HEALTH

KwaZulu-Natal

ANNUAL REPORT

2007/2008

FOREWORD BY THE MEC FOR HEALTH

MESSAGE FROM THE MEC FOR HEALTH: MS NP NKONYENI

It is my pleasure to table to the house the Annual Report for the 2007/08 financial year.

We have indeed placed the KwaZulu-Natal Public Health System on a growth path this year. The R14,959,400 billion budget that was spent in the financial year under review built on the work done in the last decade to reconstruct a new modern, responsive health system that is more accessible to the majority of our citizens, especially the most vulnerable.

In fashioning the new health system, based on the District Health System model, we have been guided by a vision to "attain optimal health for all". With this in mind, significant achievements have been made in:

- Promoting healthy lifestyles and preventing ill-health with a focus on children and the poor;
- Building a network of primary and secondary health services that are backed up by an excellent tertiary health service;
- Strengthening the emergency health services and monitoring compliance to set norms and standards;
- Institutionalising the Batho Pele Principles through asserting the Patients' Rights Charter, a complaints system, the accreditation system and community participation through Hospital Boards and Clinic Committees;
- Greater focus on the implementation of the Comprehensive Plan for HIV and AIDS, the TB Crisis Management Plan, and Maternal, Child & Women's Health services; and
- More efficient use of resources with emphasis on infrastructure management systems.

We have made great strides to attain the goals we have set and the work we have done has laid a strong foundation as the Province moves towards the 2010 Soccer World Cup and the second decade of an integrated health system.

The immunisation coverage of 82% for children under-1 year has markedly reduced the risk of children dying from vaccine preventable conditions, indicating solid progress with the goal of improving the health of people of KwaZulu-Natal, particularly the young and vulnerable.

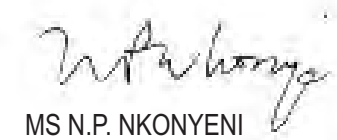
The Prevention of Mother to Child Transmission Programme (PMTCT) has been rolled out to all hospitals and Community Health Centres and to 96% of Primary Health Care clinics. This will help to reduce childhood mortality rates. We remain concerned about the high maternal mortality rates, and in an attempt to reduce the preventable causes of death, 100% institutions are implementing the Saving Mothers Recommendations. More needs to be done to reduce these mortalities and ensure that all new mothers and their babies enjoy an environment that is comfortable, safe and friendly.

HIV, AIDS and Tuberculosis continue to be major health challenges of our time. The roll-out of the Comprehensive Plan for HIV and AIDS was expanded, strengthening prevention, treatment, care and support programmes aimed at curbing the spread of the epidemic and prolonging the quality of life of those infected and affected.

TB has reached crisis proportions in the country and in the Province. The TB Crisis Management Plan has focused on 4 districts this year namely eThekwini, Umgungundlovu, Uthungulu and Umzinyathi, because of the high number of cases and the existence of MDR and XDR TB within these districts. All efforts have been made to mobilise all sectors of our communities to increase awareness about TB, and the dangers of TB, especially XDR and MDR TB.

The utilisation of our Primary Health Care facilities has increased to over 21 million annual visits, indicating success in our endeavours to provide equitable and improved Primary Health Care services. Hospitals are providing the necessary support and treatment and continue to see increased numbers of patients at all levels.

My appreciation goes to the Acting Head of Department, all the managers, professional and support staff, employee representative organisations as well as all the partners that worked tirelessly and innovatively to provide improved health services to our people.



MS N.P. NKONYENI
MEMBER OF THE EXECUTIVE COUNCIL
KWAZULU-NATAL DEPARTMENT OF HEALTH

Date: 05/ 08/ 2008

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PART A

Strategic Vision

VISION

To achieve the optimal health status for all persons in KwaZulu-Natal

MISSION

To develop and deliver a sustainable, coordinated, integrated and comprehensive health system at all levels of care, based on the Primary Health Care approach through the District Health System

CORE VALUES

Trust built on truth
Open communication
Commitment to performance
Integrity and reconciliation
Transparency and consultation
Courage to learn, change and innovate

LEGISLATIVE MANDATE

Allied Health Professions Act (Act 63 of 1982)
Bargaining Council Resolutions
Basic Conditions of Employment Act (Act 75 of 1997)
Broad Based Black Economic Empowerment Act (Act 53 of 2003)
Child Care Act (Act 74 of 1983) and Amendments
Choice on Termination of Pregnancy Act (Act 92 of 1996) and Amendments
Control of Access to Public Premises and Vehicles Act (Act 53 of 1985)
Conventional Penalties Act (Act 15 of 1962)
Council for Medical Schemes Levy Act (Act 58 if 2000)
Dental Technicians Act (Act 19 of 1979)
Designs Act (Act 195 of 1993)
Division of Revenue Act (Act 1 of 2007)
Employment Equity Act (Act 55 of 1998)
Foodstuffs, Cosmetics and Disinfectants Act (Act 54 of 1972)
Hazardous Substances Act (Act 15 of 1973)
Health Professions Act (Act 56 of 1974)
Inter-Governmental Fiscal Regulations Act (Act 97 of 1997)
International Health Regulations Act (Act 28 of 1974)
Medical Schemes Act (Act 131 of 1998)
Medicines and Related Substances Act (Act 101 of 1965)
Mental Health Care Act (Act 17 of 2002)
National Health Act (Act 61 of 2003)
National Health Laboratory Services Act (Act 37 of 2000)
Nursing Act (Act 33 of 2005)
Occupational Diseases in Mines and Works Act (Act 78 of 1973)
Occupational Health and Safety Act (Act 85 of 1993)
Pharmacy Act (Act 53 of 1974)
Preferential Procurement Policy Framework Act (Act 5 of 2000)
Promotion of Access to Information Act (Act 2 of 2000)
Promotion of Administrative Justice Act (Act 3 of 2000)
Promotion of Equality and the Prevention of Unfair Discrimination Act (Act 4 of 2000)
Protected Disclosures Act (Act 26 of 2000)
Public Finance Management Act (Act 1 of 1999) and Treasury Regulations
Public Service Act (Act 103 of 1994), Public Service Regulations
Public Service Commission Act (Act 46 of 1997)
SA Medical Research Council Act (Act 58 of 1991)
Skills Development Act (Act 97 of 1998)
State Information Technology Act (Act 88 of 1998)
State Liability Act (Act 20 of 1957)
Sterilisations Act (Act 44 of 1998) and Amendments
The Competition Act (Act 89 of 1998)
The Constitution of the Republic of South Africa (Act 109 of 1996)
The Copyright Act (Act 98 of 1998)
The Merchandise Marks Act (Act 17 of 1941)
The Patents Act (Act 57 of 1978)
Tobacco Products Control Amendment Act (Act 12 of 1999)
Trade Marks Act (Act 194 of 1993)
Unemployment Insurance Contributions Act (Act 4 0f 2002)

REPORT BY THE ACTING HEAD OF DEPARTMENT

SUBMISSION OF THE ANNUAL REPORT TO THE EXECUTIVE AUTHORITY BY THE ACCOUNTING OFFICER: DR YL MBELE

It is my pleasure as the Accounting Officer for Health to present the Annual Report and Annual Financial Statements for the 2007/08 financial year. This report sets out the progress made by the Department in improving health services and the health status of public health beneficiaries in the past financial year according to priorities contained in the Strategic Plan and the 2007/08 Budget Statement.

