

PART C

PERFORMANCE INFORMATION



1. INTRODUCTION

The Accounting Authority is responsible for the preparation of the Fund's performance and for the judgements made in this information. Measures have been put in place to provide reasonable assurance of the integrity and reliability of performance information. The performance information has been monitored on a quarterly basis and fairly reflects the performance information of the Fund for the financial year ended 31 March 2013.

2. PREDETERMINED OBJECTIVES

In accordance with the PAA and the *General Notice* issued in terms thereof, the Auditor-General (AG) reported the findings relevant to performance against predetermined objectives, but not for the purpose of expressing an opinion.

Auditor-General found that performance targets were not specific and required more detail. Secondly, the explanations considered necessary to satisfy the validity and accuracy with respect to objective 1 Directorate: Compensation, objective 2 Directorate: Medical Services, and objective 7 Chief Directorate: Finance was not available. This was due to limitations placed on the scope of work.

3. OVERVIEW OF THE COMPENSATION FUND'S PERFORMANCE

3.1. Strategic outcome oriented goals

The Compensation Fund is a Public Entity of the Department of Labour. The Fund administers the Compensation for Occupational Injuries and Diseases Act no 130/1993 as amended by the COIDA 61/1997. The main objective of the Act is to provide compensation for disablement caused by occupational injuries or diseases sustained or contracted by employees or for death resulting from such injuries or diseases, and provides for matters connected therewith. There are two outcomes applicable to the Compensation Fund and these were the basis for the Compensation Fund Strategic Plan: outcome 4 (decent employment through inclusive economic growth) and outcome 12 (an efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship). Based on the aforementioned two outcomes, the Compensation Fund has developed four key strategic outcome oriented goals. The strategic outcome oriented goals are strategic priorities which form the basis of the Compensation Fund's strategic objectives. The strategic outcomes identified are the results of the Fund's performance as viewed by the beneficiaries and will be the consequence of achieving the outputs. Performance of the Fund during the year under review is explained in more detail under service delivery.

3.2. Service delivery environment

The Compensation Claims Directorate is divided into three sub-directorates namely: Claims Registration, Exempted Employers and Private Employers. The main functions of the Directorate are to register claims for injured/diseased employees, to adjudicate the validity of a claim and to pay out compensation.

3.2.1. Registration and processing of claims

The Fund registered a total of 196,509 claims during the financial year, 192,509 were adjudicated (98%) of which 129,405 were accepted. Adjudication is the process of determining liability for the Fund. The process involves accepting liability, repudiating and requesting additional information, and where no sufficient information is available deciding upon the validity of a claim.

325,981 awards amounting to the value of R480,186,515 were processed. All accidents occurring from 1 October 2011 were registered on a new system (SAP), whereas all claims where accidents occurred before October 2011 were registered on an e-claims system.

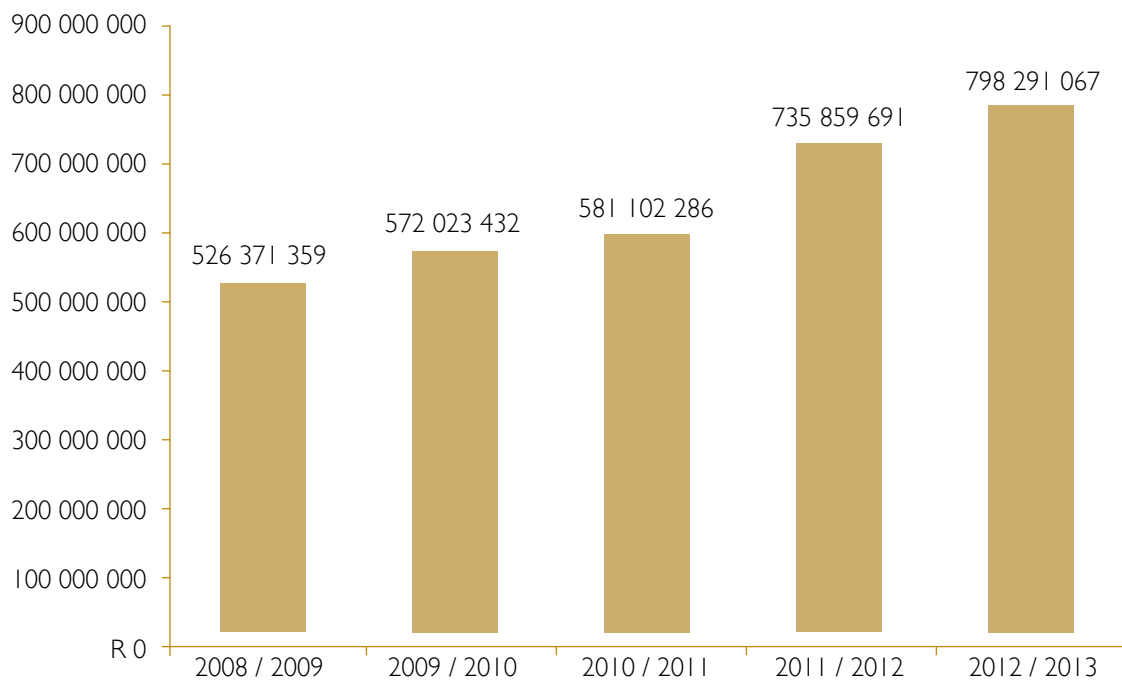
3.2.2. Compensation benefits

TABLE 3.2.2. TEMPORARY DISABLEMENT, PERMANENT DISABLEMENT AND PENSION PAYMENTS

YEAR	NO OF PAYMENTS PROCESSED	VALUE OF AMOUNT PROCESSED	MONTHLY PENSION PAY-OUTS
2008/2009	327,647	R630,708,449	R526,371,359
2009/2010	340,159	R771,801,533	R572,023,432
2010/2011	329,109	R549,220,271	R581,102,286
2011/2012	205,150	R549,000,702	R735,859,691
2012/2013	325,981	R480,186,515	R798,291,067

The above graph is the illustration of payments processed from 2008 until 2012. It demonstrates the trend/the movement of payments. If we compare payments processed in 2011/12 and 2012/2013, it obvious that there is a huge improvement in the number and amount of claims paid. One reason for this increase could be that the system is now stable. In 2012/13 the amount paid has doubled as compared to the previous years.

FIGURE 3.2.2. MONTHLY PENSION PAYOUTS (R) BY 31 MARCH 2013



This graph illustrates the amount of benefits paid between 2008 and 2013 in Rand.

FIGURE 3.2.3. COMPENSATION BENEFITS PROCESSED IN NUMBERS BY 31 MARCH 2013

The graph illustrates the number of payments between 2008 and 2013. It complements the table on compensation benefits processed. It demonstrates the number of claims processed which also shows an improvement in number of compensation benefits paid for the year 2012/13.

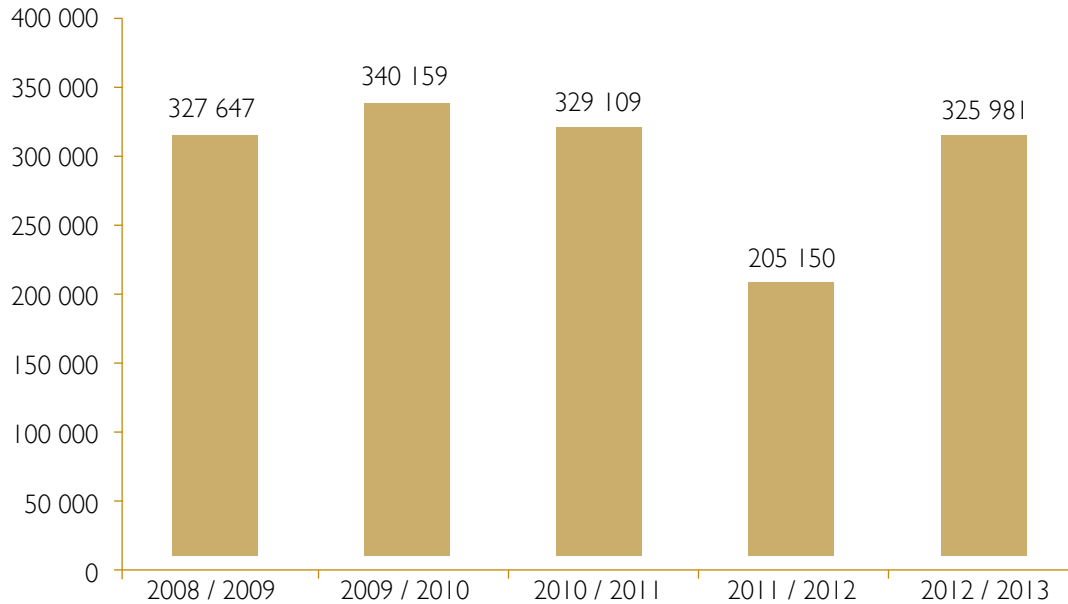


TABLE 3.2.3. STATISTICAL ILLUSTRATION OF CLAIMS REGISTERED AND ADJUDICATED FOR YEAR 2012/13

SYSTEM	CLAIMS REGISTERED	CLAIMS ACCEPTED	CLAIMS REPUDIATED	OUTSTANDING INFORMATION
E-claims	26,584	15,408	112	12,911
SAP	169,925	113,997	244	63,226
TOTAL	196,509	129,405	356	63,226

The table indicates the number of claims registered and adjudicated for the year 2012/13. It clearly shows that the number of claims registered on SAP is greater than the number of claims registered on e-claims. In last year's report, claims registered on e-claims were higher than claims registered on SAP. This is due to old claims that occurred prior to 1 October 2010 diminishing, while claims registered on SAP are increasing.

TABLE 3.2.4. COMPARISON OF CLAIMS REGISTERED, ACCEPTED, REPUDIATED FOR 1 APRIL 2008 TO 31 MARCH 2012

PERIOD	COMPENSATION FUND			NOT ACCEPTED
	CLAIMS REGISTERED	CLAIMS ACCEPTED	CLAIMS REPUDIATED	OUTSTANDING INFORMATION
1 April 2012 to 31 March 2013	196,509	129,405	356	63,226
1 April 2011 to 31 March 2012	141,437	110,180	129	31,128
1 April 2010 to 31 March 2011	215,493	190,168	447	24,878
1 April 2009 to 31 March 2010	200,560	178,293	361	21,906
1 April 2008 to 31 March 2009	203,711	182,788	740	20,183

The table is the comparison of claims registered, accepted and repudiated for the past five years. In 2008/09, 2009/10, 2010/11 claims registered were above 200,000. In 2011/12 the number declined due to the introduction of a new system. In the year 2012/13, the table shows that the performance on SAP is improving and 196,509 claims were registered as compared to 141,437 of 2011/12. Measures have been put in place to improve performance and further improvements are expected in the year 2013/14.

