

The Compensation Commissioner for Occupational Diseases (CCOD)



Presentation to Portfolio
Committee on Health



Annual Report (2017/18)
(Unaudited)



17 October 2018



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Highlights for 17/18



- Continued support of mining companies and social partners
- Approval of Actuarial Valuation Report (as at 31 March 2017)
 - 2016 report used to adjust levies and benefits as from 1 April 2018
- Audit of Annual Reports and Financial Statements by Auditor-General of South Africa on 2012/13 and 2013/14 Financial Years (Revenue qualification)
- Brokered agreement on class – action settlement (still needs court approval)

Highlights for 17/18



- Business process
 - 1 081 certifications per month ~ 1 679 previously (+8.1% on target – 12 972 / 12 000)
 - 860 payments per month ~ 437 previously (+72% - 10 324 / 6000)
 - Fixed & mobile One Stop Service Centres – 1 054 medical assessments conducted per month
 - Extended the electronic access of the database of ex-mineworkers to the One Stop Service Centres
 - 73% of controlled mines and works paying levies (+67% inspections – 100/60)



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Challenges



- Amendments to Occupational Diseases in Mines & Works Act, 1973 – no progress
- Governance committees functional other than Risk Committee
- -27%: provision of benefit medical examinations (12644 : 16000)



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Substantial Backlogs



- Information Technology (R20m)
- Medical, financial, legal, information technology personnel
- Buildings & equipment
- Nominal increase in voted funds



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Voted Funds - Expenditure



R' 000	2015/16 Actual	2016/17 Actual	2017/18 Actual	2018/19 Budget
Compensation of Employees	29 285	31 523	33 297	35 149
Goods and Services	14 652	24 305	18 883	24 386
Transfers	3 445	4 144	3 784	3 836
Capital	2 041	178	2 535	2 293
Total	49 423	60 150	58 499	65 664



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Voted Funds – Actual vs Budget 2017/2018



R'000	Budget	Actual	Available	% Spent
Compensation of Employees	27 082	33 297	(6 215)	123%
Goods and Services	28 138	18 883	9 255	67%
Transfers	3 743	3 784	(41)	101%
Capital	2 710	2 535	175	94%
Total	61 673	58 499	3 174	95%



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Compensation Fund - Budget (MTEF)



R' 000	2017/18	2018/19	2019/20	2020/21
Administration	294 357	304 540	317 759	335 591
Pensioners	3 718	3 836	4 050	4 272
Ex-miners	254 212	235 174	258 692	279 387
Tuberculosis	25 107	22 000	24 200	26 136
Total	577 394	565 550	604 701	645 386



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Financial Performance*



R' 000	2014/15	2015/16	2016/17	2017/18
Tax (levy)	260 939	296 795	335 273	307 798
Non-tax (interest)	172 104	201 170	270 349	313 249
Transfers	3 215	3 363	3 541	3 718
Total Revenue	436 258	501 325	609 163	624 765
Expenses	165 919	171 905	174 366	577 394
Surplus	270 339	329 423	434 797	47 371



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*Unaudited

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Financial Position*



R' 000	2014/15	2015/16	2016/17	2017/18
Investments	2 963 136	3 163 067	3 882 735	4 105 625
Receivables and prepayments	40 488	27 338	1 910	5 980
Cash and cash equivalents	58 995	60 000	21 752	169 756
Total assets	3 062 619	3 250 405	3 906 397	4 281 361
Accumulated surplus/(deficit)	1 891 950	2 176 824	198 959	536 135
Trade and other payables	27 024	19 560	36 297	38 230
Provisions	1 143 645	1 054 021	3 671 141	3 706 996
Total equity and liabilities	3 062 619	3 250 405	3 906 397	4 281 361



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*Unaudited

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Financial Performance (MTEF)



R' 000	2017/18	2018/19	2019/20	2020/21
Tax (levy)	307 798	127 200	129 000	130 000
Non-tax (interest)	313 249	255 000	250 000	245 000
Transfers	3 718	3 836	4 050	4 272
Total Revenue	624 762	386 033	383 050	379 272
Expenses	577 394	565 550	604 701	645 386
Surplus / (Deficit)	47 371	(179 514)	(221 651)	(266 114)



