

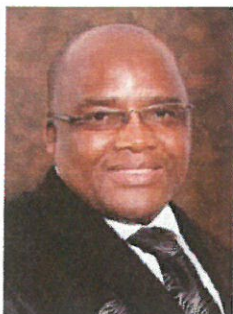


**The Compensation Commissioner
for Occupational Diseases in Mines and Works (CCOD)
Department of Health**

**Annual Performance Plan
for the Financial Year
2016/17**

March 2016

Foreword by the Minister of Health



The Compensation Commissioner for Occupational Diseases (CCOD) has continued with the business reform processes towards improved financial reporting of the CCOD with the awarding of the tender for the actuarial valuation of the Compensation Fund. Operation Ku-Riha that was launched in May 2015 is tracing unpaid claimants to complete missing documents and effect their payments. The Chamber of Mines and the Gold Mining companies are acknowledged for their support to the CCOD through the provision of funding for the electronic database of 700 000 claimant files, piloting the in-bound and outbound call centre initiatives to update the claimant records and provision of human resources for the completion of the outstanding financial statements and the activities of the Certification Committees.

The screening programme for TB in the mining sector led by the Chamber of Mines has shown that TB is a considerable burden in the sector. The Chamber of Mines has committed its members to be part of the TB screening, case finding and active contact tracing programme through partnerships with government, trade unions and non-governmental organisations.

The Presidency has taken the lead on interventions for the Revitalisation of Distressed Mining Communities with several work streams covering Integrated Human Settlements, Improving Working Conditions, Socio-economic Development and Mining Charter Compliance. Officials from the Department are participating actively in this programme and have made presentations at the Mining Phakisa.

I have engaged with the Ministers of Labour and Mineral Resources about the need for an integrated, unified and comprehensive compensation system for occupational injuries and diseases. To this end, the Deputy Minister of Mineral Resources supported by the Deputy Ministers of Health and Labour has set up a steering committee and task teams to consider the policy and legislative changes for an integrated compensation system, the organization and management of the system, the benefit package, services and the funding of the system. The steering committee and task teams have government, employers, trade unions and ex-mineworker association representatives and technical experts.

This Annual Performance Plan will reflect the performance targets for the CCOD for the 2016/17 financial year. The focus areas will be:

- Participation in the process towards integration of the compensation systems.

- Continued provision of decentralised service facilities for current and ex-workers in controlled mines and works at health facilities in provinces.
- Ensuring the effective and efficient management of the Compensation Fund through training of personnel on the use of the electronic database, increasing the number of paid claimants and submission of annual reports and financial statements of the Compensation Fund.



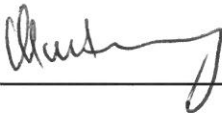
Dr PA Motsoaledi (MP)
Minister of Health

Date: 6/3/2016

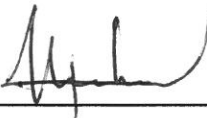
Official Sign - Off

It is hereby certified that this Annual Performance Plan was developed by the management of the CCOD. It reflects the objectives and activities that will improve its delivery of services to current and ex-workers in controlled mines and works and their beneficiaries as well as enhance its interactions with the various stakeholders, role-players, development partners and other government departments. It accurately reflects the performance targets which the CCOD will endeavour to achieve given the resources made available in the budget for the 2016/17 financial year.

Dr MB Kistnasamy
Compensation Commissioner

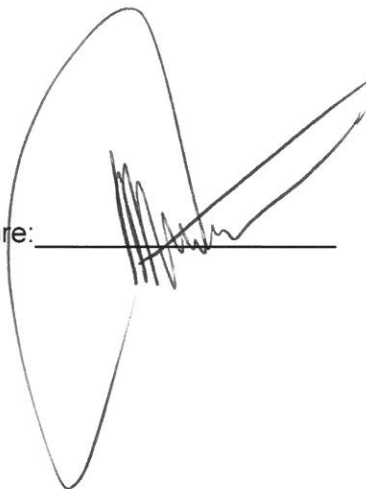
Signature:  _____

Ms MP Matsoso
Director-General: Health

Signature:  _____

Approved by:

Dr PA Motsoaledi (MP)
Minister of Health

Signature:  _____

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Glossary of Terms

BMEs	Benefit Medical Examinations
CCOD	Compensation Commissioner for Occupational Diseases in Mines and Works
COIDA	The Compensation for Occupational Injuries and Diseases Act, No 130 of 1993
FY	Financial Year
MBOD	Medical Bureau for Occupational Diseases
NDOH	National Department of Health
NIOH	National Institute for Occupational Health
ODMWA	Occupational Diseases in Mines and Works Act, No 78 of 1973
TB	Tuberculosis