TABLE 3.2.5. BREAKDOWN OF COMPENSATION BENEFITS PROCESSED ON E-CLAIMS AND SAP

BENEFIT TYPE	TRANSACTIONS ON E-CLAIMS	TRANSACTIONS ON SAP	TOTAL NUMBER OF PAYMENTS	AMOUNT (R)
Additional compensation	3	-	3	2,753,026
Burial expense	199	8	207	1,686,996
CAA	7,257	-	7,257	13,847,778
Lump sum to widows	443	16	-	5,913,711
Partial dependency	14	-	14	437,870
PD lump sum payment	3,535	32	3,547	95,708,018
Pension to employee and fatal	295,538	214	295,752	798,291,057
TTD	18,023	699	18,722	79,534,725
Widow pension	164	-	-	1,138,681
TOTAL	325,176	969	325,502	999,311,862

The table is an illustration of compensation benefits processed. The benefits are shown per type for the year 2012/13. The first column shows the type, then the number of claims processed on e-claims and SAP for that type of benefit and the amount paid. The 'not available' means that information for the benefit type mentioned was not available.

3.2.3. Improvement on benefits and policy development

The Compensation Board has reviewed the existing benefits and made some remarkable increases in the benefits to be paid to injured employees and dependents in a form of lump sums, loss of earnings and monthly pensions. Major increases include the following:

- Increase of the salary ceiling from R292,032 to R312,480 per annum
- The monthly compensation pension increased by 6% plus 100% purchasing power of the low pension earners
- The minimum earnings increased from R3,406 to R3,645 per month for the Temporary Total Disablement (TTD) and for Permanent Disablement PD lump sum payment. Earnings have a big influence in the calculation of benefits
- Maximum earnings increased from R24,336 to R26,040 (75% = 19,530) per month for Temporary Total Disablement (TTD) and monthly pension payments for Permanent Disablement (PD) for 31% to 100%
- Maximum earnings for the calculation of compensation for Permanent Disablement (PD) of 30% and less were increased from R13,630 to R14,584 per month
- The constant attendance allowance for pensioners who need constant nursing increased from R1,449 per month to R1,550 per month in addition to the monthly pension
- Maximum funeral benefits increased from R13,716 to R14,539
- Approval was granted for pensions below R1,000 per month to be increased to R1,000 per month, for employees and widow/ers

These increases have been determined on the basis of the actuarial investigations and recommendations of the Compensation Board. The recommendations were approved by the Minister of Department of Labour before they were implemented. The increases were then gazetted with effect from 1 April 2013.

3.2.4. Decentralisation Project Annual Report

3.2.4.1. Background information

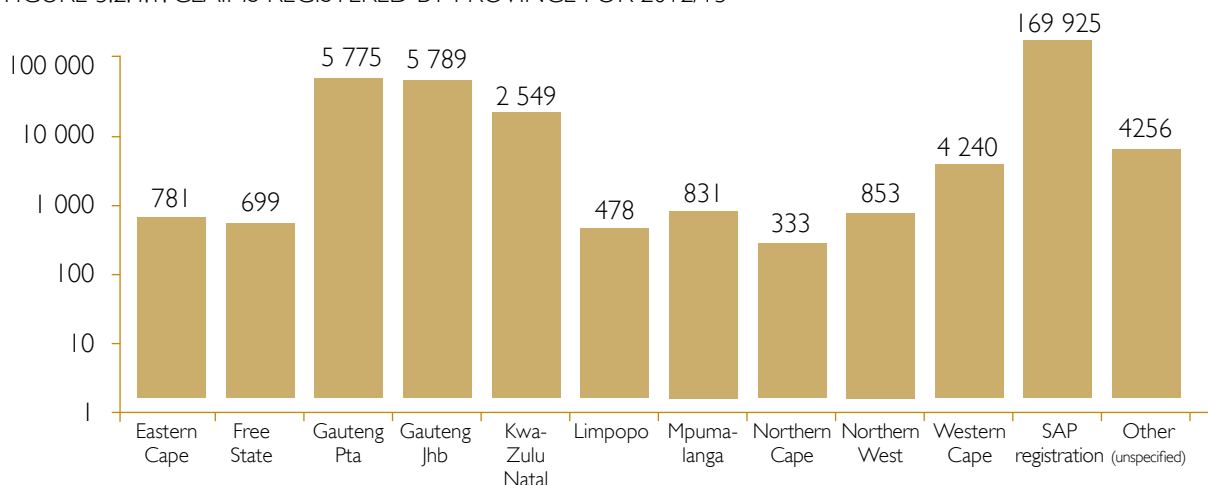
The Compensation Fund has decentralised some of its services to all nine provinces with the aim of being more accessible to its stakeholders and to improve claims turnaround time. Though most of the claims are still registered at the Compensation Fund, gradually provincial statistics are increasing and the number of claims registered at Compensation Fund is reducing. Decentralised functions include registration of claims, adjudication of claims and processing of medical accounts. Processing of compensation benefits is still done at Compensation Fund head office. Officials were deployed to all the provinces to attend to decentralised functions.

TABLE 3.2.4.1. PRODUCTION AND STATISTICS: COMPARISON OF PROVINCIAL DECENTRALISATION STATISTICAL REPORT

	2010/11	2011/12	2012/13
PROVINCE	REGISTERED	REGISTERED	REGISTERED
Eastern Cape	1,351	24,452	781
Free State	3,732	3,516	699
Gauteng North	202,146	93,407	5,775
Gauteng South	152	1,685	5,789
KwaZulu-Natal	4,726	4,853	2,549
Limpopo	2,635	1,672	478
Mpumalanga	135	3,362	831
Northern Cape	185	870	333
North West	257	2,561	853
Western Cape	224	4,906	4,240
SAP registration	-	23,248	169,925
Other (unspecified)	-	-	4,256
TOTAL	215,493	164,532	196,509

The above table is the comparison of claims registered in the province from 2010/11 until 2012/13. This illustrates the number of claims each province handled and is dependant on the size of the province. Between 2010 and 2011 the table shows an improvement in the number of claims registered. In 2012 it shows a decline in number of claims registered in the provinces, however shows for the same period a drastic increase in the number of claims registered on SAP. SAP report does not indicate a province where the case was registered but the total number of claims registered.

FIGURE 3.2.4.1. CLAIMS REGISTERED BY PROVINCE FOR 2012/13



The above graph is the illustration of the previous table. It is a demonstration of provincial performance in respect of claims registered. This graph illustrates the total contribution made by each province in respect of number of claims registered.

TABLE 3.2.4.2. NUMBER OF ACCEPTED CLAIMS BY PROVINCE FOR YEAR 2012/13

PROVINCE	2010/11	2011/12	2012/13
Eastern Cape	15,867	24,491	1,213
Free State	5,804	3,375	834
Gauteng North (CF)	173,006	103,974	6,899
Gauteng South	278	1,332	7,942
KZN	7,669	4,008	3,285
Limpopo	3,861	573	611
Mpumalanga	110	6,276	961
Northern Cape	57	778	477
North West	-	1,983	1,007
Western Cape	199	4,145	7,324
Other SAP	-	13,647	113,997
Other (unspecified)	-	-	15,145
TOTAL	206,851	164,582	129,405

The table above shows the comparison of claims accepted per province for the past three financial years. The number of claims accepted is few compared to the previous years. There are measures put in place to ensure that there is an improvement in performance and the impact will be assessed in the current financial year.

CLAIMS ACCEPTED PER PROVINCE FOR FINANCIAL YEAR 2012/13

The graph above demonstrates the number of claims accepted by province, this is dependant on the size of the province. Gauteng and Western Cape are the highest, meaning that they have a high volume of claims received.

3.2.4.2. Challenges

- No SAP access at the Labour Centres
- All SAP related enquiries are forwarded to provincial office and Compensation Fund
- Not all functions are decentralised to provinces
- Establishment for COID in the provinces is not finalised or fully deployed
- No management information system to help monitor provincial performance in the provinces

3.2.4.3. Lessons learnt from the pilot project

MAJOR DEPENDENCIES:

- Information technology compatibility
 - Efficient and effective performance of e-claims system
 - Knowledgeable and skilled human resource availability
 - Availability of space or accommodation
1. Turnaround time on registration of claims has improved at provincial level
 2. Stakeholders are aware of services rendered at provincial level
 3. Payments of medical accounts for doctors and service providers are made available at local level
 4. Provincial offices still do not have adjudication for occupational diseases which is centralised due to capacity constraints
 5. Dysfunctional imaging system at the provincial offices does not assist document management

3.2.4.4. Way forward

- The Compensation Fund organisational structure has been finalised, approved by both Ministers of Labour and Public service and Administration
- Upfront scanning and indexing deployed at the provincial offices for an improved and efficient document management service
- The implementation of the new SAP-ICM system to provinces takes the Compensation Fund services to its stakeholders
- The SAP-ICM system is automated and will facilitate the electronic submission of claims as well as improve productivity of staff due to automation of many processes and improvement of service delivery
- Deployment of ICD system to all provincial offices has improved the office efficiency levels
- Training and re-training of staff on all new processes is on-going

3.2.5. Compliance with COIDA

3.2.5.1. Monitoring of exempted employers and unreported accidents

- The Fund has determined Section 88 administrative costs for all government departments and exempted municipalities to the value of R17,093,492.17 million for the 2012/13 financial year
- The Director General reviewed the existing provisional settlements to improve service delivery by the Fund
- Securities for all exempted municipalities were reviewed, shortfalls were identified and provided for

3.2.6. Contributions to the social security comprehensive reforms

Since its inception, the inter-departmental task team on comprehensive social security reforms, has developed a framework for the comprehensive social security reforms. The Compensation Fund has made contributions to the Consolidated Government Paper; to the Road Accident Benefits Scheme Bill and to the National Health Insurance. During this financial year, the Fund participated as follows:

- The Consolidated Government Paper on social security reforms was once again reviewed and sent back to the cabinet for deliberation
- The Compensation Fund provided additional inputs into the Road Accident Benefits Scheme Bill for further discussion and is awaiting feedback from the Department of Transport in this regard

3.2.7. Prevention of accidents through strengthening civil society

BACKGROUND

In its quest to advocate policy on injury on duty and occupational health, the Compensation Fund has funded 21 non-profit organisations to train union shop stewards and employees on the Compensation for Occupational Injuries and Diseases Act as well as on Occupational Health and Safety Act.

