compliance with this Circular.



Mr. Willie Vukela

A/Director-General: Department of Public Service and Administration

Date: 23/07/26