Part A: Strategic Overview

1. Situation Analysis

1.1 Performance Delivery Environment

The Compensation Commissioner for Occupational Diseases (CCOD) has one national office based in Johannesburg that covers South Africa and the neighbouring countries. The administration costs, mainly the personnel and operational costs of the CCOD, are provided from the budget of the National Department of Health (NDOH). The Fund compensates current and ex-workers in controlled mines and works for impairment or diseases of the cardio-respiratory system and reimbursement for loss of earnings during TB treatment. The Medical Bureau for Occupational Diseases (MBOD) provides medical examinations for ex-workers as well as the assessment and certification process for claimants. The National Institute for Occupational Health (NIOH) provides pathology services for the MBOD through autopsy examinations of the cardio-respiratory organs of deceased current and ex-workers and referral of those claims to the MBOD.

The activities of the CCOD and MBOD are regulated by the Occupational Diseases in Mines and Works Act, No 78 of 1973 (ODMWA). ODMWA covers compensation for cardio-respiratory diseases (mainly dust exposure related) in workers in controlled mines and works. The Compensation for Occupational Injuries and Diseases Act, No 130 of 1993 (COIDA) provides for compensation for disablement caused by occupational injuries or diseases sustained or contracted by workers in the course of their employment, or for death resulting from such injuries or diseases. COIDA is administered by the Department of Labour and

covers all workers for occupational injuries and diseases other than those covered by ODMWA.

The Chamber of Mines and the Gold Mining companies continued their support for the various business process reforms at the CCOD. These included secondment of medical doctors to the Certification Committees of the MBOD, technical support for the preparation of the annual financial statements, personnel for the Carletonville One Stop Service Centre and funding for the electronic database and tracking and tracing of claimants and beneficiaries.

While some targets in the Annual Performance Plan for the CCOD were met, there was a decline in the number of compensation payments owing to the non-functioning of the Certification Committee of MBOD as a consequence of the resignation of doctors from the Committee and the resignation of the Director of the MBOD. The Minister approved rule changes for the appointment of additional doctors to the Certification Committees which began functioning in November 2015. The Certification Committees assess the claimant file and health records and determine whether the claimant has a compensable cardio-respiratory disease.

The Compensation Fund continued to pay monthly pensions to 106 pensioners in terms of the Pneumoconiosis Compensation Act, No 64 of 1962 which preceded ODMWA. The monthly pensions are provided from voted funds. 1 421 persons other than pensioners were compensated as at the end of February 2016 with the bulk of the payments being to claimants who had loss of earnings for TB.

Previous audits noted that many claimant files were missing during the audit. As part of the business reforms of the CCOD, a tender was awarded to Metrofile to provide off-site storage of claimant files and daily deliveries of requested files to the CCOD. A file verification exercise of the 700 000 claimant files at the MBOD and CCOD was supported by the Chamber of Mines. The documents within all files have been scanned and stored on an electronic database. Operation Ku-Riha was supported by the Gold Mining group within the Chamber of Mines and ensured that 304 claimant files were finalised for payment as part of the total claimants paid other than pensioners. The tracking and tracing project of the unpaid claimants supported by the Chamber of Mines and the Gold Mining Companies is underway to trace claimants, get completed documents and effect further payments to claimants.

Approximately 1 172 current and ex-workers were seen at the One Stop Service Centre in Mthatha and 2 288 in Carletonville as at the end of February 2016 and 604 and 772 completed Benefit Medical Examination forms were submitted to the MBOD respectively. Both sites have had visits from ex-mineworker associations, employer groups, development partners, portfolio committees and delegations from neighbouring countries. New One Stop Service Centres are planned for Burgersfort in Limpopo and Kuruman in Northern Cape.

Under very difficult conditions in the mining sector as a result of the depressed commodities market, revenue was stabilised through verification of risk shifts by financial inspections of 89 controlled mines and works as at the end of February 2016. Revenue generated from levies in

the 2013/14 FY was R269 million, R260 million in the 2014/15 FY and as at February 2016, R289 million. The decline in revenue in the 2014/15 FY was due to less risk shifts worked and closures of mines. The Deputy Compensation Commissioner with the support of the inspectors has redoubled efforts in the collection of levies from non-paying controlled mines and works resulting in increased revenue.

The nine health inspectors funded by the Global Fund have assessed the TB programmes and health risks at the controlled mines and works. The health inspections were conducted in 227 controlled mines and works to collect baseline medical screening data out of the 246 controlled mines and works. 213 controlled mines and works (87%) had evidence of screening mineworkers for TB at least once a year.

The Advisory Committee of the CCOD comprising representatives of employers and trade unions in the mines and works sector were involved in many of the activities of the CCOD and provided advice and technical inputs and mobilised resources. The Risk Committee of the MBOD which determines the risk profile of controlled mines and works met infrequently. The Compensation Commissioner is making a concerted effort to ensure that the Risk Committee fulfils its mandate and role.