The Strengthening Civil Society Fund Committee (SCSF) at Department of Labour (Head Office) is responsible for assessing and approving project proposals from these organisations to promote sound labour relations. The Compensation Fund is represented on this Committee.

During July 2012, the Director General approved all 19 new projects that were recommended by the SCSF Committee. Including the Workers World Media Productions (WWMP) and University of KZN (UKZN) projects, continuing from the previous year; there was a total number of 21 projects active.

MONITORING AND EVALUATION OF THE WORKSHOPS

As part of monitoring and evaluation, the Compensation Fund developed COIDA guidelines for developing training material by the projects. Spreadsheets for claims enquiries were also developed for the projects to monitor and evaluate the impact of the training workshops.

Project managers were briefed by the SCSF through visits and by correspondence. Of the 21 projects, SCSF visited all the new projects for administrative matters while the Fund participated in some COIDA training workshops.

The Fund participated in training in five provinces conducted by Lethabong Advice Centre in North West (Maokeng), Mangaung Advice Centre in Free State, Opret Advice Centre in Limpopo (Mokopane), University of KwaZulu-Natal (Durban), Qholaqhwe Advice Centre in the Free State and Workers World Media Productions (WWMP) in the Western Cape. The cluster training workshops conducted by WWMP took place on 14 to 18 April 2012 in Cape Town, July 2012 in Gauteng, from 14 to 15 August 2012 in East London and 28 to 29 August 2012 in Durban. These workshops were attended by all union federations, officials from the Fund and community radio stations representatives countrywide.

The Fund also participated in radio interviews for community radio stations and national radio stations in five languages.

A summary of the projects performances is as follows:

STRENGTHENING CIVIL SOCIETY FUND PROJECTS REPORT FOR 2012/2013

PROVINCE	NAME OF PROJECT	MAIN OBJECTIVE	PROGRESS AND ACHIEVEMENTS
Eastern Cape	I. Aliwal North Advice Centre	To advocate COIDA and OHS policies by training mainly shop stewards and farm workers in the rural areas	<ul style="list-style-type: none"> The project conducted 11 workshops in four area: Greenslade Hall, Mount Carmel, Help Mekaar and Braamspruit To improve dissemination of information and to create awareness, the Takalani community radio station was a partner of the project The number of COIDA cases has decreased as most employees are well informed and take their enquiries straight to the Labour Centre The overall budget spent was R179,600

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PROVINCE	NAME OF PROJECT	MAIN OBJECTIVE	PROGRESS AND ACHIEVEMENTS
	2. Matatiele Advice Centre	To advocate COIDA and OHS policies by training mainly shop stewards and farm workers in the rural areas	<ul style="list-style-type: none"> The project conducted training in 26 farming areas: Chaplain farm, Cold stream farm, Meadow Brook farm, Chillsfontein farm, John and Sandy farm, Mc Donald farm, Cherston farm, Bon Accord farm, Fraainitsag farm, Midlands farm, Merino Walk farm, Blackly farm, Southfield farm, Umzimvubu farm, Paradise farm, Cross Road farm, Cedarberg farm, Corner More farm, Harmony farm, Grootvlei farm, Waterfall farm and Harmony Trust farm A total of 407 farm workers participated Most employees are not registered as employees Lack of protective clothing against inhalation of chemicals and hazardous substances There is no Labour Centre in Matatiele and consequently employees have to travel long distances to the Kokstad and Mont Ayliff Labour Centres. There is a satellite Labour Centre, but there is need for a permanent Labour Centre in Matatiele due to the vastness of the district. On some farms employees and their families have no clean water as they use contaminated water from the employers' rusty water tanks There was reluctance from the chairperson of the white farmers union to facilitate the meeting between the farm owners and the project organisers. This was contrary to willingness and cooperation by the chairperson of the black farmers union. The project was allocated a budget of R200,000 of which R176,404 was spent (variance R23,595.26)
Free State	3. Mangaung Advice Centre	To advocate COIDA and OHS policies by training mainly shop stewards and farm workers in the rural areas for 12 months	<p>Pending tranche 2 report</p> <ul style="list-style-type: none"> This organisation held six workshops: Thaba-Nchu, Verkerdevlei, Bloemspruit, Botshabelo and Bloemfontein A total of 256 employees participated. A total of R146,555 was utilised for the first tranche training Four community forums were established and 74 people attended Means of verification: attendance registers The Compensation Fund officers, D Mphahlele and J Mtimkulu, attended one of the workshops for monitoring and lending technical support on policy matters <p>Issues and challenges:</p> <ul style="list-style-type: none"> Most employees are not able to attend workshops during the week The sustainability of the forums cannot be guaranteed

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PROVINCE	NAME OF PROJECT	MAIN OBJECTIVE	PROGRESS AND ACHIEVEMENTS
	4. Maokeng Advice Centre	To advocate COIDA and OHS policies by training mainly shop stewards and farm workers in the rural areas for 12 months	<ul style="list-style-type: none"> This project conducted ten workshops in the following areas: Kroonstad, Viljoenskroon, Koppies and Steynsrus. A total of 506 workers participated in phase one of the project A number of COIDA cases were reported after the workshops, dating from 2001 Attendance registers and photos were taken as means of verification The Fund participated in the training workshop in Kroonstad Non-reporting of accidents is still very rife Employees are fearful of victimisation in reporting OHS and COIDA issues A total of R293,110 was approved for this project and R146,555 was spent for the first tranche. Financial statement still pending.
	5. Qholaqhwe Advice Centre	To advocate COIDA and OHS policies by training mainly shop stewards and farm workers in the rural areas for 12 months	<ul style="list-style-type: none"> Total of 624 participants reached, Exceeded target of 600 by 11%. Expenditure R395,866.84 against budget of R400,000 (balance R4,133.16.) The project conducted ten workshops in the following areas: Metsimaholo 2x, Mafube 4x, Setsoto 2x, Dihlabeng and Phumelela-Vrede The Fund participated in the training workshop in Vrede The number of recorded cases have increased and except for the participants, more people have been reached through community radio stations awareness campaigns Facilitation reports for each workshop Attendance registers Some captured workshop moments on photo Participation by the Fund: Mr Lengolo participated in Phumelela-Vrede <p>Issues and constraints:</p> <ul style="list-style-type: none"> Late release of funds impacting on timeframes Late arrival of participants Participants totally ignorant about OHS and COIDA Workshops over the weekends shortens the time available Non-availability of farm workers during harvest times
Gauteng	6. Community Re-Generation Development Centre	To advocate COIDA and OHS policies by training mainly shop stewards, farm workers and industrial workers for 12 months	<p>Second tranche report still outstanding</p> <ul style="list-style-type: none"> The project trained ten facilitators to train 2,000 farm workers Three open training sessions were held after hours A total of 229 farm workers attended Need to engage farm owners before the workshops to get their buy in The farm strikes prevailing in Western Cape had a negative impact on the access to farms Approached the Live-Bright-Life company to facilitate access to the farms

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PROVINCE	NAME OF PROJECT	MAIN OBJECTIVE	PROGRESS AND ACHIEVEMENTS
KwaZulu-Natal	7. Bergville Advice Centre	To advocate COIDA and OHS policies by training mainly shop stewards and farm workers in the rural areas for 12 months	<p>1 August 2012 to December 2012 Second tranche report still pending</p> <p>Achievements and impact:</p> <ul style="list-style-type: none"> • Conducted workshops on 12 farms • Laid emphasis on effective communication and good working relationship between employers and employees • Some farms not on the lists started calling for workshops on their farms • Most cases brought forward are old cases <p>Issues and constraints:</p> <ul style="list-style-type: none"> • Lack of communication between employees and employers • Indunas are seen as puppets of the employers and are accused of not communicating effectively with employees • Long working hours from 7 am to 6 pm • Employees are not provided with protective clothing despite dangerous substances they work with • Chemicals sprayed in the fields are blown into the river which provides drinking water for the community • Earnings are the same irrespective of risk • Farmers delayed the workshops due to the planting season during December • The workshops on Saturdays and Sundays attract troublemakers • Employees feel freer to ask questions when the workshops are held in community halls
	8. Hemville Advice Centre	To advocate COIDA and OHS policies by training mainly shop stewards and farm workers in the rural areas for 12 months	<ul style="list-style-type: none"> • Conducted 12 workshops for 15 farms as follows: Briar Lear, Pinelands, Argle, Inchgarth, Goxhill, Peters Field, Bromley, Scafell, Finelands, Beaverstone, Dieu Donne, Sani Valley Lodge, Serath Forth Farm • 278 participants attended • Budget utilised R33,182 • The chairperson misused funds to the tune of R1,398 as re-payment of his loan. • The stop order was cancelled by the manager of the Himeville Advice Centre. SCSF is following up on the case. • Was assisted by John Pearce who is working with farm issues to contact farmers • Leaflets for COIDA and OHS were provided by CCJ who trained the presenters <p>Issues and constraints:</p> <ul style="list-style-type: none"> • No contact details for some farms • Farm owners denying access for fear of farm killings, they always expect the company of SAPS • Sotho-speaking employees were hidden for unknown reasons • Employees afraid to raise issues in the presence of farm owners • Some farm owners not supporting the project • Discrimination in terms of race: white employees living in healthy conditions, while blacks living in unhygienic and unhealthy conditions without toilets. • Some farmer owners still physically abusing workers by kicking them