The importance of good health cannot be overemphasized. Yet a "healthy life" remains a distant vision for many of the world's people, particularly the poor and the marginalized who face the greatest inequity, disease burden and lack of sustainable development. Increasingly, there is global recognition that good health is a way out of poverty, results in a greater sense of well-being and contributes to increased social and economic productivity. Indeed, a WHO report on macro-economics and health conclude that:

- Increased investments in health would translate into hundreds of billions of dollars per year of increased income in low-income countries.
- There are large social benefits to ensuring high levels of health coverage of the poor, including spill over to wealthier members of the society.
- The highest priority is to create a service delivery system at local level, complemented by nationwide programmes for major diseases. *(WHO Report)*

These findings give credence to our mission statement, which is to develop and deliver sustainable, coordinated, integrated and comprehensive health systems at all levels of care through the Primary Health Care System.

Some of our achievements during the reporting period include:

- Large scale implementation of the Comprehensive Plan for HIV and AIDS, the TB Crisis Management Plan, expansion of Primary Health Care services to address previous inequality, expansion of the Emergency Medical Rescue Services and Hospital improvement programmes.
- Focus on those programmes that improve community participation in health such as Hospital Boards and Clinic Committees.
- Systems improvement (fraud prevention, procurement, HR system improvement, sick leave management).
- Building partnerships with universities, employee organisations and community based organisations.

These achievements must be seen within the context of the competing priorities of improving health outcomes and quality of care on a continual basis, while ensuring cost-effective and sustainable health services within the allocated budget. The year under review saw a major increase in expenditure, with an 6.91% over expenditure on the budget. The health sector has been particularly affected by higher than inflation costs for a number of essential health care items such as laboratory services, pharmaceuticals, blood and blood products, amongst others.

Great care was taken to balance the demand for health services in line with the growth of the population and the changing nature of the disease profile (violence and trauma, HIV and AIDS, TB (as well as MDR and XDR TB), chronic conditions of lifestyle, etc), with the need to align expenditure to budget. This situation was also complicated by chronic under funding for the implementation of the Occupation Specific Dispensation for nurses. Various cost containment measures have been introduced and these are detailed in the management report.

For the 2008/09 financial year, our overall thrust of improving the health of the people of KwaZulu-Natal, improving health services and ensuring value for public monies remain. I would like to take this opportunity to thank the MEC for Health for her guidance and support, and all managers and staff for their dedication and commitment during the year. I have no doubt that we can achieve the objectives set for the coming year.

DR Y.L. MBELE
ACTING HEAD OF DEPARTMENT
KWAZULU-NATAL DEPARTMENT OF HEALTH

Date: 26/ 07/ 2008

PART B

Situational Analysis

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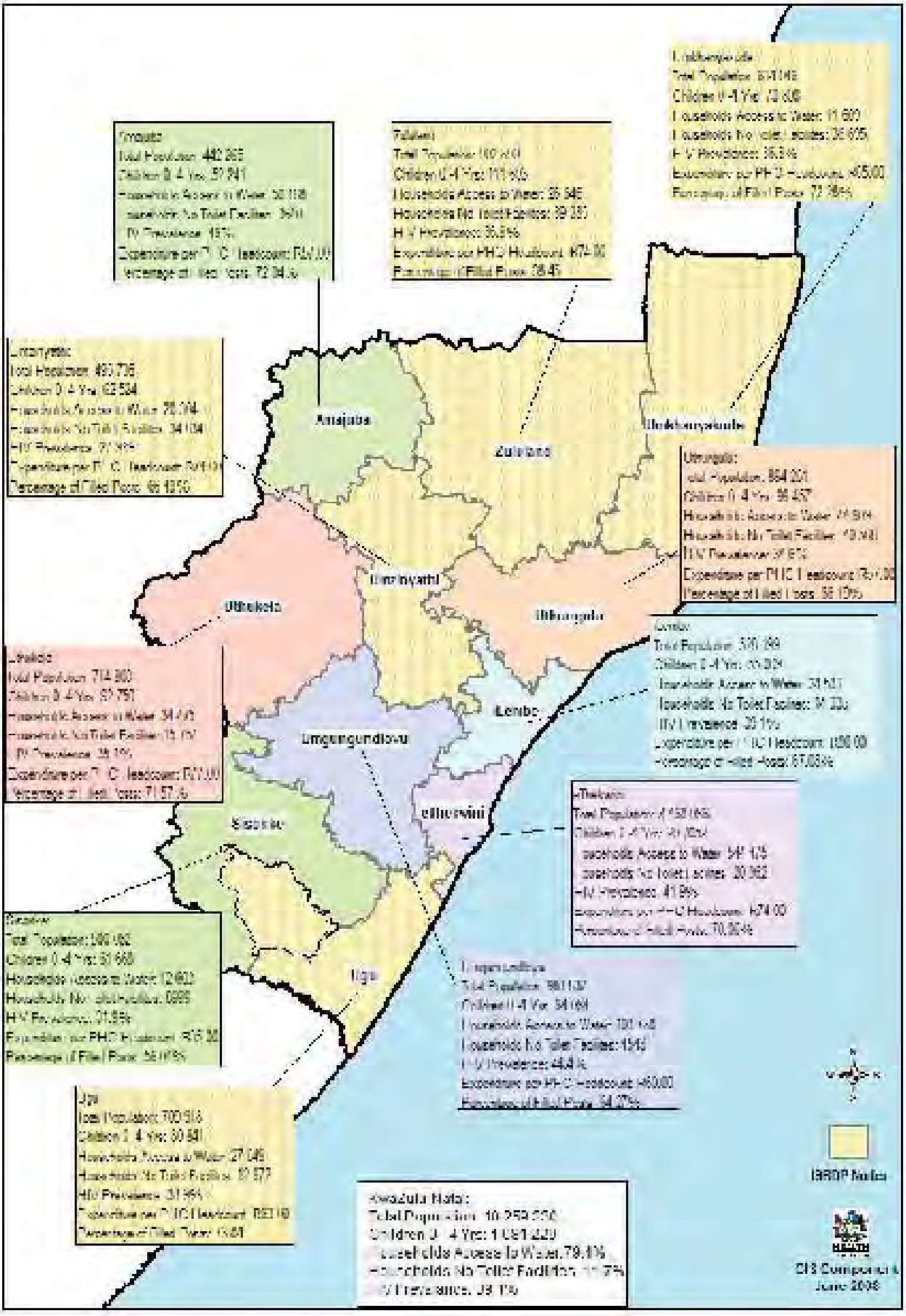
Table 1: Strategic Goals and Priorities