The Compensation Commissioner played an active role in initiatives led by the Presidency on the Revitalisation of Distressed Mining Communities and on TB interventions in the mining sector through the Global Fund project in 10 countries in Southern Africa. Members of management of the MBOD/CCOD attended the 2 day workshop on integration of compensation systems hosted by the Deputy Minister of Mineral Resources with the support of the Deputy Ministers of Health and Labour.

1.2 Organisational Environment

The MBOD plays a critical support role to the CCOD through the provision of Benefit Medical Examinations (BMEs) and certification of compensable claims. Under ODMWA, BMEs have to be performed every two years on the current or ex-worker in controlled mines and works. There are substantial backlogs in the provision of BMEs owing to a lack of decentralised services. In addition the activities of the Certification Committee stopped in August 2015 due to resignations a member of the Certification Committee and a lack of quorum for the activities of the Certification Committee. The Director of the MBOD resigned in September 2015 which further compounded the problem. At the request of the Compensation Commissioner, the Chamber of Mines provided 19 doctors to support the activities of the Certification Committees. The Minister subsequently appointed the 19 medical doctors, made rule changes under ODMWA to provide for multiple Certification Committees and delegations of the powers and functions of the Director of the MBOD to the Heads of the Certification Committees. The newly constituted Certification Committees began functioning in November 2015.

There are still gaps in the management of facilities, provision of technology and personnel for human resource management, financial management, information technology and health

services. The Mineworkers Compensation System which is the backbone of the information technology system was developed in the 2000/01 period and is an archaic system and needs replacement. The tender for the actuarial valuation of the Compensation Fund was awarded to Deloitte and Touche and their actuarial valuation report will be incorporated into the annual financial statement of the 2010/11 financial year. The internal audit function as a co-sourced activity is in place and the enterprise wide risk register for the CCOD has been updated.

There were work stoppages at the CCOD resulting in some setbacks with the business reform processes and a temporary withdrawal of seconded personnel and contractors, for safety reasons, by the Gold Working group of the Chamber of Mines.

The current senior management of the CCOD is as follows:

- Dr Barry Kistnasamy as Compensation Commissioner and head of the Occupational Health Cluster within the Department of Health
- Dr Weitz Botes as Chief Operating Officer (Acting)
- Mr Sam Molautsi as Deputy Compensation Commissioner
- Dr Nhlanhla Mtshali as Chair of the Certification Committee
- Mr Mishack Maswanganye as the Director of Finance

2. Revisions to Mandate

There were revisions to the mandate with respect to ODMWA and covered the creation of multiple Certification Committees, the appointment of additional medical doctors to the Certification Committees and rule changes for the delegations of the powers and functions of the Director of the MBOD to the Heads of the Certification Committees.

3. Overview of the 2016/17 Budget and MTEF Estimates

3.1 Expenditure Estimate

	Outcome*				Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2012/13	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19		
R million												
Administration	7.8	7.7	7.4	7.8	-	5.3%	8.1	8.4	7.3	-2.1%	4.3%	
Compensation of pensioners	2.9	3.1	3.2	3.4	4.9%	2.1%	3.2	3.7	3.9	5.1%	1.9%	
Compensation of ex-miners	92.6	114.0	132.2	134.2	13.2%	79.0%	141.0	148.0	151.3	4.1%	77.6%	
Compensation of tuberculosis	12.8	19.0	22.1	25.6	25.9%	13.1%	22.1	34.4	36.6	12.7%	15.9%	
Eastern Cape project	0.6	0.8	1.0	0.9	14.6%	0.5%	1.0	0.7	0.7	-55.7%	0.4%	
Total	116.8	144.6	165.9	171.9	13.7%	100.0%	175.3	195.2	199.8	5.1%	100%	

*Unaudited

3.2 Relating Expenditure Trends to the Strategic Outcome Oriented Goals

The Compensation Commissioner for Occupational Diseases in Mines and Works administers the Mines and Works Compensation Fund. The Compensation Commissioner's focus over the medium term will be on increasing the number of claims paid and fast-tracking the claims management process. This is in line with the National Development Plan's vision of providing social protection for vulnerable groups (an inclusive and responsive social protection system) and a long and healthy life for all South Africans in government's 2014-2019 medium term strategic framework.

However, in the past three years, there has been significant under spending in the compensation of ex-miners programme and the compensation of tuberculosis programme, with 1 421 claims paid out as at the end of February 2016 out of a target of 3 000 for the 2015/16 FY. This is partly due to claimants not submitting the documents required for the Compensation Commissioner to pay out benefits and an inability to track and trace claimants owing to the lag time in certification and processing of compensable claims.