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PROVINCE	NAME OF PROJECT	MAIN OBJECTIVE	PROGRESS AND ACHIEVEMENTS
	9. University of KZN		<ul style="list-style-type: none"> • OHS and COIDA modules are still under development. • 15 unions participated in four pilot workshops in June, July, August and October 2013 • A total of 142 participants attended the workshops as follows: <ul style="list-style-type: none"> - Trade union shop stewards - Trade union officials - Health and safety representatives - Organisers • A year-end evaluation workshop was held on 4 December 2013 and the Fund attended. It was observed that: <ul style="list-style-type: none"> - More unions are requesting for training on COIDA and OHS - Increased number of unions using the Health Clinic at the University - The project leader was assisted on training by doctors from the Department of Occupational Medicine • A pre-assessment and post assessment evaluation was conducted <p>Issues and constraints:</p> <ul style="list-style-type: none"> • The accreditation of learners who left school at lower levels is problematic • Newly appointed shop stewards not yet trained on OHS and COIDA • The learning process is slow as the learning material is pitched at intermediary level
	10. Mooi River	To advocate COIDA and OHS policies by training mainly shop stewards and farm workers in the rural areas for 12 months	<ul style="list-style-type: none"> • The project conducted 16 workshops at the following farming areas: Honeydue, John Armstrong, Inkululeko, Gugulethu, Vrystaat, Doornklo, Butt, Trent lodge, Thwalisthe, Riverside, Weston, Summerhill, Sierra Ranch, Velem, Mpofana and Groove • 322 employees participated in the workshops • From the budget of R58,319.50, R56,710,87 was spent (unspent funds R1,608.63) <p>Challenges:</p> <ul style="list-style-type: none"> • People coming to work drunk • Lack of information to employees about injury on duty • Farm owners need education about OHS and COIDA • Employees work with poisonous and dangerous chemicals without protective clothing • Employees get fired for standing up for their rights • Zimbabweans accused of spying on local employees and getting better pay • Working under contract indefinitely • Public holidays regarded as working days by employers • Assault of workers by farmers • Not all workers are allowed to attend educational workshops • One employee cut his fingers but was forced to go to work without compensation • The presenter accused of inciting workers to strike and a case opened against her

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PROVINCE	NAME OF PROJECT	MAIN OBJECTIVE	PROGRESS AND ACHIEVEMENTS
Limpopo	11. Mamadi Advice Centre	To advocate COIDA and OHS policies by training mainly shop stewards and farm workers in the rural areas for 12 months	<ul style="list-style-type: none"> Budget used R70,205.53, against the budget of R82,500 for the first tranche and R82,904.80 for the second tranche Conducted 17 workshops as follows: Uitdraai, Vetfontein, Simons Drop In, Makhatho Hall, Pax, Tlolwe Sport, Tlowe School, Tlolwe Village, Grootpan, Gedion Crech Hall, Wegdraai Tribal Gathering Place, Slaaphoek Dropping Centre, Ga-Sebola, All Days Community Centre, Mokhurumela, Mokhurumela Tribal and Taaiboschgroet Total number of participants: 619 Participants were trained with manuals and pamphlets in their own languages There were some unreported cases of COIDA <p>Issues and constraints:</p> <ul style="list-style-type: none"> Inspectors accused of not assisting employees but colluding with employers. Work environment not healthy Employees are forced to resign due to injury on duty without getting their benefits Employees need education on other labour legislation
	12. Nkunzi Development Center	To advocate COIDA and OHS policies by training mainly shop stewards, NGOs, factory workers and farm workers in the rural areas for 12 months	<p>1 August 2012 to January 2013 Tranch 2 report still outstanding</p> <ul style="list-style-type: none"> The Fund analysed and recommended the project to the Director General in Q1 Budget utilised R188,819 (variance R11,180) The project covered Modimolle, Makhado, Modikopong and Greater Tzaneen Number of participants 131 <p>Issues and constraints:</p> <ul style="list-style-type: none"> Farm workers lose their salaries during the week hence they can are only available on weekends The Fund has advised the organisation to plan the workshop for only one day over the weekend. Only basic information should be provided at these workshops.

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PROVINCE	NAME OF PROJECT	MAIN OBJECTIVE	PROGRESS AND ACHIEVEMENTS
	13. Opret Advice Centre	To advocate COIDA and OHS policies by training mainly shop stewards, NGOs, factory workers and farm workers in the rural areas for 12 months	<ul style="list-style-type: none"> Conducted 20 COIDA and OHS workshops in 17 villages and farms Overwhelming total of 1,024 participants attended The total budget was R300,000 and R293,325 was utilised The areas covered: Nduna, Baloyi, Tshamahanzi, Modimolle, Mosesetjane, Mapela, Rhenosterfontein, Mabula Village, Mokopane-Hans van Strydom, Tayob Mokopane, Moshate Village, Park More, Extension 19, Nkgoru Village, Diretsaneng, Polar Park, Kabeane, Basterpad, Sekgakgapeng, Mahwelereng and Ga-Mokaba Village The Fund participated in the Mahwelereng training workshop Six cases of unreported COIDA claims were reported and were also used as case studies at the workshops. Of these cases two had been reported but have not yet been finalised by the Compensation Fund. The Fund is assisting the project with the reporting and finalisation of these cases. <p>Issues and constraints:</p> <ul style="list-style-type: none"> Claims not lodged through ignorance Employers are not assisting employees with their claims Illiteracy on the part of employees Employers not complying with OHS rules and regulations
Mpumalanga	14. Nkomazi Advice Centre	To advocate COIDA and OHS policies by training mainly shop stewards; and farm workers in the rural areas for 12 months	<ul style="list-style-type: none"> Conducted six workshops at Magudu, Vlakbult, Riverside Farm, Achoemansdale, Buffelspruit, Kwa-Mkwarukwaru The total budget utilised R59,931 and the balance is R5,000 A total of 258 participants were trained and the following were achieved: <ul style="list-style-type: none"> Of the five claims submitted, two were existing claims while three were unreported accidents. The Fund is assisting with the processing. The Farm workers committee is referring COIDA cases to the Labour Centre Farm workers invite the Labour Centre to provide continuous training at their work places Employees have been assisted by the Centre on their mediation and arbitration on dismissals Contract workers working in the RDP projects were also assisted <p>Issues and constraints:</p> <ul style="list-style-type: none"> Unfair labour practices/dismissals No formal registration of employees with UIF and no identity documents Employers blame employees for negligence regarding injuries No light duties offered. Instant dismissal of employees with occupational injuries. Venomous snakes are a threat to workers during the harvest season No transport offered for employees by employers Non-citizens supervisors oppress the locals and are not knowledgeable about COIDA and OHS policies

Continued

PROVINCE	NAME OF PROJECT	MAIN OBJECTIVE	PROGRESS AND ACHIEVEMENTS
	15. Leandra Advice Centre	To advocate COIDA and OHS policies by training mainly shop stewards and farm workers in the rural areas for 12 months	<ul style="list-style-type: none"> This organisation conducted a total of nine workshops in the following farm areas: Lebohang farm Hall, Moederverloren, Roode Bank, Kortlaagte farms, Strehla farm, Hartebees and Ezinteni A total of 1,000 farm dwellers and employees participated, including some employers Initially most farmer owners would not allow training under the guise that employees were aware and happy about OHS and COIDA issues ,but later cooperated after some of them attended the training workshops Training manuals and pamphlets were developed for training and distribution of information As means of verification, photos were taken, attendance registers kept and the Department of Labour also visited the project Total budget utilised: R243,600
Northern Cape	16. Sika Sonke Advice Centre	To advocate COIDA and OHS policies by training mainly shop stewards and farm workers in the rural areas for 12 months	<p>1 August 2012 to December 2012 Tranch 2 report pending</p> <ul style="list-style-type: none"> The project reached 411 participants compared to the 200 projected Overwhelming interest from farm workers and communities Employees became aware of the need for safety representatives and hazards in the workplace 46 farm owners participated SAPS accompanied the team to Loxton and Victoria Wes The De Aar Labour Centre accompanied the team as well Means of verification: attendance registers and photos <p>Issues and constraints:</p> <ul style="list-style-type: none"> Before the workshops farm workers were totally ignorant of the OHS and COIDA Labour Centres are situated too far from farms
	17. Hope Town Advice Centre	To advocate COIDA and OHS policies by training mainly shop stewards and farm workers in the rural areas for 12 months	<p>Tranch 2 report pending</p> <ul style="list-style-type: none"> Conducted 13 workshops as follows: Gariieb, Campbell, Salt Lake, Douglas, Phillipstown, Petrusville, Vanderkloof, Strydenberg, De Bron, Hopetown, Karrekloof, Big Foot and Belmont A total of 319 participants were trained Budget used R136,000 Case studies were used to ensure practicality <p>Major issues and constraints:</p> <ul style="list-style-type: none"> Lack of visibility of Labour inspectors. Closure of Phillipstown Advice Centre Farm workers situated far away from labour centres No safety representatives in the workplace Employers pay cash for IOD to avoid compliance Employees dismissed post injury <p>Remedial action:</p> <ul style="list-style-type: none"> Established a working relationship with the Community Development Workers (CDW). Claim forms are handed to them for assistance. Follow up sessions Claim forms to be supplied to local drop in Centre

Continued

PROVINCE	NAME OF PROJECT	MAIN OBJECTIVE	PROGRESS AND ACHIEVEMENTS
	18. Marydale Advice Centre	To advocate COIDA and OHS policies by training mainly shop stewards and farm workers in the rural areas for 12 months	<p>1 August 2012 to December 2012 Tranch 2 report pending</p> <ul style="list-style-type: none"> • Conducted six workshops in Marydale 2x, Grobelershoop, Niekerkshoop, Prieska and Wilcot Boerdery • A total of 145 participants mainly farmworkers and a few from industries • A total of 14 COIDA complaints were reported. • The Local Councilor also attended • Farm owners also attended in Prieska and Marydale respectively <p>Issues and constraints:</p> <ul style="list-style-type: none"> • Farmers refuse to provide transport for injured employees to see the doctor • Employers fail to report accidents/ diseases • Unlawful deduction for COIDA • No protective clothing for employees • No danger signs for hazards in the workplace • No safety representatives in the workplace • Victimization by employers of employees who reported on their own to DoL • Eviction of employees who are disabled by occupational injuries • Injured employees sent to clinic for pain killers only • Employers raised concerns about non-observance of safety rules by employees • Employers accuse employees of abusing alcohol at work • Absence of Labour inspectors
North West	19. Lethabong Advice Centre	To advocate COIDA and OHS policies by training mainly shop stewards and farm workers in the rural areas for 12 months	<ul style="list-style-type: none"> • An overwhelming 1,259 farm workers were reached in 18 educational workshops: Stella farms, Hartebeespoort (SANGIRO FARM), Bokfontein farms, Beestekraal farms, Syferbult farms, Moedwul farms, Groot Marico, Skeerpoort farms, Hepoort farms, Ventersdorp farms, Ottoshoop farms, Derby farms, Swartruggens, Sannieshof farms, Delareyville, Makwassie farms, Koster farms and Ratsagae farms • Total budget expended R200,000 • The Fund guidelines were used during the presentations • A total of 33 COIDA cases recorded: most unreported accidents and four with existing claims numbers. The Fund is assisting with reporting the accidents and following up on the existing claims. • Brought Labour inspectors to farmers to obtain proper pay slips • The Compensation Fund attended training workshop in Delareyville, Hekpoort, Ventersdorp and Groot Marico. <p>Issues and constraints:</p> <ul style="list-style-type: none"> • Farmers exploit workers by deducting money for mealie meal • Farmers charge hospital fees for injury on duty • Collude with farm doctors to in misstating injury on duty • Farm doctors disclose the HIV/AIDS status to farmers who then fire HIV positive employees • No protective clothing provided to employees