National Health Strategic Priorities 2006/07 – 2008/09	KZN Strategic Plan 2005 – 2009/10	Annual Performance Plan 2007/08
STRATEGIC GOALS		
Promoting Healthy Lifestyles	Effective implementation of the Comprehensive HIV and AIDS Strategy	Effective implementation of the Comprehensive HIV and AIDS strategy and TB Crisis Management Plan
Contributing towards Human Dignity by improving Quality of Care	Strengthen Primary Health Care and provide caring, responsive and quality health services at all levels	Strengthen Primary Health Care and provide caring, responsive and quality health services at all levels
Improving Management of Communicable and Non-Communicable Illnesses	Promote health, prevent and manage illnesses with emphasis on poverty, lifestyle, trauma and violence	Promote health, prevent and manage illness with emphasis on poverty, lifestyle, trauma and violence
Strengthening PHC, Emergency Services and Hospital Service Delivery Systems	Human Resource Management for Public Health	Strengthen Human Resource Management and other Support Services for optimal Public Health Services
Strengthening Support Services	Infrastructure investment in health technology, communication, management information systems and buildings	Infrastructure investment in health technology, communication, management information systems and buildings
Improving Human Resource Planning, Development and Management		Strengthen and foster partnerships with all stakeholders involved in the health sector
Strengthening Planning, Budgeting, Monitoring & Evaluation		
PRIORITIES – 2007/08		
Development of a Service Transformation Plan	Strengthen governance and service delivery	Development of a Service Transformation Plan
Strengthening Physical Infrastructure	Integrated investment in community infrastructure	Strengthening Physical Infrastructure
	Promote sustainable economic development and job creation	
Strengthen Human Resources	Develop human capacity	Strengthen Human Resources
Strengthening Strategic Health Programmes	Implement a Comprehensive Provincial response to HIV and AIDS	Strengthening Strategic Health Programmes
Improve Quality of Care	Fight poverty and protect vulnerable groups in the society	Improve Quality of Care

Map 1: Provincial Profile



1. HEALTH TRENDS

Health and information systems are not yet in place to facilitate an accurate account of the current health trends and disease profiles in the Province. For that reason the Health Service Planning, Monitoring & Evaluation Unit commissioned a Burden of Disease Study to inform the planning agenda of the Department. The Epidemiology Directorate, assisted by a Consultant seconded from the National Department of Health, commenced with the Burden of Disease study in 2007/08.[1] Phase 1 focus on PHC Clinics with completion of this phase expected in March 2009.

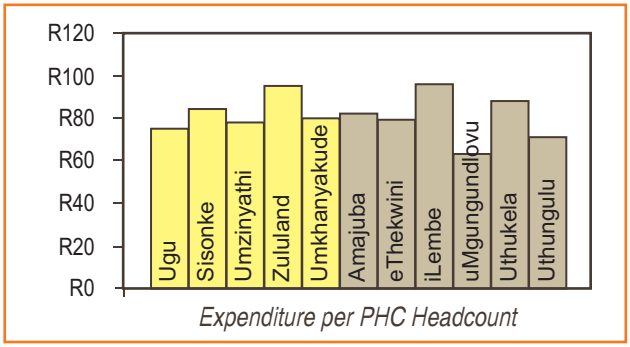
The study will focus on:

- Communicable diseases including Sexually Transmitted Infections (STI's); Tuberculosis (TB); HIV and AIDS; Diarrhoea; Respiratory Infections, Peri-natal conditions and Meningitis.
- Non-Communicable diseases including Cancer, Hypertension, Stroke, Asthma, Diabetes, Epilepsy, Digestive disorders, Neurological and Renal failures, Congenital Malfunctions, and Oral health.
- A sub-component which will include deaths due to injuries not related to illnesses, including accidents (both intentional and unintentional), homicide, violence and those accidents of undetermined intent.

For purposes of the health profile for KwaZulu-Natal, the Department relied on available socio-economic, demographic, epidemiological and management indicators.

COMPARISON: RURAL DEVELOPMENT NODES VS. OTHER DISTRICTS

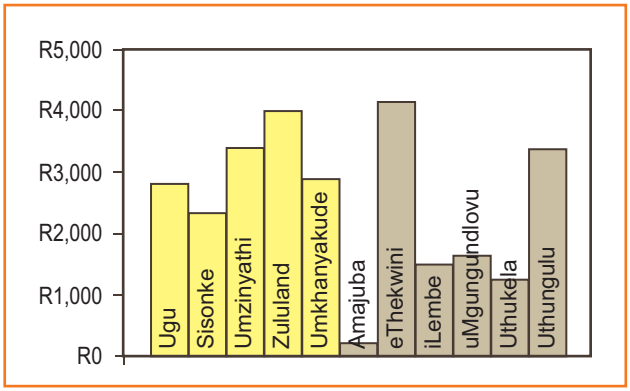
Graph 1: Expenditure per PHC Headcount



The Provincial expenditure per Primary Health Care (PHC) headcount is below the National average of R125.40, but consistent with the R78 target for 2007/08.

The Rural Development Nodes compared well with the rest of the districts.

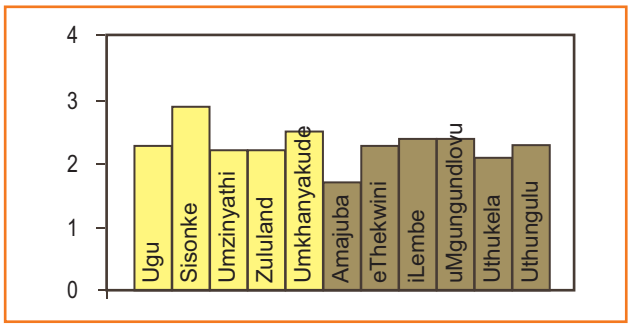
Graph 2: District Hospital PDE



The Provincial Patient Day Equivalent (PDE) of R1,220 in District Hospitals is consistent with the National average of R1,260 although slightly higher than the National target of R814 for 2007/08.

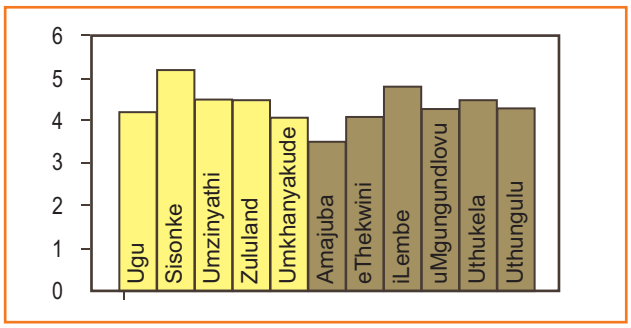
[1] See narrative in Programme 1: Epidemiology

Graph 3: Utilisation Rate – PHC



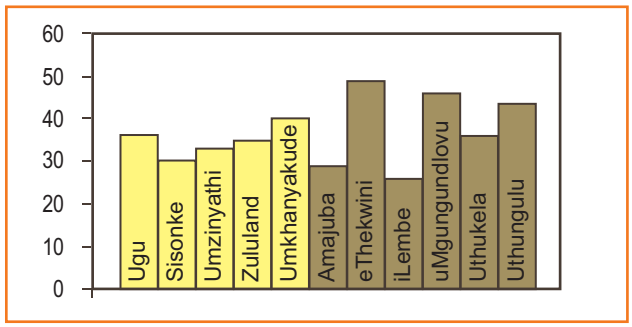
The Provincial utilisation rate is consistent with the National average of 2.3, however below the National target of 3.5 visits per person per year for 2007/08. Utilisation rates in the Rural Development Nodes is slightly higher than other districts which might imply equity in access between the most deprived inaccessible areas and those more easily accessible.