The business reform processes at the CCOD will result in increased transfers to households in the compensation of pensioners, the compensation of ex-miners and the compensation of workers with loss of earnings due to Tuberculosis, at an average annual rate of 7.3% respectively over the medium term, from R166.3 million in 2016/17 to R191.8 million in 2018/19. The Minister of Health has approved an increase in pension levels with the agreement of the Minister of Finance. This will be funded by the annual transfer from the department, and is expected to grow at an average annual rate of 5.1 per cent over the medium term, from R3.2 million in 2016/17 to R3.9 million in 2018/19. The Eastern Cape project covers ex-mineworkers and their beneficiaries as part of a legacy (compensation) fund from the former Transkei government and is paid to claimants who were on the database of the special project initiated by the National Department of Health in 2003.

In increasing the number of claims paid out and fast tracking the claim processes over the MTEF period, 95.8 per cent (R546.6 million) of the Compensation Fund's budget is for transfers to households.

The levies received by the CCOD covers the income protection benefits, bank charges and the costs of the actuarial valuation of the Compensation Fund unlike other compensation funds wherein the levies cover the costs of administration, provision of medical services and income protection. To this end the costs of administration and provision of medical services especially for ex-workers in the controlled mines and works have been externalised to the National Department of Health.

Part B: Programme Plans

4. Organisational Initiatives for 2016/17

The Compensation Commissioner for Occupational Diseases in Mines and Works was established in terms of the Occupational Diseases in Mines and Works Act, No 78 of 1973. In terms of the Act, the Compensation Commissioner is mandated to compensate current and ex-workers in controlled mines and works for diseases of the cardio-respiratory organs and reimbursement for loss of earnings incurred during Tuberculosis treatment. In the case where the current or ex-worker is deceased it compensates the beneficiaries of the current or ex-worker. The Compensation Commissioner also administers the government grant for pensioners.

The key focus areas for the 2016/17 financial year will be:

- Participation in the process towards integration of the compensation systems.
- Continued provision of decentralised service facilities for current and ex-workers in controlled mines and works at health facilities in provinces.
- Ensuring the effective and efficient management of the Compensation Fund through training of personnel on the use of the electronic database, increasing the number of paid claimants and submission of annual reports and financial statements of the Compensation Fund.

4.1 Strategic Objectives and Annual Targets for 2016/17

Strategic Objective	Performance Indicator	Unaudited / Actual Performance*			Estimated Performance 2015/16	Medium-term Targets			Strategic Plan Target
		2012/13	2013/14	2014/15		2016/17	2017/18	2018/19	
To develop and implement the policy and legislative framework for occupational health and compensation	Develop and implement the policy and legislative framework for occupational health and compensation	New Indicator	New Indicator	Hosted consultative meetings	Policy framework developed; 2 meetings with stakeholders	Legal, management and organisational framework for integrated compensation systems developed	Submission of legal, management and organisational framework for integrated compensation systems to authority	Implementation of activities in line with the amended legislation on integration of compensation systems	Integrated compensation policy and legislative framework developed and implemented
To enhance the governance and management of the CCOD	Number of meetings of the Audit and Risk Committee, the Advisory Committee and the Management Committee	New Indicator	4 meetings of Audit and Risk Committee, 2 meetings of the Advisory Committee and quarterly Management Committee meetings	6 Audit and Risk Committee meetings; 3 Advisory Committee meetings; 6 Management Committee meetings	6 Audit and Risk Committee meetings; 4 Advisory Committee meetings; 8 Management Committee meetings	4 meetings of Audit and Risk Committee, 4 meetings of the Advisory Committee and 6 Management Committee meetings	4 meetings of Audit and Risk Committee, 4 meetings of the Advisory Committee and 6 Management Committee meetings	4 meetings of Audit and Risk Committee, 4 meetings of the Advisory Committee and 6 Management Committee meetings	4 meetings of Audit and Risk Committee, 4 meetings of the Advisory Committee and 6 Management Committee meetings
To provide occupational health and compensation services through the development of One Stop Service centres in provinces	Number of provinces with One Stop Service Centres to deliver occupational health and compensation services	New Indicator	No provinces with One Stop Service Centre for occupational health and compensation services within their health facilities	Commissioned Mthatha & Carletonville One Stop Service Centres	Planning of One Stop Service Centre in Kuruman in Northern Cape and Burgersfort in Limpopo	Establishment of One Stop Service Centre for occupational health and compensation services in Kuruman in Northern Cape and Burgersfort in Limpopo	-	-	Establishment of One Stop Service Centres in all nine provinces (Not possible to meet target owing to budget constraints)
To develop the database of current and ex-workers in controlled mines and works	Development of the database of claimant files of current and ex-workers in controlled mines and works	New Indicator	New Indicator	New indicator	Updating of the database of the claimant files of current and ex-workers and verification of the data in the database at the CCOD	Update of the database of the claimant files of current and ex-workers at the CCOD and extension of the database to the One Stop Service Centres	Maintenance of the database of the claimant files of current and ex-workers at the CCOD and at the One Stop Service Centres	Maintenance of the database of the claimant files of current and ex-workers at the CCOD and at the One Stop Service Centres	Updated database of the claimant files of current and ex-workers at the CCOD and at the One Stop Service Centres
To clear the backlog in the payment of unpaid compensable claims prior to 31 st March 2015	% of unpaid compensable claims prior to 31 st March 2015 paid by the CCOD	New Indicator	New Indicator	New Indicator	Preliminary file verification audit at the CCOD showed that 104 000 claimant files prior to 31 st March 2015 were not paid	25% of unpaid compensable claims prior to 31 st March 2015 paid by the CCOD	50% of unpaid compensable claims prior to 31 st March 2015 paid by the CCOD	75% of unpaid compensable claims prior to 31 st March 2015 paid by the CCOD	100% of unpaid compensable claims prior to 31 st March 2015 paid by the CCOD
To ensure that all new compensable disease claims as from the 1 st April 2015 are paid by the CCOD within 3 months of receipt of completed documents in the claimant file	% of new compensable disease claims as from the 1 st April 2015 paid by the CCOD within 3 months of receipt of completed documents in the claimant file from the MBOD and One Stop Service Centres	New Indicator	New Indicator	New Indicator	Target not met due to non-functioning of the Certification Committee, work stoppages and lack of complete documents in claimant files	50% of new compensable disease claims as from the 1 st April 2016 are paid by the CCOD within 3 months of receipt of completed documents in the claimant file from the MBOD and One Stop Service Centres	75% of new compensable disease claims paid by the CCOD within 3 months of receipt of completed documents in the claimant file from the MBOD and One Stop Service Centres	100% of new compensable disease claims paid by the CCOD within 3 months of receipt of completed documents in the claimant file from the MBOD and One Stop Service Centres	100% of new compensable disease claims paid by the CCOD within 3 months of receipt of completed documents in the claimant file from the MBOD and One Stop Service Centres