Continued

PROVINCE	NAME OF PROJECT	MAIN OBJECTIVE	PROGRESS AND ACHIEVEMENTS
Western Cape	20. Swellendam Advice Centre	To advocate COIDA and OHS policies by training mainly shop stewards and farm workers in the rural areas for 12 months	<ul style="list-style-type: none"> Conducted nine workshops at Swellendam, Buffelsjag, Barrydale, Suurbank and Riviersonderend A total of 272 participants from the various farms Farm workers were supplied with English and Afrikaans pamphlets From a total budget of R250,000, a total of R246,729 was spent and R3,270.69 was not spent The presentations covered schedule 2 for permanent diseases, hearing impairment, and hand and arm vibrations Concerns from employees who die without compensation were recorded More COIDA cases (22) were recorded and are being followed up with the Labour Centres. Of these cases eight have existing claim numbers, while three are unreported accidents.
	21. Workers World Media Productions	This project focuses on training community radio stations. Local TV stations and the community generally on OHS and COIDA nationwide.	<ul style="list-style-type: none"> Live OHS and COIDA radio talk shows were held in 41 community radio stations that have signed the Memorandum of Agreement Capacitated through training a total of 100 community radio show hosts Held Labour Community Media Forums in all nine provinces and a total of 215 attended at the following places: Boland, Barberton, Bushbuck Ridge, Newcastle, Memoth, Kwambonambi, Eshowe, Durban, Worcester, Pietermaritzburg, Upington, East London, Port Elizabeth, Mokopane, Phalaborwa, Botlokwa, Polokwane, Mohodi, Zebediela, Alexandra, Soweto and Khayelitsha Hosted Labour TV shows on Africa Labour Media Project and Arab Labour Community project Total amount spent was R279,161 from a tranche of R613,975. Cosatu, Fedusa and Nactu participated in these projects Topics on OHS and COIDA were determined and scripts translated into five languages by Fund presenters for the pre-recorded programmes for national radio stations. Five officials from the Fund held a pre-recorded radio interview on COIDA in five different languages SCSF held an evaluation meeting with Workers World Media Productions on 20 February 2013 The Fund participated in four provincial cluster workshops in Cape Town, Durban, Johannesburg and East London An average of 20 pilot subjects attended the workshops <p>Issues and constraints:</p> <ul style="list-style-type: none"> Non availability of COIDA and OHS pamphlets in some provinces Callers asking irrelevant questions not related to COIDA and OHS Community radio stations changing slots in the nick of time which changes the schedules on short notice

CONCLUSION

- The training workshops have reached a huge number of trainees above target. These workers have been empowered with knowledge on COIDA and OHS policies.
- Unreported cases have been registered at the training workshops
- Farm workers deal with a lot of challenges like non-reporting of accidents, medical doctors colluding with employers for not providing accurate reports about injuries
- In some cases non-citizens get preferential treatment over the local employee citizens. This creates tension and conflict.
- Most farm owners do not allow employees to attend training during working hours
- Some farm owners still abuse employees physically
- Some employers still not providing protective clothing more especially on chemicals, pesticides and other harmful substances
- Employees who sustain injuries on duty are dismissed by some farmers
- Labour inspectors are accused of not being visible or colluding with employers
- Continuous training on COIDA and OHS is necessary
- Some farm owners who attended workshops view the training in a positive light, for example Leandra Project in Mpumalanga
- Ward councillor's have been attending for example, Delareyville and Hekpoort in North West and Marydale and Prieska in the Northern Cape

3.2.8. Medical Services

The Medical Services Directorate consists of two units: Medical Payments and Medical Services. Medical Payments is a unit responsible for the payment of all medical expenses incurred by employees who were injured on duty or who contract occupational diseases. Medical Services (medical officers and nurses) is a support unit that provides medical advice and medical opinion, to all programmes within the Fund, and focuses on:

- Processing and finalisation of all occupational injuries and diseases claims
- Formulation of a policy framework on rehabilitation and reintegration to work of all injured and diseased employees, including restoration of functionality
- Provision of medical advice on continued medical aid and chronic medication
- Provision of assistive devices
- Determination of COIDA medical tariffs in conjunction with service provider representative bodies
- Provision of medical advice on the Fund's liability and extent thereof for occupational injuries and diseases

3.2.8.1. Medical Payments

For the financial year under review, 934,834 medical accounts were approved, compared to 824,924 during the financial year 2011/2012. The value of these medical accounts for 2012/2013 is R1.501 billion compared to R1.882 billion in 2011/2012.

TABLE 3.2.8.1. MEDICAL CLAIMS

YEAR	NUMBER OF PAYMENTS	RAND VALUE
2006/07	886,511	R1,430,143,788
2007/08	777,320	R1,294,380,035
2008/09	815,045	R1,540,340,287
2009/10	781,249	R1,451,516,511
2010/11	868,284	R1,903,377,305
2011/12	824,924	R1,882,372,383
2012/13	934,834	R1,501,616,165

3.2.8.2. Turnaround time

In the 2011/2012 financial year of the 824,924 invoices paid, 533,423 invoices were paid within 30 days and an accumulative total of 670 365 were paid within 60 days.

The Directorate only achieved 67% against the strategic target of paying 70% of medical invoices within two months of receipt.

For the financial year 2012/2013 of the 1,003,050 medical invoices paid, 670,365 were paid within 60 days.

The Directorate only achieved 67% against the strategic target of paying 80% of medical invoices within two months of receipt.

3.2.8.3. Tariffs for medical aid expenses

The tariffs of fees for medical services are revised on an annual basis after consultation with health care service provider associations. For 2012/13, the tariff increase approved by the Minister of Labour is 5% across the board.

3.2.8.4. Medical Services

The Strategic Plan of the Compensation Fund is informed by Government's National Priorities, the Department of Labour's Strategic Plan and priorities for the next five years. The strategic goal of the Medical Services Directorate is to provide an efficient and effective social safety net through providing medical advice, medical case management and medical opinion on occupational injuries and diseases to all claims processing sub-directorates and monitoring of compliance with COIDA legislation, Chapters 7,8, Sections 72 to 79. In ensuring effective administration, the Medical Services Directorate has developed Standard Operating Procedures (SOP) that will simplify referrals and thus allow for a response within the prescribed time.

TABLE 3.2.8.4. MEDICAL SERVICES PERFORMANCE 2011/2012

CLAIM TYPE	TOTAL	FINALISED		NOT FINALISED
Occupational injuries	4,268	3,045		1,223
		913 finalised within 20 days	2,132 Finalised > 20 days	
Occupational diseases	12,467	2,579		9,888
		1,805 finalised within 20 days	774 Finalised > 20 days	

TABLE 3.2.8.5. MEDICAL SERVICES PERFORMANCE 2012/13

CLAIM TYPE	TOTAL RECEIVED	TOTAL PROCESSED	TOTAL DONE IN 15 DAYS	TOTAL CARRIED OVER
Reopening	3,273	1,774	1,214	1,499
Chronic medications	464	205	182	259
Prosthesis	1,850	1,721	1,156	129
Unscheduled PDS	1,140	483	296	657
Occupational diseases	6,343	5,073	1,504	1,270
Complex accounts	480	95	90	385
TOTAL	13,550	9,351	4,442	4,199

3.2.9. Legal Services

The objective of Legal Services is to provide legal support and legal administration to the Compensation Fund to ensure compliance with the provisions of the Compensation for Occupational Injuries and Diseases Act 130 of 1993 (COIDA).

Legal Services is sub-divided into three sub-sections, namely:

- Litigation and third party
- Contracts and legal opinions
- Hearings

3.2.9.1. Litigation and third party

LITIGATION

This section is responsible for management of litigation and contracts with the intent to avoid unnecessary legal costs against the Compensation Fund and to ensure compliance with the COID Act.

Legal Services received 6 summonses issued against the Compensation Fund during the financial year ended 31 March 2013. None of these were finalised and are still active litigation matters where pleadings are or were exchanged in preparation for trials.

68 Court applications to compel compliance with COID Act were received and only 34 have been finalised. The remaining 34 applications are active as pleadings have been closed. Such cases are being enrolled for hearing in different courts. It must be noted that the above figures represent all litigation cases received and includes the number of cases without dispute of fact as reported quarterly. Only 18 of 48 (38%) litigation cases classified as cases without dispute of fact were finalised within 21 days of their receipt.

THIRD PARTY

The Third Party section recovers moneys from third parties, specifically the Road Accident Fund where an employee was involved in a motor vehicle accident whilst on duty in terms of Section 36 of the COIDA. If liability for compensation is accepted, the Fund will pay compensation and recover what it has paid from the Road Accident Fund (RAF).

- 139 Claims were lodged against RAF amounting to R22,317 019.56
- 3,172 third party claims were finalised and R12,584 951.94 was recovered from the RAF
- State Attorney's Office was instructed to collect R6,208,462.30 from the RAF for Compensation paid to employees who sustained injuries as a result of motor vehicle accidents whilst on duty against 19 claims
- 73 offers to the amount of R13,860,799.93 from the RAF were accepted. Payment of such offers is yet to be made.
- Further claims are still pending and are being processed

The Third Party section experienced procedural delays in recovery of third party claims and challenges with an electronic link between Compensation Fund and the Road Accident Fund. Ongoing negotiations are currently underway between the Compensation Fund and the RAF to address administrative challenges with the recovery of monies already paid by the Compensation Fund to employees who suffered occupational injuries and diseases as a result of motor vehicle accidents. The focus is mainly on improving the turnaround times for the payment of claims lodged by the Fund with the RAF.

3.2.9.2. Contracts and Legal Opinions

This Section is responsible for the drafting/vetting of contracts to ensure compliance with relevant legislation and ensures that supply chain procedures are been complied with. It is also responsible for legal advice to avoid unnecessary litigation.