Graph 4: Utilisation Rate under-5 years



The Provincial under-5 utilisation rate is consistent with the National average of 4.4, but below the National target of 5 visits per child under 5 years per year for 2007/08. Utilisation rates in the Rural Development Nodes are on average higher than other districts which again imply improved equity and access.

Graph 5: Professional Nurse Workload



The Provincial Nurse Clinical Workload is more than 100% higher than the National average of 33, and considerably higher than the National target of 40 patients per nurse per work day for 2007/08. Umkhanyakude (Rural Development Node), Uthungulu, eThekwini and Umgungundlovu Districts reported workloads above the National target for 2007/08.

Table 2: Performance towards the Millennium Development Goals

Goal and Target	Indicator	Provincial Performance
GOAL 1: Eradicate extreme poverty and hunger. **TARGET**: Halve, between 1990 and 2015, the proportion of people who suffer from hunger.	Prevalence of underweight children under 5 years of age.	The incidence of severe malnutrition under-1 year remained constant at 0.6% between 2005/06 –2007/08.
		The children not gaining weight under-5 years decreased from 6% in 2005/06 to 1.3% in 2007/08.
		The proportion of severely underweight children under-5 years decreased from 0.55% in 2005/06 to 0.1% in 2007/08.
GOAL 4: Reduce child mortality. **TARGET**: Reduce by two thirds, between 1990 and 2015, the under-5 mortality rate.	Under-5 mortality rate.	Estimated at 95 per 1000 [2]
	Infant mortality rate.	Estimated at 60 per 1000 [3]
	Proportion of 1-year old children immunised against measles.	Measles coverage increased from 79% in 2005/06 to 86% in 2007/08.
GOAL 5: Improve maternal health. **TARGET**: Reduce by three quarters, between 1990 and 2015, the maternal mortality ratio.	Maternal mortality rate.	Estimated at 150/100,000. [4] 354 Maternal deaths were reported in KZN in 2007.
	Proportion of births attended by skilled personnel.	90% [5]
GOAL 6: Combat HIV and AIDS, malaria and other diseases. **TARGET**: Begin the decrease of the spread of HIV and AIDS, malaria and other diseases.	HIV prevalence among 15-24 year old pregnant women.	HIV prevalence 39.1% (constant) [6] HIV prevalence of women under-20 decreased from 15.9% in 2005 to 13.7%; and From 36.4% in 2005 to 37% for women 30 – 35 years
	Condom use rate.	7 (against the National target of 11)
	Proportion of the population in malaria risk areas using effective malaria prevention and treatment measures.	Malaria incidence less than 1/1000 population Malaria case fatality rate 0.8% [7] (target 0.5%) Indoor Residual Spraying coverage of 85%. Significant reduction of more than 90% in the recorded malaria notifications from 2001 to 2007 and a decrease of over 95% of deaths compared to the deaths during the same period.
	Proportion of TB cases detected and cured under DOTS.	TB treatment interruption rate decreased from 14% in 2005/06 to 8.5% in 2007/08. Smear conversion rate: 56% (2 months) and 66% (3 months) Cure rate 51%

[2] Departmental reporting system not able to measure mortality rates – only facility-based data available
[3] Departmental reporting system not able to measure mortality rates – only facility-based data available
[4] Only facility-based data available (same as above) – Confidential Enquiry into Maternal Death (Saving Mothers tri-annual Report) estimates are being used
[5] No information about community births – data represents facility births
[6] National Antenatal HIV and Syphilis Prevalence Survey
[7] Due to low number of cases reported

Table 3: Voted Funds

Budget Allocation	2007/08
	R'000
Original Budget	13,412,815
Rollovers	188,237
Additional Adjustments	324,376
Final budget appropriated (adjustment budget)	13,925,428
Total Expenditure	14,959,400
(Over) / Under Expenditure	-1,033,972
(Over) / Under Expenditure (%)	6.91%

Notes

1. The over-expenditure excludes the amount of R144,755m in respect of roll-over amounts to be requested for the Hospital Revitalisation Grant and the Forensic Pathology Services Grant.
2. The above expenditure excludes Thefts and Losses of R41,000.

Table 4: Collection of Departmental Revenue

	2004/05 Actual	2005/06 Actual	2006/07 Actual	2007/08 Actual	2007/08 Target	% Deviation from target
Tax Revenue	–	–	–	–	–	–
Non-Tax Revenue	–	–	–	–	–	–
Sale of Goods and Services other than Capital Assets	117,369	114,122	111,693	142,275	128,148	111,0
Sales of Capital Assets (Capital Revenue)	15	36	15	29	52	55,8
Financial transactions (Recovery of Loans and Advances)	4,619	23,531	9,581	6,240	5,250	118,9
Total Departmental Receipts	**122,003**	**137,689**	**121,289**	**148,544**	**133,450**	**111,3**

Table 5: Departmental Expenditure

Programmes	Voted for 2007/08	Roll-overs and Adjustments	Virement	Total Voted	Actual Expenses	Variance
Programme 1 Administration	274,399	6,364		280,763	279,689	1,074
Programme 2 District Health Services	6,200,035	175,821		6,375,856	7,209,609	-833,753
Programme 3 Emergency Medical Rescue Services	553,561	1,302		554,863	548,796	6,067
Programme 4 Provincial Hospital Services	3,512,310	102,240		3,614,550	3,883,814	-269,264
Programme 5 Central Hospital Services	1,271,875	13,842		1,285,717	1,407,703	-121,986
Programme 6 Health Sciences and Training	503,519	19,115		522,634	524,333	-1,699
Programme 7 Health Care Support Services	12,649	0		12,649	12,649	0
Programme 8 Health Facilities Management	1,084,467	193,929		1,278,396	1,092,807	185,589
Total	**13,412,815**	**512,613**	**0**	**13,925,428**	**14,959,400**	**-1,033,972**

1. The over-expenditure excludes the amount of R41,000 for thefts and losses.
2. The over-expenditure excludes the amount of R144,755m in respect of roll-over amounts to be requested for the Hospital Revitalisation Grant and the Forensic Pathology Services Grant.