Strategic Objective	Performance Indicator	Unaudited / Actual Performance*			Estimated Performance 2015/16	Medium-term Targets			Strategic Plan Target
		2012/13	2013/14	2014/15		2016/17	2017/18	2018/19	
To ensure collection of levies from 100% of controlled mines and works	% of controlled mines and works paying levies to the Compensation Fund	New Indicator	New Indicator	62%	66%	80% of controlled mines and works paying levies to the Compensation Fund	90% of controlled mines and works paying levies to the Compensation Fund	100% of controlled mines and works paying levies to the Compensation Fund	100% of controlled mines and works paying levies to the Compensation Fund
To conduct an actuarial valuation of the Compensation Fund	Report of the Actuarial Valuation of the Compensation Fund	None	None	None	Actuarial Valuator appointed	1 Actuarial Valuation report of the Compensation Fund	1 Actuarial Valuation report of the Compensation Fund	1 Actuarial Valuation report of the Compensation Fund	1 Actuarial Valuation report of the Compensation Fund
To submit the annual reports including the financial statements of the Compensation Fund to the Auditor General of South Africa	Number of annual reports including the financial statements of the Compensation Fund submitted to the Auditor General of South Africa	None	None	None	None	Submission of the 2010/11 and 2011/12 annual reports including the financial statements to the Auditor General of South Africa	Submission of the 2012/13 and 2013/14 annual reports including the financial statements to the Auditor General of South Africa	Submission of the 2014/15 and 2015/16 annual reports including the financial statements to the Auditor General of South Africa	Submission of the 2016/17 and 2017/18 annual reports including the financial statements to the Auditor General of South Africa