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Financial Position (MTEF)



R' 000	2017/18	2018/19	2019/20	2020/21
Investments	4 105 625	4 155 162	4 121 677	4 178 796
Receivables and prepayments	5 980	36 000	35 000	33 000
Cash and cash equivalents	169 756	25 000	20 000	22 000
Total assets	4 281 361	4 216 162	4 176 677	4 233 796
Accumulated surplus/(deficit)	536 135	367 787	431 950	474 446
Trade and other payables	38 230	39 000	37 500	36 000
Provisions	3 706 996	3 809 375	3 707 227	3 723 350
Total equity and liabilities	4 281 361	4 216 162	4 176 677	4 233 796



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Annual Reports / Financial Statements



- 2012/13 (Revenue qualification) & 2013/14 (Revenue qualification) signed off by Auditor-General of South Africa
- Printing of above reports for submission to Portfolio Committee
- 2014/15 currently being audited
- 2015/16 is being prepared for submission to Auditor-General



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Objectives



Objective	Indicator	Performance (2017/18)	Target (2017/18)
Policy and legislation framework	Develop, gazette and implement policy and legislative framework	Draft policy document has been developed	Submission of policy, legal, management, organisation and service delivery framework
Governance and management	Meetings of Audit & Risk and Advisory Committee	7 - Audit and Risk Committee 5 – Advisory Committee	4 meetings of Audit & Risk and 4 meetings of Advisory Committee
One Stop Service Centres	One Stop Service Centres in provinces & neighbouring countries	One stop centres opened in Burgersfort, Kuruman, Botswana, Lesotho, Mozambique & Swaziland in 2017/18	Burgersfort, Kuruman, Botswana, Lesotho, Mozambique & Swaziland

Objectives



Objective	Indicator	Performance (2017/18)	Target (2017/18)
Effective & efficient management of Compensation Fund	Database	Database extended to One Stop Services centres in Carletonville, Mthatha, Burgersfort and Kuruman	Addition of 400 000 current workers; extension to One Stop Service Centres
	% unpaid claims as at 31 March 2015	8.43% of unpaid claims during the 2017/18 year	5% of unpaid claims
	% of new claims from 1 April 2017 paid within 3 months	Tools to measure this indicator are still being developed	20% paid within 3 months



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Objectives



Objective	Indicator	Performance (2017/18)	Target (2017/18)
Effective & efficient management of Compensation Fund	% of controlled mines & works paying levies	73%	70%
	Actuarial valuation report as at 31 March 2017	Achieved – Annual actuarial valuation report as at 31 March 2017 completed	Annual actuarial valuation report as at 31 March 2017
	Annual reports and financial statements	2012/13 and 2013/14 reports submitted to the Auditor General in January 2018	2012/13 and 2013/14 reports submitted to Auditor-General of South Africa



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Objectives



Objective	Indicator	Performance (2017/18) (%)	Target (2017/18)
Effective & efficient management of Compensation Fund	Benefit Medical Examinations	12 644(-27%)	16 000
	Claims certified	12 972(+8%)	12 000
	Claims paid	10 324(72%)	6 000
	Inspections of mines and works	100(+67%)	60
	Outreach activities	17(+70%)	10
	TB Treatment claims (loss of earnings)	6 772(+697%)	850



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Acknowledgement



- Staff of the MBOD/CCOD
- Departments of Planning, Monitoring & Evaluation; Mineral Resources & Labour
- Provincial and neighbouring country governments
- Public Entities Governance (Health Regulations & Compliance Management)
- Minerals Council of South Africa / Gold Working Group
- Trade unions (AMCU, NUM, NUMSA, Solidarity, UASA)
- Ex-mineworker associations; NGOs
- Social partners (World Bank, Global Fund, DFID, IOM)
- NIOH & MHSC; Rand Mutual; TEBA



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Thank You



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