Table 6: Statement of Grants and Transfers to Municipalities until 31 March 2008

NAME OF MUNICIPALITY	GRANT ALLOCATION		TRANSFER					SPENT		2006/07
	Amount	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available Funds Transferred	Amount received by Municipality	Amount spent by municipality	% of available funds spent by municipality	Total Available
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	%	R'000
Payments in respect of Health Services										
Abaqulusi	585			585	468	80.0%	468	468		325
Dannhauser	584			584	332	56.8%	332	332		402
Edumbe	400			400	203	50.8%	203	203		712
Emnambithi/Ladysmith	4,645			4,645	5,475	117.9%	5,475	5,475		3,710
Endondasuka/Mandeni	966			966	943	97.6%	943	943		856
Endumeni	2,916			2,916	1,669	57.2%	1,669	1,669		1,549
eThekwini	38,446		-200	38,246	36,483	95.4%	36,483	36,483		31,224
Hibiscus Coast	3,091			3,091	1,329	43.0%	1,329	1,329		2,644
Kokstad	62			62	–	0.0%	–	–		1,744
Kwa Dukuza	3,935			3,935	3,117	79.2%	3,117	3,117		3,703
Matatiele				**–**	**316**	**0.0%**	**316**	**316**		**2,040**
Mpofona	819			819	525	64.1%	525	525		704
Msunduzi	8,208			8,208	3	0.0%	3	3		7,228
Mthonjaneni	831			831	660	79.4%	660	660		342
Newcastle	1,141			1,141	810	71.0%	810	810		950
Okhahlamba	1,166			1,166	775	66.5%	775	775		790
Richmond	66			66	–	0.0%	–	–	0.0%	9
Ubuhlebezwe	25			25	–	0.0%	–	–	0.0%	10
Ulundi	56			56	–	0.0%	–	–	0.0%	9
Umdoni	1,232			1,232	879	71.3%	879	879		1,040
Umhlathuze	4,279			4,279	4,159	97.2%	4,159	4,159		1,779
Umlalazi	2,097			2,097	1,496	71.3%	1,496	1,496		1,136
Umngeni	1,201			1,201	652	54.3%	652	652		1,015
Umshwathi	393			393	–	0.0%	–	–		306

NAME OF MUNICIPALITY	GRANT ALLOCATION		TRANSFER					SPENT		2006/07
	Amount	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available Funds Transferred	Amount received by Municipality	Amount spent by municipality	% of available funds spent by municipality	Total Available
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	%	R'000
Umtshezi	1,663			1,663	1,239	74.5%	1,239	1,239		939
Umuziwabantu	644			644	462	71.7%	462	462		476
Umvoti	1,444			1,444	663	45.9%	663	663		881
Uphongolo	30			30	–	0.0%	–	–	0.0%	–
Utrecht/Emadlangeni	22			22	–	0.0%	–	–	0.0%	–
Motor Licence				–		0.0%			0.0%	
Department of Transport			608	608		0.0%		653	0.0%	606
Armed Robbery& Short Prov Dept								147		
RSCLS								4		
TOTAL	**80,947**	**—**	**408**	**81,355**	**62,658**		**62,658**	**63,462**		**67,129**

Note: The funds transferred to Matatiele pertain to expenditure for the previous financial year, prior to the demarcation process being implemented

Table 7: Transfers/ Subsidies to Non-Profit Institutions

NON PROFIT INSTITUTIONS	TRANSFER ALLOCATION				EXPENDITURE		2007/08
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available Transferred	Final Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
African Renaissance				–		0.0%	100
Subsidies							
Austerville Halfway House	393			393	333	84.7%	314
Azalea House	363			363	363	100.0%	342
Balgowan Clinic				–		0.0%	
Bekimpelo/Bekulwandle Trust Clinic	4,950			4,950	4,950	100.0%	4,245
Benedictine Clinic	275			275	275	100.0%	260
Charles James Hospital (Santa)				–		0.0%	
Cheshire Day Care Centre(Educare)	92			92	92	100.0%	218
Claremont Day Care Centre	370			370	277	74.9%	261
Club 47				–		0.0%	
Day Care Club 91	54			54	54	100.0%	81
Day Care Club 92	54			54	54	100.0%	46
Don Mackenzie Hospital				–		0.0%	
Don Mackenzie Santa Med				–		0.0%	
Doris Goodwin Special Hospital				–		0.0%	
Dunstan Farrel Hospital (Santa)				–		0.0%	
Durban School For The Deaf	146			146	146	100.0%	138
Ekukhanyeni Clinic	138			138	138	100.0%	130
Elandskop Oblate Clinic	331			331	331	100.0%	312
Enkumane Clinic	198			198	198	100.0%	187
Fosa Hospital (Santa)				–		0.0%	
Happy Hour Amaoti	370			370	279	75.4%	261
Happy Hour Durban North	213			213	139	65.3%	139
Happy Hour Kwaximba	277			277	131	47.3%	131

NON PROFIT INSTITUTIONS	TRANSFER ALLOCATION				EXPENDITURE		2007/08
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available Transferred	Final Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Happy Hour Mariannhill	92			92	92	100.0%	139
Happy Hour Merebank				–		0.0%	
Happy Hour Mpumalanga	462			462	218	47.2%	218
Happy Hour Ninikhona	351			351	78	22.2%	78
Happy Hour Nyangwini	259			259	174	67.2%	174
Happy Hour Overport	92			92	87	94.6%	87
Happy Hour Phoenix	166			166	70	42.2%	70
Head Office HAST	–			–		0.0%	
Hlanganani Ngothando DCC	203			203	92	45.3%	113
Ikhwezi Cripple Care	1,006			1,006	1,006	100.0%	950
Ikhwezi Dns	127			127	127	100.0%	120
Jewel House	399			399	167	41.9%	158
Joan Tennant House	189			189	152	80.4%	143
John Peattie House	1,049			1,049	713	68.0%	673
Jona Vaughn Centre	1,763			1,763	1,721	97.6%	1,624
Khotsong Santa Centre				–		0.0%	
Lynn House	273			273	273	100.0%	271
Madeline Manor	635			635	635	100.0%	599
Masada Workshop	55			55	68	123.6%	192
Masibambeni Day Care Centre	111			111	111	100.0%	105
Matikwe Oblate Clinic	358			358	358	100.0%	338
McCords Hospital	52,537			52,537	52,537	100.0%	45,471
Mhlumayo Oblate Clinic	424			424	424	100.0%	400
Montebello Chronic Sick Home	3,581			3,581	3,581	100.0%	3,378
Mountain View Special Hospital	6,926			6,926	5,931	85.6%	5,592
Noyi Bazi Oblate Clinic	361			361	361	100.0%	326
Oakford Clinic				–		0.0%	

NON PROFIT INSTITUTIONS	TRANSFER ALLOCATION				EXPENDITURE		2007/08
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available Transferred	Final Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Pongola Hospital	2,559			2,559	2,558	100.0%	1,722
Rosary Oblate Clinic				–		0.0%	
Santa Motivators				–		0.0%	
Santa Motivators DC (21)				–		0.0%	
Santa Motivators DC (22)				–		0.0%	
Santa Motivators DC (23)				–		0.0%	
Santa Motivators DC (25)				–		0.0%	
Santa Motivators DC (28)				–		0.0%	
Scadifa Centre	693			693	693	100.0%	653
Siloah Special Hospital	10,333			10,333	10,333	100.0%	8,503
Sparks Estate	944			944	944	100.0%	911
St. Lukes Home	399			399	399	100.0%	376
St. Mary's Hospital Mariannhill	68,378			68,378	68,381	100.0%	59,069
Sunfield Home	105			105	105	100.0%	99
The Dream Center Hospital				–		0.0%	
Umlazi Halfway House	196			196	181	92.3%	171
Phrenaid	122			122	75	61.5%	71
Rainbow Haven	294			294	294	100.0%	277
SANTA Motivators DC (29)				–		0.0%	
SANTA Motivators eThekwini				–		0.0%	
Sibusisiwe Home	462			462	212	45.9%	436
Provincial Aids Action Unit	–			–		0.0%	10,231
HIV and AIDS: PMTCT Programme				–		0.0%	2,328
District Service Delivery: UGU (HIV and AIDS)	5,780			5,780	5,196	89.9%	2,421
District Service Delivery: Umgungundlovu (HIV and AIDS)	6,419			6,419	1,742	27.1%	2,744
District Service Delivery: Uthukela (HIV and AIDS)	2,690			2,690	694	25.8%	2,099
District Service Delivery: Umzinyathi (HIV and AIDS)	3,648			3,648	1,880	51.5%	2,099
District Service Delivery: Amajuba (HIV and AIDS)	1,800			1,800	509	28.3%	1,453