4.2 Quarterly Targets for Strategic Objective Performance Indicators for 2016/17

Performance Indicator	Reporting Period	Annual Target 2016/17	Quarterly Targets			
			1 st	2 nd	3 rd	4 th
Develop and implement the policy and legislative framework for occupational health and compensation	Quarterly	Legal, management and organisational framework for integrated compensation systems developed	Attendance and reports of the meetings of the steering committee and task teams on the integration of the compensation systems	Finalisation of the legal, management and organisational framework for integrated compensation systems	Submission of the legal, management and organisational framework for integrated compensation systems to stakeholders	Report on the legal, management and organisational framework for integrated compensation systems to stakeholders
Number of meetings of the Audit and Risk Committee, the Advisory Committee and the Management Committee	Quarterly	4 meetings of Audit and Risk Committee, 4 meetings of the Advisory Committee and 6 Management Committee meetings	1 meeting of Audit and Risk Committee, 1 meeting of Advisory Committee and 2 Management Committee meetings	1 meeting of Audit and Risk Committee, 1 meeting of Advisory Committee and 1 Management Committee meeting	1 meeting of Audit and Risk Committee, 1 meeting of Advisory Committee and 2 Management Committee meetings	1 meeting of Audit and Risk Committee, 1 meeting of Advisory Committee and 1 Management Committee meeting
Number of provinces with One Stop Service centres to deliver occupational health and compensation services	Quarterly	Establishment of One Stop Service Centre for occupational health and compensation services in Kuruman in Northern Cape and Burgersfort in Limpopo	Commissioning of the One Stop Service Centre in Kuruman in Northern Cape and Burgersfort in Limpopo	Report on the number of ex-workers examined at the One Stop Service Centre in Kuruman in Northern Cape and Burgersfort in Limpopo	Report on the number of ex-workers examined at the One Stop Service Centre in Kuruman in Northern Cape and Burgersfort in Limpopo	Report on the number of ex-workers examined at the One Stop Service Centre in Kuruman in Northern Cape and Burgersfort in Limpopo
Development of the database of current and ex-workers in controlled mines and works	Quarterly	Update of the database of the claimant files of current and ex-workers at the CCOD and extension of the database to the One Stop Service Centres	Report on update of the database of the claimant files of current and ex-workers at the CCOD	Report on the extension of the database of the claimant files of current and ex-workers at the One Stop Service Centres in Mthatha and Carletonville	Report on the extension of the database of the claimant files of current and ex-workers at the One Stop Service Centres in Kuruman and Burgersfort	Report on the updated database of the claimant files of current and ex-workers at the CCOD and extension of the database to the One Stop Service Centres
% of unpaid compensable claims prior to 31 st March 2015 paid by the CCOD	Quarterly	25% of unpaid compensable claims prior to 31 st March 2015 paid by the CCOD	5% of unpaid compensable claims prior to 31 st March 2015 paid by the CCOD	10% of unpaid compensable claims prior to 31 st March 2015 paid by the CCOD	15% of unpaid compensable claims prior to 31 st March 2015 paid by the CCOD	25% of unpaid compensable claims prior to 31 st March 2015 paid by the CCOD

Performance Indicator	Reporting Period	Annual Target 2016/17	Quarterly Targets			
			1 st	2 nd	3 rd	4 th
% of new compensable disease claims as from the 1 st April 2015 paid by the CCOD within 3 months of receipt of completed documents in the claimant file from the MBOD and One Stop Service Centres	Quarterly	50% of new compensable disease claims as from the 1 st April 2016 are paid by the CCOD within 3 months of receipt of completed documents in the claimant file from the MBOD and One Stop Service Centres	50% of new compensable disease claims as from the 1 st April 2015 are paid by the CCOD within 3 months of receipt of completed documents in the claimant file from the MBOD and One Stop Service Centres	50% of new compensable disease claims are paid by the CCOD within 3 months of receipt of completed documents in the claimant file from the MBOD and One Stop Service Centres	50% of new compensable disease claims are paid by the CCOD within 3 months of receipt of completed documents in the claimant file from the MBOD and One Stop Service Centres	50% of new compensable disease claims are paid by the CCOD within 3 months of receipt of completed documents in the claimant file from the MBOD and One Stop Service Centres
% of controlled mines and works paying levies to the Compensation Fund	Annual	80% of controlled mines and works paying levies to the Compensation Fund	80% of controlled mines and works paying levies to the Compensation Fund			
Report of the Actuarial Valuation of the Compensation Fund	Annual	1 Actuarial Valuation report of the Compensation Fund	1 Actuarial Valuation report of the Compensation Fund			
Number of annual reports including the financial statements of the Compensation Fund submitted to the Auditor General of South Africa	Annual	Submission of the 2010/11 and 2011/12 annual reports including the financial statements to the Auditor General of South Africa	Submission of the 2010/11 and 2011/12 annual reports including the financial statements to the Auditor General of South Africa			

4.3 Reconciliation of Performance Targets with Budget and MTEF

Table 2: Performance indicators by programme / objective / activity and related outcome