- Legal Services drafted and vetted 25 contracts.
- Ten legal opinions were requested on the interpretation of contracts and COIDA and Legal Services provided all the requested legal opinions.

3.2.9.3. Hearings

In terms of Section 91 of COIDA any person who is affected by the decision of the Director General relating to a claim for compensation, may lodge an objection against such decision which may be reviewed in terms of Section 90 and or be heard by the tribunal.

The tribunal decisions can only be reviewed and appealed in the High Court.

Section 91 objections, total number of objections 2,151:

- 1,079 outstanding from previous year
- 1,072 received current year
- 360 finalised
- 1,791 outstanding due to:
 - 437 Section 90 of the Act, by the review committee
 - 302 due for Section 42 examinations to be arranged
 - 62 are subject to Section 7 investigations due to employees untraceable, medical practitioners delaying with further medical reports and employers lacking to provide certain and crucial information.
 - 1,058 are due for hearing by the tribunal inclusive of Section 56 Applications

In terms of Section 56 of COIDA employees are entitled to claim increased compensation in the event where an accident was caused by the negligence of the employer or a person deemed to be a supervisor/manager. Such claims are adjudicated in a similar process as Section 91 objections.

Section 56 applications:

- 49 outstanding previous year
- 24 received current year
- 5 finalised
- 68 outstanding due to:
 - Delayed response from employers to applications
 - Delayed response from employees

It should be noted that this is a very strict procedural process. A total approximately of R3,498,528 was paid to panel members, witnesses, recording firms, etc. for their participation in the hearing processes.

3.2.10. Communications

The Communications Directorate is responsible for ensuring that there is a two-way flow of information between the Fund and its stakeholders. This directorate is also responsible for educating stakeholders on the Fund's services and on how to access them easily. The Fund's marketing, promotion and branding are done through this unit.

The Directorate also ensures that there are good working relations between the Fund and the media, as well as with stakeholders so that negative publicity is prevented or minimised.

EDUCATIONAL CAMPAIGNS

Educational campaigns have been conducted through different media nationally. These campaigns were conducted in all official languages to ensure maximum reach. The purpose of these campaigns was to ensure that stakeholders, clients and the public in general are aware of the Fund's services, how to access them and that they know their rights and responsibilities.

An extensive ROE campaign was ran targeting employers and encouraging them to file their returns electronically.

VULNERABLE EMPLOYEES CAMPAIGN

- Television adverts ran on SABC 1-3 and on etv for the month of October 2012
- Conducted live radio talk shows adverts ran on community radio stations for the month of September to October 2012
- National radio adverts targeting beneficiaries on national and regional radio stations in all official languages
- Print adverts placed in national newspapers covering employers and in community newspapers educating beneficiaries on Fund claim process
- Adverts for beneficiaries ran on Comutanet (taxi rank radio stations and TV screens) covering major taxi ranks nationwide
- Alive advertising: adverts for beneficiaries ran on alive screens nationwide

BENEFICIARY CAMPAIGN

Conducted print advertorials for beneficiaries ran in community newspapers nationwide.

NOTICE TO EMPLOYERS

Advertorial in national newspapers.

RETURN OF EARNINGS CAMPAIGN

- Television adverts flighted on SABC 1-3 and etv
- Radio advertorials on national radio stations in all official languages
- Alive advertising: adverts for beneficiaries on alive screens nationwide
- On-line advertising on news websites, (news24, Mail & Guardian)
- Billboard advertorials on all Gautrain stations
- Airport screens advertorials
- SMS and email messages

MEDIA RELATIONS

During this financial year, the Fund had a direct interaction with its client through community radio talk show programmes nationwide. These programmes were conducted in official languages covering all services of the Fund. About ten media enquiries were positively responded to.

MARKETING/EXHIBITIONS

The Fund's services have been marketed through various media, print, outdoor and electronic. The Fund has during the financial year through the Communications Directorate participated in the following exhibitions. Information pamphlets and other promotional material were also distributed.

MINISTERIAL JOB FAIR EXHIBITIONS

PROVINCE	DATE	VENUE
Gauteng	12 October 2012	Gallagher Estate, Midrand
Mpumalanga	19 October 2012	Graceland Casino, Secunda
Western Cape	26 October 2012	Cape Town
North West	3 March 2012	Rustenburg Civic Theatre

MINISTERIAL IMBIZO

PROVINCE	DATE	VENUE
KwaZulu-Natal	5 to 6 June 2012	Richards Bay Hall

STRATEGIC DOCUMENTS

The Annual Report, Strategic Plan and Annual Performance Plan were produced and delivered to Parliament on time for presentation by the Minister and were distributed as follows:

STRATEGIC DOCUMENTS BREAKDOWN

ITEM	NO PRODUCED	DISTRIBUTED TO PARLIAMENT	DISTRIBUTED TO MANAGEMENT AND STAKEHOLDERS	COST PER UNIT R	TOTAL COST R
Annual Report, litho	500	65	435	188.08	94,036.00
Annual Report, digital	65	65	-	438.47	28,500.00
Annual Performance Plan, litho	100	-	100	262.66	26,266.00
Annual Performance Plan, digital	70	65	5	458.63	32,104.00
Strategic Plan, litho	500	-	500	58.74	29,366.00
Strategic Plan, digital	70	65	5	354.86	24,840.00

3.3. Overview of the organisational environment

The first phase of the implementation of the Migration Framework was completed, 317 contract workers with contracts expiring on 30 September 2012 were absorbed into the structure. A placement panel consisting of representatives from organised labour and management of the Fund was established. The purpose of the placement panel is, amongst others, to ensure and oversee the fairness and consistent application of the migration and placement process and advise employees of their rights to lodge an objection to any aspect relating to his or her placement or displacement. In addition, preparations for the implementation of the new organisational structure on the Personnel and Salary Administration (PERSAL) system were completed.

Capacity building initiatives were implemented during the year under review to improve the skills of managers and staff in order to assist them in executing their functions and enhancing productivity. In addition, a number of Directors and Deputy Directors were enrolled in the Executive Development Programme that is offered under the auspices of the Public Administration Leadership and Management Academy (PALAMA). Training needs were identified and implemented in functional and generic courses. A senior manager in Financial Control resigned during the last quarter of the financial year which impacted on the operations of the Fund.

The Public Private Partnership (PPP) contract with Siemens terminated at the end of November 2012. The Department of Labour has invoked a termination support and handover period clause in the contract, whereby Siemens have to provide support and maintenance to the Department for an extended period at a set price, after the term of the contract. During the month of October 2012, Siemens was wholly acquired by EOH which is one of the largest IT companies in South Africa. For the remaining period the IT services were provided by EOH. The exit and transfer of the PPP progressed to ensure that all knowledge, information, intellectual property, assets etc. are transferred back to the Department. During the last quarter

the Fund experienced numerous problems with the IT provider and the relationship deteriorated due to non-delivery and non-cooperation. This included refusal to complete the changes requested to systems, stopping of the phase II portion of the system development and non-cooperation on data migration. The suspension of the IT services to review the governance processes of the appointment. This had a negative impact on the Compensation Fund as it could not proceed with the development of various system enhancements.

3.4. Summary of revenue generated

SOURCES OF REVENUE	2012/2013			2011/2012		
	ESTIMATE (TARGET) R'000	REVENUE GENERATED R'000	VARIANCE %	ESTIMATE (TARGET) R'000	REVENUE GENERATED R'000	VARIANCE %
Levies from employers	5,227,179	7,375,337	41%	5,109,288	4,978,266	-3%
Interest	268,741	243,302	-9%	259,249	255,944	-1%
Penalties	96,042	474,007	394%	166,631	91,469	-45%
TOTAL	5,591,962	8,092,646	45%	5,535,168	5,325,678	-4%

The increase in employer contributions is attributable to the implementation of the online submission of annual returns (ROE website) as well as the efforts made towards clearing the assessment backlogs. The ROE website was launched in May 2012.

Interest is charged at a prime rate on late payment of assessments. Penalty for late submission of annual returns is levied at 10%.

3.5. Summary of revenue collections

SOURCES	2012/2013			2011/2012		
	DEBT BOOK R'000	REVENUE COLLECTED R'000	VARIANCE %	DEBT BOOK R'000	REVENUE COLLECTED R'000	VARIANCE %
Levies from employers	9,705,861	5,786,426	-40%	7,315,429	3,795,460	-48%
Impairment	(6,003,651)			(4,833,530)		
TOTAL	3,702,210	5,786,425	56%	2,481,899	3,795,460	53%

The total debt book includes a provision for assessment raised of R1.5 billion (2012) and R947 million (2013). The provision for assessment raised is an estimate of assessment not raised as a result of mainly annual returns not submitted by employers timeously.

The overall achievement in debt collection is attributable to the implementation of the revenue strategy in January 2013 in respect of the enforcement of the COID Act as well as intensifying debt collection procedures by strengthening the criteria for issuing letters of good standing.

3.6. Summary of payments by programme

PROGRAMME NAME R'000	2012/2013			2011/2012		
	BUDGET R'000	ACTUAL EXPENDITURE R'000	UNDER EXPENDITURE R'000	BUDGET R'000	ACTUAL EXPENDITURE R'000	UNDER EXPENDITURE R'000
Administration	880,000	761,702	118,298	825,363	749,506	75,857
Medical Claims	3,000,000	1,501,606	1,498,394	2,208,692	1,882,372	326,320
Compensation Claims	1,864,061	480,187	1,383,874	1,533,460	586,633	946,827
Provinces	42,019	24,894	17,125	-	-	-
TOTAL	5,786,080	2,768,389	3,017,691	4,567,515	3,218,511	1,349,004

During the year under review the Fund didn't overspend on its budget. There was a saving of R3 billion, mainly from Compensation and Medical claims.

4. PERFORMANCE OF COMPENSATION FUND PROGRAMMES AND SUB-PROGRAMMES

PROVIDING AN EFFICIENT SOCIAL SAFETY NET					
I. DIRECTORATE: COMPENSATION					
STRATEGIC GOALS / OUTPUTS	KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET		REASONS FOR VARIANCE	REMEDIAL ACTION
		2012/13 TARGET	2012/13 ACTUAL		
I.1 Improvement in compensation claims turnaround time	% of new compensation claims adjudicated within months of registration	80% of new compensation claims adjudicated within 2 months of registration	Achieved (100%+) Registered 196 509 Adjudicated 205 622	Adjudication exceeded registration. Claims carried forward from previous months.	Rescue backlog project team in place to deal with the ring fenced backlog of claims until end of May 2013.
I.2 Advocacy of policy to prevent accidents	Fund, monitor and evaluate 9 projects	Fund, monitor and evaluate 9 projects in all provinces	Achieved 21 projects were running during quarter 4 after the second tranche funding was released. The Fund participated in 3 workshops as part of monitoring and evaluation, namely, Lethabong Project in Delareyville; Opret Project in Mokopane and Qholahwe Project in Vrede, Free State.		
I.3 Improve compensation benefits	Review compensation benefits by end of financial year	Increased compensation benefits	Achieved Benefits increase gazette was approved on time and implemented by the due date.		