NON PROFIT INSTITUTIONS	TRANSFER ALLOCATION				EXPENDITURE		2007/08
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available Transferred	Final Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
District Service Delivery: Zululand (HIV and AIDS)	3,642			3,642	3,499	96.1%	2,421
District Service Delivery: Umkhanyakude (HIV and AIDS)	3,968			3,968	2,115	53.3%	2,421
District Service Delivery: Uthungulu (HIV and AIDS)	5,225			5,225	5,366	102.7%	3,067
District Service Delivery: Ilembe (HIV and AIDS)	3,307			3,307	4,078	123.3%	2,421
District Service Delivery: Sisonke (HIV and AIDS)	3,542			3,542	2,286	64.5%	2,099
District Service Delivery: eThekwini (HIV and AIDS)	9,969			9,969	9,351	93.8%	3,067
Bambanani Clinic				–		0.0%	
St Mary's Kwamagwaza Hospital				–		0.0%	
St Aidans Hospital				–		0.0%	
School for the Hearing Impaired				–		0.0%	
Richmond Chest				–		0.0%	15,412
Philanjalo Hospice	1,115			1,115	1,337	119.9%	788
Ekhuhlengeni Sanitorium				–		0.0%	19,854
Earmarked for further negotiations	143			143			
Incorrect expenditure					47		
TOTAL	**215,376**	**–**	**–**	**215,376**	**199,011**		**215,497**

2. CONDITIONAL GRANT REPORT

The Department was allocated an amount of R2,137,492m for Conditional Grants in 2007/08. In addition, an amount of R188,237m was rolled over from the 2006/07 financial year in respect of the Hospital Revitalisation Grant and the Forensic Pathology Grant providing available funds to a total of R2,325,729m. Of this amount, a total of R2,190,991m was transferred to the Department through the accredited bank account of the Provincial Treasury. The balance of R134,738 million was retained by the National Department of Health owing to under-expenditure on the Hospital Revitalisation and the Forensic Pathology Grants, resulting primarily from difficulties experienced with the securing of land for mortuaries and appeals against tenders and contracts.

The Department has requested a roll-over of R126,522m being the committed portion of these funds, the approval for which is awaited.

In total, the Department spent an amount of R2,183,973m against the Conditional Grants this financial year.

Table 8: Summary of the Department's Conditional Grants for 2007/08

Name of Conditional Grant	Schedule	Original Allocation R'000	Roll-Over from 2006/07 R'000	Available Funds R'000	Expenditure R'000	Variance R'000
Forensic Pathology Services	5	150,809	96,476	247,285	132,201	115,084
Health Professional Training & Development	4	201,992	–	201,992	201,992	–
Hospital Revitalisation	5	268,433	91,761	360,194	333,523	26,671
National Tertiary Services	4	789,578	–	789,578	789,758	–
Comprehensive HIV and AIDS Grant	5	466,922	–	466,922	466,922	–
Provincial Infrastructure	4	259,758	–	259,758	259,758	–
TOTAL		**2,137,492**	**188,237**	**2,325,729**	**2,183,974**	**141,755**

Note: Schedule 5 Conditional Grants are provided for a specific purpose, whereas Schedule 4 Conditional Grants are used to supplement the funding of functions funded by the Department.

Table 9: Expenditure on Conditional Grants

Conditional Grants	2004/05	2005/06	2006/07	2007/08
National Tertiary Services	619,449	691,451	732,167	789,578
HIV and AIDS	187,223	251,468	344,304	466,922
Hospital Revitalisation	78,546	111,821	225,528	333,523
Integrated Nutrition Programme	24,513	26,954	0	0
Hospital Management and Quality Improvement	15,794	19,514	0	0
Health Professions Training and Development	183,989	180,087	204,659	201,992
Provincial Infrastructure Grant	128,459	157,561	174,098	259,758
Forensic Pathology Services	940	2,624	63,884	132,201
TOTAL	**1,238,913**	**1,441,480**	**1,744,640**	**2,183,974**

Table 10: Evolution of Expenditure by Budget Per Capita Sub-Programme (constant 2004/05 prices)

	2005/06	2006/07	2007/08
Population [8]	9,851,464	9,924,000	9,997,070
% Insured	12%	12%	12%
Uninsured Population	8,669,289	8,733,120	8,797,421
Conversion to constant 2005/06 prices	1.00	0.96	1.00
Programme	**Exp per capita Uninsured R'000**	**Exp per capita Uninsured R'000**	**Exp per capita Uninsured R'000**
Programme 1: Administration	2,225	2,307	3,179
Programme 2: District Health Services	56,809	59,251	81,951
Programme 3: Emergency Medical Services	4,852	5,050	6,238
Programme 4: Provincial Hospital Services	32,253	34,779	44,147
Programme 5: Central Hospital Services	12,326	12,841	16,001
Programme 6: Health Sciences and Training	4,709	4,894	5,960
Programme 7: Health Care Support Services	088	325	143
Programme 8: Health Facilities Management	8,499	10,478	12,421
Total: Programmes	**121,761**	**129,925**	**170,043**

* Calculate by (expenditure) × (conversion factor)/ (uninsured population)

[8] Population figures were extracted from Statistics South Africa and projected from 2001 using growth rates obtained from the mid-year estimates for July 2006

