

Joint Forum Implementation Guide

Sanlam Umbrella Fund

1 The purpose and status of the Joint Forum

Joint Forums are designed to facilitate the processes of consultation and decision-making between the participating Employer and its Members in respect of their group retirement benefits in accordance within the spirit of the Labour Relations Act.

The most important function of the Joint Forum is to ensure that the Employer's participation in the Umbrella Fund is effective and well managed. The Members of the Joint Forum will meet once a year (or as often as may be determined) to consider the administration, investment, cash flow and other reports and to monitor service providers against their Service Level Agreements.

The Joint Forum is not responsible for the operation and management (fund governance) of the Umbrella Fund. That is the duty of the Board of Trustees of the Sanlam Umbrella Fund. The Joint Forum is also not responsible for the day to day management and participation in the Fund. These duties are performed by the appointed HR and Payroll officers.

The Employer has the right to consider and approve or disapprove any decision that will have an effect on its finances or its labour relations. The Employer remains the contracting Party in its dealings with the Fund and other relevant providers with the Fund. As such, the Employer ultimately remains accountable and liable for any losses that may arise out of its participation in the Umbrella Fund.

2 Powers and duties of the Employer

The Employer is ultimately responsible for the smooth operation of its participation in the Umbrella and for compliance with all the requirements laid down by the fund.

The Employer must at all times ensure the appointment of two (2) Member Representatives and a first and subsequent alternate and must communicate their contact details to the Fund.

The Employer is required to establish and maintain the Joint Forum and ensure the smooth operation of its participation. To this end the Employer is required to -

- a. Appoint two (2) Employer Representatives on the Joint Forum and one alternate provided that small funds (funds with less than 20 members) can have one employer and one member representative with alternates;
- b. Assist members to elect two (2) Member Representatives and a first alternate (subject to the proviso for small funds);
- c. If the members fail to participate, or in the event of special circumstances the employer will be required to nominate the member representatives and alternates. In doing so, the Employer will favour persons with established leadership and member representation credentials and persons who do not serve on the executive management structure of the Employer.
- d. Consider and where appropriate, approve or disapprove decisions of the Joint Forum that may have additional cost or labour relations implications for the Employer;
- e. Support and assist the Joint Forum to meet at least once per annum, making available to them a place to meet, time off to prepare for and attend Joint Forum meetings and Annual General

Meetings as well as the use of company communication systems and infrastructure to communicate with the membership and obtain information to facilitate the allocation of death benefits.

- Biennial meetings may by agreement be appropriate and cost effective for smaller employers once participation has been bedded down properly.
 - Employers can also consider electronic reports in between meetings.
- f. Take responsibility for the payment of all the staff related costs of the Joint Forum.

3 Powers and duties of the Joint Forum

The Joint Forum will have the following powers and duties –

3.1 Establishment and maintenance of infrastructure

To ensure that the necessary appointments are made by the employer and to help facilitate the establishment and maintenance of the necessary infrastructure, processes and procedures required by the fund. The following are the key functions –

	Powers and duties	Person responsible
1.	The monthly update of Member data	Payroll officer
2.	The payment of contributions by the due date	Payroll officer
3	Member communication and documentation	Fund / Benefit consultant
4.	The election of Member Representatives	Benefit Consultant, HR officer and membership
5.	Investigating and processing death benefits	HR officer
6.	Member presentations	Benefit Consultant / Contracted Financial Adviser
7.	Amendments to the benefit structure / special rules	Joint Forum
8.	Review of any service provider	Joint Forum

3.2 Ongoing Monitoring

To monitor participation by studying the following reports –

	Service monitored	Report or instrument
1.	Monitor the payment of benefits and services by the administrator in terms of the Service Level Agreement	Administration report
2.	Monitor the investment performance of the Trustee portfolios and other relevant portfolios	Investment report
3	Monitor the contribution and premium payments	Cash flow report
4.	Review benefit structure and risk benefits from time to time	Consultant's report

5.	Monitor complaints or member concerns to determine trends and service delivery problems	Complaints lodged with HR and escalated to the JF recorded in a log
6.	Monitor member communication	Member newsletters, presentations and ad hoc communications
7.	Monitor the performance of each internal nomination or appointment	General service delivery of officers and complaints received
8.	Monitor and review the efficiency of the operation from time to time and where appropriate, recommend the termination and replacement by the Employer.	General service delivery of service providers and complaints received

4 Can members of the Joint Forum incur personal liability?

The Joint Forum is designed to facilitate the process of consultation and decision-making between the participating employer and the Members. The Employer (not the Joint Forum) then considers and acts on the decisions taken. As a result, the Employer, as the contracting Party, will incur liability in the event of losses being suffered.

To the extent that Members of the Joint Forum neglect their duties, they will be answerable in terms of the internal disciplinary procedures of their constituencies, being the Members or the Employer. Members of the Joint Forum may not provide members with financial advice. It is a criminal offence to do so unless the person is properly licensed to do so in terms of the FAIS Act.

5 Inviting nominations

The simplest way to ask for nominations is to send out a communication to the entire membership requesting nominations for persons to stand for election as Member Representatives of the Employer's Joint Forum.

A Joint Forum consisting of two (2) Member and two (2) Employer Representatives with an alternate for each group is considered efficient and most cost effective. Larger groups are often more costly to convene and tend to make decision-making more protracted and slow. It is also advisable to request that persons nominated are from the region where meetings will be held in future, if such an arrangement will be acceptable politically. All travel and accommodation costs will typically be for the Employer's account.

The term of appointment is typically three (3) years.

If there are one or more unions or staff associations with a strong following, an alternative may be to agree to give each "constituency" one (1) or a proportional number of seats at the Joint Forum.

Invitations for nominations are best circulated as an attachment to the payslip. The attached covering letter and nomination form can be used as a basis for the preparation of your nomination request.

- If more persons than the number of Member Representatives required and two (2) alternates are nominated, then an election must be held.
- If the correct number of persons is nominated, they may fill the positions as determined by consensus or failing consensus, by the drawing of straws.
- If fewer persons than required have been nominated, the Employer will nominate the remaining Member Representatives and alternates. In doing so, the Employer will favour persons with

established leadership and member representation credentials, and persons who do not serve on the executive management structure of the employer.

6 The election process

Ballot papers are best circulated as an attachment to the payslip. The attached draft ballot paper can be used as a basis for the preparation your ballot paper.

Votes are cast using the ballot papers on voting day by depositing them at the HR office or other convenient place. Email votes can also be allowed for persons who have their own office PC with a unique PC Identity.

The counting of the votes needs to be undertaken by persons who have no direct conflict of interest. HR personnel are often well suited for the job.

7 Obtain relevant documents prior to the meeting

	Item	Comments	Obtain from	Notice period
1.	Fund structure & Cost	Within first year, obtain this from the final quotation. After first revision, obtain this from the revision letter	Download from Retirement Fund Web	
2.	Quarterly report per employer	This will include: Admin report, claims report, cash flow report.	SUF Account Manager for the relevant participating employer	10 working days
3	SUF Trustee Report	Use the latest version available	Download from Retirement Fund Web / monthly Consultant Tool kit update	
4.	Special Rules and applicable policy certificates	Policy certificates issued only for unapproved benefits	Download from Retirement Fund Web	
5.	Joint Forum industry update and member newsletters	Use the latest information available	Download from Retirement Fund Web / monthly Consultant Tool kit update	

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