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Number of current and ex-workers in controlled mines and works accessing benefit medical examinations per year	Compensation of ex-miners	Outcome 2: A long and healthy life for all South Africans	11 750	10 694	9 718	10 500	15 000	16 000	20 000
Number of claims processed by the certification committee per year	Compensation of ex-miners		4 376	4 444	6 324	8 000	10 000	12 000	14 000
Number of claims paid by the Compensation Commissioner (other than pensioners) per year	Compensation of ex-miners		1 779	3 124	1 979	3 000	3 300	6 000	7 000
Number of controlled mines and works inspected per year to verify levies payable based on risk shifts worked	Administration		- ¹	29	58	40	50	60	70
Number of outreach and awareness activities with service providers, unions, employers, current and ex-workers conducted per year	Compensation of ex-miners		4	6	8	10	10 ²	10 ²	10 ²
Number of workers in controlled mines and works paid for loss of earnings while undergoing tuberculosis treatment per year	Compensation for tuberculosis		1 453	1 923	459	750	770	850	950
Annual reports, including the financial statements of the Compensation Fund, submitted to the auditor general	Administration		- ¹	- ¹	- ¹	Submission of the 2010/11 and 2011/12 annual reports and financial statements	Submission of the 2012/13 and 2013/14 annual reports and financial statements	Submission of the 2014/15 and 2015/16 annual reports and financial statements	Submission of the 2016/17 and 2017/18 annual reports and financial statements

1. New indicator, data not available for respective years.

2. Outreach activities with ex-mineworker associations, provincial departments of health, One Stop Service Centres and during visits to controlled mines and works so that current and ex-workers know their rights, can access services and provide correct documentation. Due to budget constraints, the outreach activities will be limited to 10.

3. The manual claimant file records system is being converted to an electronic system and should be operational in 2016/17 FY and will assist with payments of claims for Loss of Earnings for TB and other compensation claims. Missing documentation in claimant files is a major impediment to successful payments and will be supported by a Track and Trace system that will be operational in the 2016/17 FY.

The Compensation Commissioner is implementing a turnaround strategy that includes the provision of decentralised services to bring service delivery closer to current and former workers. To date, two decentralised centres have been opened – in Mthatha in Eastern Cape and Carletonville in Gauteng – the construction cost for which was carried by the department and donations from the mining industry respectively. As at the end of February 2016, 604 Benefit Medical Examination forms were received from Mthatha and 772 Benefit Medical Examination forms from Carletonville for the 2015/16 FY. Given the success of these centres, 2 additional centres in Kuruman, Northern Cape, and Burgersfort, Limpopo, are being commissioned during the 2016/17 financial year. Historically, walk in claimants had to come to Braamfontein in Johannesburg to lodge their claims. Some of the claimants have to borrow money to travel to Braamfontein and if they could not be assisted overnight they have to find a place to sleep overnight. The strategy behind the One Stop Service Centres is to bring services closer to the people. The areas where the One Stop Service Centres are established have been identified as labour sending areas. With these One Stop Service Centres it is expected that Benefit Medical Examinations, which must be undertaken every two years for ex-workers who have not progressed to second degree will increase as will the number of people

being certified at the MBOD and outstanding documents can also be handed in at the centres. The impact of these interventions will be the increase in number of persons being assessed, certified and paid if eligible for compensation. The Global Fund will provide funds for One Stop Service Centres in labour sending areas in neighbouring countries in the 2017/18 to 2018/19 FY.

Another measure to address the Compensation Commissioner's under spending is through outreach activities with unions and employers, as well as current and ex-workers, about the process to follow in lodging claims and also to inform current and ex-workers about their rights. The Compensation Commissioner intends to continue with the outreach activities over the medium term with no increase in activities due to budget constraints. Consideration is being given to sourcing administrative support for the Compensation Commissioner by service providers which would administer the medical assessment and claims process and improve the turn-around times for payments and feedback to claimants.

As a result of these interventions, it is anticipated that the number of people accessing benefit medical examinations will increase from 9 718 in 2014/15 to 20 000 in 2018/19. A more moderate increase, however, is projected for claims payments, which are set to reach 7 000 in 2018/19.

Compensation of ex-miners is the Compensation Commissioner's largest area of expenditure. It is funded by levies collected from controlled mines and works, based on the number of risk shifts worked in the mine, and then multiplied by a specific rate per commodity mined. Inspections are carried out to ensure that the number of risk shifts is not understated. The organisation will gradually increase these inspections from 58 in 2014/15 to 70 per year by 2018/19. Coupled with the levy increase approved by the Minister of Health in 2015, these inspections will ensure that revenue generated from levies will increase at an estimated average annual rate of 5.3 per cent over the medium term.

The target for the number of claims paid had not been reached owing to non-functioning of the Certification Committee of the MBOD, work stoppages and lack of documents in claimant files. As to the backlog of unpaid compensable claims as at 31st March 2015, it is envisaged that 100% of the unpaid compensable claims will be paid within four years. An actuarial valuation is being undertaken and will provide a report on the liability of the Compensation Fund and incorporated in the annual financial statements. The setting up of the registry of claimant files and the verification exercise to clean the data will assist with the actuarial valuation process and the payment of unpaid claims.