Table 11: Expenditure by Budget Sub-Programme

Programme	2004/05	2005/06	2006/07	2007/08	Variance % under/ over expenditure
	Exp	Exp	Exp	Actual	
	R'000	R'000	R'000	R'000	
Programme 1: Administration	**162,295**	**192,917**	**224,900**	**279,689**	**0.38%**
Programme 2: District Health Services	**4,253,689**	**4,924,947**	**5,370,301**	**7,209,609**	**-13.08%**
District Management	67,053	81,393	113,596	145,144	-7.77%
Clinics	912,732	932,180	1,027,389	1,294,981	0.91%
Community Health Centres	167,027	220,615	285,742	435,897	-21.02%
District Hospitals	2,367,227	2,660,326	2,702,998	3,568,351	-22.73%
Community Based Services	69,438	70,977	84,505	103,291	-4.59%
Other Community Services	295,711	396,607	375,667	411,552	-0.47%
Coroner Services	951	2,936	44,840	107,176	9.95%
HIV and AIDS	348,537	528,093	703,970	1,058,570	-5.21%
Nutrition	25,013	31,820	31,594	84,647	-155.63%
Programme 3: Emergency Medical Services	**305,627**	**420,604**	**474,023**	**548,796**	**1.09%**
Emergency Transport	289,981	401,178	454,943	528,185	-0.95%
Planned Patient Transport	15,646	19,426	19,080	20,611	34.82%
Programme 4: Provincial Hospital Services	**2,513,935**	**2,796,081**	**3,138,945**	**3,883,814**	**-7.45%**
General Hospitals (Regional)	1,946,654	2,212,986	2,405,363	2,890,364	-13.12%
TB Hospitals	242,287	230,332	314,451	481,772	12.01%
Psychiatric Hospitals	266,760	295,734	334,552	409,527	0.39%
Sub-Acute, Step-Down and Chronic Hospitals	50,401	49,052	76,140	92,364	-2.92%
Dental Training Hospitals	7,833	7,977	8,439	9,787	11.32%
Other Specialised	0	0	0	0	0
Programme 5: Central Hospital Services	**914,324**	**1,068,606**	**1,191,810**	**1,407,703**	**-9.49%**
Central Hospitals	268,529	317,398	368,108	427,508	-3.19%
Provincial Tertiary Hospitals	645,795	751,208	823,702	980,195	-12.48%

Programme	2004/05 Exp R'000	2005/06 Exp R'000	2006/07 Exp R'000	2007/08 Actual R'000	Variance % under/ over expenditure
Programme 6: Health Sciences and Training	**364,297**	**408,227**	**421,069**	**524,333**	**-0.33%**
Nurse Training Colleges	211,031	219,498	229,513	278,799	-3.07%
EMS Training Colleges	4,619	14,786	11,220	13,452	40.55%
Bursaries	27,696	33,818	24,471	33,573	-0.98%
PHC Training	39,732	49,084	39,980	46,892	9.47%
Other Training	81,219	91,041	115,885	151,617	-4.94%
Programme 7: Health Care Support Services	**10,600**	**7,600**	**29,560**	**12,649**	**0.00%**
Medicines Trading Account	10,600	7,600	29,560	12,649	0.00%
Programme 8: Health Facilities Management	**425,842**	**736,770**	**813,208**	**1,092,807**	**14.52%**
Community Health Facilities	53,785	224,420	164,980	240,029	35.30%
EMRS	687	6,410	8,296	8,817	53.26%
District Hospitals	148,326	238,641	330,874	521,236	6.38%
Provincial Hospitals	186,749	227,624	250,336	158,455	29.17%
Central Hospitals	0	0	17,610	12,001	38.71%
Other Facilities	36,295	39,675	41,112	152,269	-71.94%
Total: Programmes	**8,950,609**	**10,555,752**	**11,663,816**	**14,959,400**	**-7.43%**

Programme 1
Administration

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PROGRAMME DESCRIPTION

Providing strategic leadership and supportive management, including overall administration of the Provincial Department of Health

PROGRAMME STRUCTURE

Sub-Programme 1.1
Office of the Member of the Executive Council (MEC)

Effective and efficient governance arrangements and systems supporting the MEC for Health

Sub-Programme 1.2
Office of the Head of Department – Management

Policy formulation, planning, monitoring and evaluation in line with legislative and governance mandates

1. OFFICE OF THE MEC

The purpose of the Office of the MEC is to ensure effective and efficient governance arrangements and systems in support of the MEC, and the provision of technical assistance to the MEC to manage and account for the performance of the Provincial Health Portfolio.

2. OFFICE OF THE HEAD OF DEPARTMENT – MANAGEMENT

The purpose of the Office of the Head of Department, inclusive of all Head Office components, is to provide strategic and supportive leadership, ensure compliance to legislative and good governance imperatives, formulate evidence-based policies, align planning to legislative mandates and provincial priorities, monitor efficient utilisation of resources, and ensure quality service delivery to all beneficiaries of public health services.

Administration Priorities – 2007/08

1. Implement the revised organisational structure for Head Office.
2. Facilitate implementation of the 2010 Soccer World Cup preparedness plan.
3. Strengthen Information Technology Systems to facilitate appropriate management, document and patient information systems.
4. Monitoring the implementation of the 12-Point Plan.
5. Policy development and monitoring.

3. COMMUNICATIONS

- The Department has a good working relationship with the media, which has improved coverage of departmental activities although inaccuracies in media coverage are still a major challenge. Departmental radio programmes are linked to the health calendar.
- Radio programmes are aimed at National and local community radio, and media releases are published in English and Zulu to reach the target audience. Responses to media enquiries, published articles and letters to the editor are dealt with on a daily basis.
- The Department coordinate Public Relations Officers (PRO's) Forums (quarterly for provincial, and monthly for districts) to ascertain skills disparities – therefore sharing skills mentoring resources.
- A project is underway to standardise road signage and internal and external signage at all health buildings. The signage will be undertaken in accordance with the department's Corporate Branding Policy. *Budgetary constraints delayed this project.*
- The Department is outsourcing the production of the Unwele Olude external newsletter.
- All departmental components are represented on the departmental website. The pages are constantly being updated as new policies, procedures, etc. are being developed. A minimum protocol is in the process of being implemented. The home page has been re-designed to make it more user-friendly, and a project is underway to revamp the intranet entirely. *This has been delayed due to unfilled posts.*

- The department's intranet site is the only provincial health site that has individual pages for each health institution and district. These pages are used to market the department to prospective employees and provide the general public with information about institutions. PRO's are responsible for submitting information for display on individual pages. The department is currently considering outsourcing the development of the intranet site.
- The Communication Component hosts Sports and Choir competitions with the aim to boost staff morale and improve socialisation with other institutions and districts. There are three choir competitions (one per Service Area) with the winners competing in the final. Institutions in districts compete against themselves in soccer and netball. Sport teams play a round-robin tournament, with first, second and third team winners, and trophies are presented to winning teams. In 2007/08 the winning teams were:
  - Choir: St Appollinaris Hospital
  - Soccer: Amajuba District
  - Netball: Umzinyathi District
- Internal events, such as Women's Day, were also coordinated. A Women's Day event was held at Inkosi Albert Luthuli Central Hospital (IALCH) on the 27th of August 2007, and focussed on women in the department. The day had inspirational messages from both the MEC and Acting Head of Department (HOD), and a message from a motivational speaker.
- A breast cancer awareness event was held in Natalia on the 30th of October 2007 in collaboration with the Employee Assistance Programme. Women in all Head Office buildings were targeted.

4. LEGAL SERVICES

4.1 Contract Management System

- The Legal Services Unit has an effective and efficient system in place, and has drafted and managed approximately 450 contracts during 2007/08. Contracts are drafted in line with the Contracts Policy which ensures compliance with all applicable legal prescripts, including the PFMA and Treasury Regulations. The Unit monitors and ensures strict compliance with the Policy, and all files are kept strictly confidential in a secure, properly managed filing system.
- Policy initiators are notified of the expiry date of contracts three months prior to ensure renewal or extension of contracts.
- The Contracts Component designed and maintained a database of all active contracts from which a monthly status report is extracted. This enables the Unit to monitor compliance to relevant legal prescripts.
- Legal Services conducted workshops for district personnel and Non-Governmental Organisations (NGO's) to improve their capacity in respect of compliance with the Contracts Policy and applicable legislation in order to minimise risk to the department, and provides legal opinion/ advice to all stakeholders in respect of contractual and legal compliance issues.