PROVIDING AN EFFICIENT SOCIAL SAFETY NET					
2. DIRECTORATE: MEDICAL SERVICES					
STRATEGIC GOALS/ OUTPUTS	KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET		REASONS FOR VARIANCE	REMEDIAL ACTION
		2012/13 TARGET	2012/13 ACTUAL		
2.1 Finalise 100% of medical claims (valid, accurate and complete documentation) finalised within 30 days of receiving an invoice by 2016	% of medical claims finalised within number of months of receiving an invoice	80% of medical claim finalised within 2 months of receiving an invoice	Not achieved (67%) Out of 1,003,050 medical claims received, 670,365 were paid within 2 months at an amount R1,277,310,467.	Manual referral and processing of claims, incomplete documentation from clients, ICM not fully implemented, staff shortage.	Enhance or Improve ICM system.
2.2 Provide medical advice on all medical claims within 24 hours by 2016	% medical advice on all medical claims provided within specified time	80% medical advice on all medical claims provided within 15 days	Not achieved Out of 13,550 requests for medical advice on medical claims received, 4,448 were finalised within 15 days.	1. Registration and adjudication of backlog claims within the Rescue Plan project. 2. Adjudication of PTSD files. 3. Review of Legal files. 4. Manual referral of enquiries, capturing and processing. 5. Staff shortage 6. Incomplete info from stakeholders. 7. IT issues.	The work processes have been submitted to IT to direct the work according to work flow plan. Increase capacity.
2.3 Development a rehabilitation and reintegration policy framework and participate in consultative process by 2014	Participate in all stakeholder consultation meetings as invited	Participate in all stakeholder consultation meetings as invited	Partially achieved The chapter on Rehabilitation has been added to COIDA amendments and amendments.	Amendments process is long and cannot end in one financial year.	

PROVIDE PROFESSIONAL, EFFICIENT AND CLIENT ORIENTATED HUMAN RESOURCE					
3. DIRECTORATE: HUMAN RESOURCE MANAGEMENT (HRM)					
STRATEGIC GOALS / OUTPUTS	KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET		REASONS FOR VARIANCE	REMEDIAL ACTION
		2012/13 TARGET	2012/13 ACTUAL		
3.1 100% compliance with the performance management system annually	Full compliance and enforcement of the performance management policy	100% compliance and enforcement of the performance management policy	Achieved National Target of 95% achieved. 2012/2013 96.00% first semester assessments were received (929/968) 98.65% agreements were received (955/968)		
3.2 Improve competency levels of CF staff by 100% alignment and implementation of work skills development plan (WSP) BY 2016	% of identified needs addressed as per PDP aligned with WSP	82% of identified needs addressed as per PDP aligned with WSP <i>(48 Training needs were identified)</i>	Achieved 11% of the identified training needs were addressed. 6 (1 Generic & 5 Functional) Training needs were addressed during quarter 4 31 Employees have been trained during quarter 4: Generic training: 11 Functional training: 20		
	Implement Internship / Learnership programme	100 Interns	Achieved 111 Interns were appointed into the Internship programme		

PROVIDE PROFESSIONAL, EFFICIENT AND CLIENT ORIENTATED HUMAN RESOURCE Continued					
3. DIRECTORATE: HUMAN RESOURCE MANAGEMENT (HRM)					
STRATEGIC GOALS / OUTPUTS	KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET		REASONS FOR VARIANCE	REMEDIAL ACTION
		2012/13 TARGET	2012/13 ACTUAL		
3.3 Achieve a conducive working environment by implementing an employee wellness strategy by 2016	Employee wellness strategy implemented annually	Implement PILLAR 2	Achieved 6 referrals were referred to EHWP in Head Office. All employees were assisted and given positive feedback.		
3.4 Implement recruitment and retention strategy through maintenance of 7% vacancy rate by 2016	7% vacancy rate maintained annually	Maintain 7% vacancy rate	Achieved Vacancy rate is 2.25% as at 31 March 2013		
3.5 Implement Employment Equity by 2016	Eliminate work place discriminatory and social prejudice and achieve realistic target	Conduct an analysis of employment policies, practices, procedures and working environment to identify barriers to the employment and advancement of people from designated groups	Achieved EHWP & GDY meetings were attended and inputs given. Inputs were given on Disability Policy. EE targets are monitored.		

STRENGTHENING CORPORATE GOVERNANCE					
4. DIRECTORATE: RISK MANAGEMENT					
STRATEGIC GOALS / OUTPUTS	KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET		REASONS FOR VARIANCE	REMEDIAL ACTION
		2012/13 TARGET	2012/13 ACTUAL		
4.1 Full implementation of Minimum Information Security Standard (MISS) by 2016	Full compliance with MISS by 2016	Full implementation of Information security (ICT) according to MISS	Not achieved Acquired database of suppliers from SCM	Written submission from the Security Manager is awaited to appoint private service provider to conduct vetting instead of SSA.	Request the intervention of the Head of Security in DoL.
4.2 Fraud Investigation, Prevention and Detection strategy implemented	% of cases registered finalised within agreed time frame	100 % of fraud and corruption cases received / detected finalised within 4 months	Not achieved (61%) Out of 142 cases received/ detected during in this financial year, 86 cases were finalised internally.	Reliance on outside institutions to get information. Section not capacitated to deal with the work load. Target was realistically high.	Escalate and Engage the relevant institutions on the importance of availing information. Implement the approved structure. Target has been revised to be accumulative for the next financial year.
4.3 Implement an Enterprise Risk Management (ERM) system by 2016	Number of risk awareness campaign conducted Implement Enterprise Risk in accordance with Risk Management Framework	4 Fraud and Risk awareness session conducted Risk Assessment and Risk registers reviewed and updated annually	Achieved 9 sessions of fraud and risk awareness conducted. Achieved Operational risk registers monitored and registers updated.		

INTEGRATION OF CF WITHIN THE COMPREHENSIVE SOCIAL SECURITY REFORMS

5. DIRECTORATE: LEGAL SERVICES					
STRATEGIC GOALS / OUTPUTS	KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET		REASON FOR VARIANCE	REMEDIAL ACTION
		2012/13 TARGET	2012/13 ACTUAL		
5.1 Submit COID Act Amendment draft to LMP & IR office for consultation by 2013 and Monitor the process of the promulgation of the ACT by 2015	COIDA Amendment draft submitted to LP & IR by 2013 and monitor the process for promulgation by 2015	Finalise and submit COID Amendment draft to LP & IR for further processes	Achieved Final draft amendments were submitted to the LP&IR Branch of the DoL on 31 January 2013 for further processes.		
5.2 Resolve 95% of received application for increased benefits where there is no dispute of fact	% of application for increased compensation finalised within 60 days of receipt	65% of Application for increased compensation finalised within 60 days of receipt	Not achieved (17%) Applications received: 18 Applications finalised: 3	Rules applicable to section applications prolong the finalization. Employers take time to respond.	Amendment of the Act to remove the applicable rules.
5.3 Resolve 95% of received objections that have been decided by the Review Committee within 60 days by 2016	% of Section 91 objections finalised within 60 days from the date of receipt from the Review Committee	65% objections finalised within 60 days from the date of receipt from the Review Committee	Not achieved (19%) Objections received: 1072 Objections finalised: 200	Legal Services is understaffed – only 5 legal officers for all Provinces. Not enough medical officers to assist with medical opinions. Unavailability of witnesses for the Fund/ objectors. Delays in reviewing all of the files by the Review Committee. Inadequate IT system.	Capacitate Legal Services with more personnel.

INTEGRATION OF CF WITHIN THE COMPREHENSIVE SOCIAL SECURITY REFORMS Continued

5. DIRECTORATE: LEGAL SERVICES

STRATEGIC GOALS / OUTPUTS	KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET		REASONS FOR VARIANCE	REMEDIAL ACTION
		2012/13 TARGET	2012/13 ACTUAL		
5.4 Resolve 95% of received litigation cases where there is no factual dispute within 5 days by 2016	% of litigation cases resolved within days of receipt	95% of litigation cases resolved within 21 days	Not achieved (38%) Received: 48 Finalised: 18	Sections still providing information beyond 21 days after request. Opponents taking long to respond to the Fund's offers.	Meeting was held with all relevant sections to propose ways of improving on the turn-around times for provision of required information.
5.5 90% of legal advice requests and contracts finalised within 5 days of receipt by 2016	% of legal advice and contracts provided within days of receipt	90% of legal advice and contracts provided within 5 days of receipt	Achieved 28 requests for drafting of contracts received from CF Supply Chain. 26 contracts drafted within 5 days (achieved 93%). 10 requests for legal advice received and 9 of which was provided within 5 working days (achieved 90%).		

PROMOTE POLICY ADVOCACY					
6. DIRECTORATE: COMMUNICATION					
STRATEGIC GOALS / OUTPUTS	KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET		REASONS FOR VARIANCE	REMEDIAL ACTION
		2012/13 TARGET	2012/13 ACTUAL		
6.1 Implement Communication Strategy/ Marketing by 2017	Communication strategy implemented by 2017	Run 4 media adverts	Achieved 4 Media adverts were run.		

IMPROVE FINANCIAL VIABILITY					
7. CHIEF DIRECTORATE: FINANCE					
STRATEGIC GOALS / OUTPUTS	KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET		REASONS FOR VARIANCE	REMEDIAL ACTION
		2012/13 TARGET	2012/13 ACTUAL		
7.1 Eliminate debt book of R5 Billion by 2016	R1 billion per annum of the debt book as at 31 March 2011.	R1 billion debt recovered	Partially achieved Total receipts for the quarter was R1.6 billion. However unable to split receipts to old debt book.	Due to system constraints we are unable to extract reports which allocate receipts to different periods accurately.	IT is assisting in extracting relevant reports.
7.2 Increase revenue by 5% annually	% increase in revenue as compared to previous year	5% increase in revenue as compare to the previous year	Achieved Target for quarter 4: R1.396 billion Actual R3.037 billion		
7.3 Obtain a clean audit opinion by 2014	Implement all AG recommendations	Implement 50% previous years AG recommendations	Not achieved The audit matrix received in March recorded 77/163 (47%) findings as resolved. This has not been verified by Internal Audit.	Internal Audit is not satisfied that the responses by management are correct. They will validate responses as part of their processes.	Management to continually assess their responses and refine their procedures.