The budget for the administration of the CCOD, the provision of Benefit Medical Examinations and the activities of the Certification Committees is provided for within voted funds in the NDOH amounting to R61.6 million for the 2016/17 FY. There have been no substantial increases in the CCOD budget and the business reform processes at the CCOD have been supported by human, technical and financial resources from the Chamber of Mines, the Gold Mining companies and development partners. Substantial resources estimated at R150 million are needed to expand and scale up the services of the CCOD, recruit specialised staff in the

legal, IT, engineering, medical and financial management disciplines and provide for the medical assessments, certifications, payment and infrastructural backlogs in buildings and information technology.

Part C: Links to other Plans

The Compensation Fund is a trading account of the NDOH. This annual performance plan has to be read in conjunction with the NDOH's annual performance plan. The NDOH carries the administration costs of the Compensation Fund and the provision of medical services for ex-workers in controlled mines and works.

Annexure E: Selected Technical Indicator Descriptions

Indicator Name	Short Definition	Purpose/Importance	Source	Calculation Method	Data Limitations	Type of Indicator	Calculation Type	Reporting Cycle	New Indicator	Desired Performance	Responsibility
Develop and implement the policy and legislative framework for occupational health and compensation	Develop and implement the policy and legislative framework for occupational health and compensation including amendments to ODMWA	Important to change the policy and legislative framework for occupational health and compensation and attend steering committee and task team meetings to make inputs to the integrated compensation system	Policy and legislative framework document and agendas, attendance registers and minutes of steering committee and task teams	N/A	The drafting of an occupational health and compensation policy and legislative framework and amendments to compensation laws is dependent on inputs from various stakeholders	Output	N/A	Quarterly	Yes	Policy and legislative framework document presented to the stakeholders, cabinet and parliament in support of an integrated compensation system	Deputy Minister of Mineral Resources with support from CCOD, Mine Health and Safety Council and Chamber of Mines
Number of meetings of the Audit and Risk Committee, the Advisory Committee and the Management Committee	Meetings of the Audit and Risk Committee, the Advisory Committee and the Management Committee	Provides governance and oversight on the activities of the CCOD	Agendas, attendance registers and minutes of committee meetings	N/A	None	Output	N/A	Quarterly	No	4 meetings of the Audit and Risk Committee, 4 meetings of the Advisory Committee and 6 meetings of the Management Committee meetings	CCOD
Number of provinces with One Stop Service Centres to deliver occupational health and compensation services	Number of One Stop Service Centres in health facilities in provinces to deliver occupational health and compensation services	Ensures the availability of occupational health and compensation services through decentralized facilities in provinces	Activity reports from the One Stop Service Centres in provinces	Sum of provinces with at least one facility in a province having a One Stop Service Centre	The setting up and recurrent costs of One Stop Service Centres are dependent on the availability of funds, buy in from provincial departments of Health and inputs from the private sector	Output	N/A	Quarterly	Yes	Establishment of a minimum of one One Stop Service Centre in each province	CCOD
% of unpaid compensable claims prior to 31 st March 2015 paid by the CCOD	% of unpaid compensable claims prior to 31 st March 2015 paid by the CCOD	To assess the clearing of the backlog in unpaid claims at the CCOD	List of approved payments of unpaid compensable claims reconciled with bank statements at the CCOD	Numerator: number of unpaid compensable claims paid and reconciled with bank statements at CCOD; Denominator: database of unpaid compensable claims prior to 31 st March 2015	Inability to track and trace claimants and missing source documents	Output	Cumulative	Quarterly	Yes	25% of unpaid claims paid in the 2016/17 financial year and 75% of unpaid claims paid by the 2018/19 financial year	CCOD
% of controlled mines and works paying levies to the Compensation Fund	% of controlled mines and works paying levies to the Compensation Fund	Verification process of levy payments through onsite inspections of controlled mines and works ensures the sustainability of the Compensation Fund	Receipts of levies in Compensation Fund; inspection reports of inspectors	Numerator: Number of controlled mines and works paying levies; Denominator: list of controlled mines and works	Inability to get correct database of controlled mines and works due to closure of mines and works	Output	N/A	Annual	Yes	100% of controlled mines and works paying levies	CCOD

Indicator Name	Short Definition	Purpose/Importance	Source	Calculation Method	Data Limitations	Type of Indicator	Calculation Type	Reporting Cycle	New Indicator	Desired Performance	Responsibility
Report of the Actuarial Valuation of the Compensation Fund	Actuarial valuation of the Compensation Fund	Actuarial valuation process to ensure the ability of the Compensation Fund to pay benefits and also determine the increase in levy amounts	Report of the actuarial valuation	N/A	Missing data and missing documents in the files of current and ex-workers and lack of data on potential claimants	Output	N/A	Annual	Yes	Report of actuarial valuation	CCOD