IMPROVE FINANCIAL VIABILITY Continued					
7. CHIEF DIRECTORATE: FINANCE					
STRATEGIC GOALS / OUTPUTS	KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET		REASON FOR VARIANCE	REMEDIAL ACTION
		2012/13 TARGET	2012/13 ACTUAL		
7.4 Improve efficiency of processes by full implementation of an integrated financial system to improve payment to 30 days by 2016	All payments processed within 30 days of receipt of invoice	Sundry payments processed within 30 days of receipt of invoice and claims processed within 60 days of receipt of banking details	<p>Partially achieved</p> <p>Procurement Total Payments: R186,736,798.89 (83.21%) Creditors: R37,673,772.21 (16.79) Over 30 days: R69,528.37 (0.0003%)</p> <p>Medical Total Payments: R83,960,785.39 (66.92%) Creditors: R41,505,390.05 (33.08%) Over 30 days: R15,999,429.49 (12.75%)</p> <p>Pension Total Payments: R194,349,397.10 (82.77%) Creditors: R40,464,897.95 (17.23%) Over 30 days: R27,713,911.65 (11.80%)</p>	Outstanding banking details that still needs to be submitted by beneficiaries and captured by the Fund.	Unclaimed monies project is in progress and is focussing on reducing outstanding creditors.

IMPROVE FINANCIAL VIABILITY Continued					
7. CHIEF DIRECTORATE: FINANCE					
STRATEGIC GOALS / OUTPUTS	KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET		REASON FOR VARIANCE	REMEDIAL ACTION
		2012/13 TARGET	2012/13 ACTUAL		
			CAA Total Payments: R3,734,686 (76.44%) Creditors: R1,150,776.78 (23.56%) Over 30 days: R435,600.98 (8.92%) Compensation Total Payments: R104,167,738.62 (25.65%) Creditors: R302,003,142.91 (74.35%) Over 30 days: R297,140,075.18 (73.12%)		
7.5 Improve asset: liability ratio to 2:1 by 2016	Financial ratio maintained	2:1 Financial ratio maintained	Achieved As at the 28/02/2013 the ratio was at 4:1	The final figures for March not yet available due to year-end	
7.6 Maximise investment return to above benchmark	Receive above the (STEFI) benchmark returns	Receive above the (STEFI) benchmark returns	Achieved For the third quarter the Fund achieved: Compensation portfolio 2.43% against 2.15% Pension portfolio 18.69% against 18.09%	The final figures for March not yet available due to year-end	

IMPROVE CORPORATE SUPPORT AND SERVICES / ENHANCE QUALITY AND ACCESS TO COIDA SERVICES AND INFORMATION				
8. DIRECTORATE: INFORMATION AND COMMUNICATION TECHNOLOGY (ICT)/CALL CENTRE				
STRATEGIC GOALS / OUTPUTS	KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET		REMEDIAL ACTION
		2012/13 TARGET	2012/13 ACTUAL	
8.1 To define IT Strategy and implement systems and infrastructure to support business goals by March 2013	CF IT strategy developed, supporting systems and infrastructure implemented	Integrated systems and infrastructure implemented	Partially achieved The DoL had taken a decision that there will be a single, centralised IT strategy across the organisation. CF will not have its own strategy. The systems development which was in progress included: - MIS - Letters of Good standing - Remittance advices - Electronic Portal	One strategy across DoL - CF to be included in it.
8.2 Implement 100% customer services at all customer touch points	% Customer service support provided at all customer service touch points (phone-in, web, walk-in)	70% Customer service support provided at all customer service touch points (phone-in, web, walk-in)	Achieved 80% customer service implemented.	
8.3 Improve customer satisfaction for call centre by 40% of baseline	Achieve % increase of customer satisfaction rating on baseline	Determine customer satisfaction baseline	Partially achieved 1. Extended the centre to accommodate more visitors. 2. Increased the number of support agents. 3. Created additional help desk to deal with online support queries	Limited customer information and lack of written feedback to validate the rating to be able to gather recommendations Investigate and implement a solution to capture details and allow for written feedback

IMPROVE CORPORATE SUPPORT AND SERVICES / ENHANCE QUALITY AND ACCESS TO COIDA SERVICES AND INFORMATION Continued					
8. DIRECTORATE: INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) / CALL CENTRE					
STRATEGIC GOALS / OUTPUTS	KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET	REASONS FOR VARIANCE	REMEDIAL ACTION	
		2012/13 TARGET			2012/13 ACTUAL
8.4 Finalisation of governance measures and policies within the ICT environment by March 2013	Finalisation of a governance plan and implementation	Review of plan and structures Update and implementation	<p>Partially achieved</p> <p>The IT governance framework has been approved at CF, but was dependant on the finalisation of the DoL framework.</p> <p>Implementation was delayed due to the absence of a IT service partner.</p>	Dependency on the DoL It framework and plans.	The DoL must appoint a new service provider or capacitate itself.

ENHANCE QUALITY AND ACCESS TO COIDA SERVICES AND INFORMATION

9. DIRECTORATE: ORGANISATIONAL EFFECTIVENESS (OE)					
STRATEGIC GOALS / OUTPUTS	KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET		REASONS FOR VARIANCE	REMEDIAL ACTION
		2012/13 TARGET	2012/13 ACTUAL		
9.1 Annual Strategic planning as per NT Framework for Performance Information	Strategic Plan and Annual Performance Plan developed in line with the NT Framework for Performance information	Coordinate the development and approval of the Strategic plan and Annual Performance plan a per NT Framework	Achieved Strategic Plan 2013 – 2018 and Annual Performance Plan 2013/14 were developed, approved and submitted to NT as required		
9.2 Annual organisational performance management	Quality, relevant and timeliness of performance reports in line with the NT Framework for Performance Information	Monitor and evaluate organisational performance to ensure that quarterly, mid-term and annual reports are tabled as per NT Framework	Achieved Quarterly Performance Reports were coordinated and submitted for approval. Annual Report template as per NT Framework circulated to all participants.		
9.3 Implement change management programme by 2016	Develop and implement organisational wide change management programme by 2016	Develop and implement 10% organisational wide change management programme	Not achieved Organisational wide change management programme was developed and not implemented.	Lack of capacity to implement change management.	A Change Management Specialist company will be appointed to drive the implementation of the programme.
9.4 Decentralise COIDA services to 9 provinces by 2016	COIDA services decentralised to 9 provinces	COIDA services decentralised to 2 provinces)	Not achieved 4 staff members deployed and 19 seconded to Gauteng; and 9 staff members seconded to Western Cape to assist in delivering COIDA services.	Infrastructure not ready	Individuals have been identified at provincial level to organise infrastructure requirements.

ENHANCE QUALITY AND ACCESS TO COIDA SERVICES AND INFORMATION					
10. DIRECTORATE: PROGRAMME MANAGEMENT OFFICE (PMO)					
STRATEGIC GOALS / OUTPUTS	KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET		REMEDIAL ACTION	
		2012/13 TARGET	2012/13 ACTUAL		
10.1 Coordinate and monitor all priority projects currently running in the Compensation Fund.	Co-ordinate and monitor the implementation of all CF priority projects within committed project plan/ schedule with measurable targets and budget as per PMBOK	Submit Quarterly monitoring reports	<p>Partially achieved</p> <p>Monitoring reports are submitted to various committees:</p> <p>SAP Enhancement Progress report was presented to SAP Project Steering Committee (MIS, Letters of good standing, remittance were under development. The Claims Registration Portal was developed and awaiting UAT).</p> <p>Organisational Redesign and Decentralisation.</p> <p>Presented to Strategic Operational Committee.</p>	Lack of capacity	The new structure will be appointed and additional resources will be appointed.

STRENGTHENING CORPORATE GOVERNANCE					
II. DIRECTORATE: INTERNAL AUDIT					
STRATEGIC GOALS / OUTPUTS	KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET		REASONS FOR VARIANCE	REMEDIAL ACTION
		2012/13 TARGET	2012/13 ACTUAL		
II.1 Developing and executing a risk based internal audit plan with 100% coverage annually	Preparation and approval of the 3 year risk based internal audit plan and the Annual coverage plan by the Audit Committee	Approval of the 3 year and annual risk based and annual coverage internal audit plan on the 1st April 2012	Achieved Risk-based Annual Audit Plan Drafted approved by Audit Committee		
	Reporting of quarterly reports to the Audit Steering Committee	4 quarterly reports to audit steering committees annually	Achieved Reports to Steering Committee, Meeting held on the 11th March 2013		
	Reporting of quarterly reports to the Audit Committee	4 quarterly reports to audit committees annually	Achieved Reports to Audit Committee, Meeting held on 19th March 2013		
	Develop and implement internal audit Policies (Quality assurance and document retention Policies and skills transfer plan)	Full Implementation of Quality Assurance Policy	Achieved Quality Improvement Surveys per Project completed (4 during this quarter). Quality Assessment Review Readiness Assessment by National Treasury		

STRENGTHENING CORPORATE GOVERNANCE Continued					
II. DIRECTORATE: INTERNAL AUDIT					
STRATEGIC GOALS / OUTPUTS	KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE AGAINST TARGET		REASONS FOR VARIANCE	REMEDIAL ACTION
		2012/13 TARGET	2012/13 ACTUAL		
<p>II.2 Conform with IIA standards by 2016 (100% compliance) – Develop and implement Internal Audit Methodology, Policies and Procedures</p>	<p>Develop and implement the internal audit Methodology</p>	<p>Implementation of the internal audit methodology</p>	<p>Achieved Methodology fully Implemented and incorporated into Audit Software (Teammate), Methodology Booklets printed</p>		
<p>II.3 Streamline all assurance functions into one enterprise-view by 2014</p>	<p>Combined assurance plan</p>	<p>Approval of a combined assurance plan</p>	<p>Achieved Combined Assurance activities are continuous between Steering Committee, Auditor General and Risk Management The Combined Assurance Plan is regularly updated</p>		