4.2 Legislation

- As part of the Rationalisation Project, the Legal Services Unit drafted the KwaZulu-Natal Health Bill, 2008 which will form part of the compendium of legislation guiding the department. An extensive consultation process was followed in respect of drafting the Bill.
  - The Bill is currently being certified by the Chief State Law Advisor in the Office of the Premier of KwaZulu-Natal. Upon certification the Bill will be forwarded to Provincial Treasury for the issuing of a Treasury certificate, after which it will be translated into isiZulu and Afrikaans and submitted into the Provincial Legislative process.
  - Once passed the Bill will form the cornerstone of Provincial Health legislation. Regulations in terms of the Bill are also being drafted and will form part of the compendium of legislation.
  - Once completed, the entire compendium of legislation will be available on hard copies from Legal Services as well as the departmental intranet. This project is approximately 80% completed.
- Legal advice sought from Legal Services is wide and varied with requests for telephonic as well as for written advice. Advice was largely sought in respect of medico-legal matters, legal compliance and contract issues including supply chain management queries and advice in respect of labour matters.
- The Legal Services Unit has had an increase in litigation, specifically with regard to matters pertaining to gynaecology and obstetric services. The total number of cases handled by the Unit was 370, with 28 new matters in the last financial year. The department settled in 10 medical negligence matters in the amount of R3,187,497 in the last financial year.

5. INSTITUTIONAL SECURITY & RISK MANAGEMENT

- The Component developed a Security Manual to inform the implementation of security measures in the department.
- An Anti-Fraud and Corruption Plan has been developed and is being implemented and monitored in institutions.
- A security audit, to inform upgraded security systems, has been partially conducted, and will be completed in 2008/09.
- The Asset Protection System has been implemented at most health institutions.

6. CORPORATE GOVERNANCE, INTER-GOVERNMENTAL RELATIONS (IGR) AND DONOR COORDINATION SERVICES

- A framework to guide the coordination of donor services has been developed, and a system to manage the acceptance of donations and sponsorships (in line with Treasury Regulations) is implemented, and training of District and Head Office representatives has been completed in 2007/08.
- The Unit is represented on the Premiers' Technical Coordination Forum and the Technical Committee for the Social Technical Cluster.
- To improve youth participation in the development of effective youth programmes the Unit coordinated the participation of 35 provincial representatives (from all districts) at the 2nd Youth Health Indaba held in Kimberly in the Northern Cape. Implementation of the resolutions from the Indaba will be monitored for feedback during the 3rd Indaba planned for June 2008 in KwaZulu-Natal.
- The Department is represented in a joint venture between the Provincial Government and the Devine Life Society of South Africa to build a multi purpose centre in the Luwamba area.

Challenge

- Performance contracts, especially the return rate of completed and signed contracts, remained a challenge during the reporting period in spite of improvement programmes.

- The implementation of an effective document system that complies with the legal prescripts has been improved during 2007/08.
  - A procedure manual has been developed and approval for implementation obtained from the Durban Archives Repository.
  - A comprehensive database of all the forms used within the Department has been completed, and all incoming documentation from October 2007 has been recorded. All documentation previously identified for destruction has been disposed of.
  - An electronic mail tracking system has been implemented to facilitate effective follow-up of documents.
  - An audit of filing needs of components commenced in 2007/08 – anticipated completion date is October 2008.
  - Security to the Departmental archives has been improved, door locks have been changed and no unauthorised access is allowed.
  - Training workshops on the improved filing system, including the use of reference numbers, has been conducted with satisfactory outcomes.
  - Assessments and training workshops were conducted in the Umgungundlovu District Office, Hillcrest Hospital and the HAST Unit, and capacity-building was conducted to improve compliance to the procedure manual.
- Effective and efficient developmental oriented administration was maintained in 2007/08:
  - Policies for the allocation of parking and the use of telephones were drafted and submitted for MANCO approval.
  - Systems for parking allocation and monitoring thereof are in place. The Red Square parking re-opened after ±2 years, and parking tariffs increased in April 2007 (the first time since 1987) as per Treasury approval contained in Circular G22 of 2008.
  - The re-location of staff to the Natalia Building required consolidation of several units to accommodate staff, refurbishing of carpets and blinds, and movement of office furniture.

6.1 Procurement

- Prior to 2007 there was no cost recovery for shared utilities i.e. telephones and parking from the tenant departments sharing the Natalia building. In 2007/08, a total of ± R2m was recovered.
- Deep cleaning of the Natalia Building commenced in November 2007 for the first time, with the basement area (level -2) completed in March 2008.
- Introduced measures to save energy and deal with load shedding that ensured minimum disruption during official working hours.

6.2 Human Resources

- The Unit generally sustained a 72-hour turn around time for notifying successful candidates of advertised posts (from the time of finalising the interview minutes).
- Competency assessments were conducted for all SMS posts in 2007/08, thereby ensuring that service delivery and quality was maintained.
- The Employee Performance Management Development System (EPMDS) was rolled out to all Head Office Units with a series of workshops and visits to individual units to assist with the compilation of the requisite documentation. A database has been developed and is periodically monitored.
- In 2007/08, a total of 93 employees studied through the FET system, 8 Managers enrolled in the Project Management course, 5 Induction and Orientation workshops were conducted reaching ±80 employees, and Supervisors and Junior Management had access to a modular Management Development course.
- A total of I5 Interns were appointed at Head Office.
- A new Joint Health Establishment agreement was signed between the Department of Health and the University of KwaZulu-Natal.
- The Department appointed an Occupational Health Nurse at Head Office to improve employee wellness, and basic medical services are offered at a clinic that has been set up in the building, thus improving access to health services for staff.
- A Safety Officer has been appointed in Head Office to ensure compliance with the Occupational Health and Safety Act.
- Complied with National Management Information System (NMIS) requirements for the updating of personnel records, and effected controls for payroll administration in 2007/08.
- Contributed towards strengthening of community participation:
  - Successfully hosted the Provincial Health Consultative Forum on the 17th of July 2007 at the Royal Show Grounds in Pietermaritzburg, with approximately 700 stakeholders attending the Forum.
  - The Unit hosted two Izimbizos, one each at Richards Bay (Uthungulu District) and Uthukela District.

7. SUPPLY CHAIN MANAGEMENT (SCM)

- The SCM Policy and Delegations have been revised and are awaiting approval.
- The approved SCM structure could not be implemented during 2007/08 due to funding constraints.
- Institutions submitted annual Procurement Plans to guide the acquisition of goods. This process has been finalised, however due to delays in the finalisation of bids it could not be fully implemented within the reporting period. The Procurement Plan was used to set the objective categories for Goods and Services earmarked for Black Economic Empowerment (BEE) Services (including cleaning, catering, grounds maintenance and stationary).

Challenge

- BEE entities fail to respond appropriately when completing tender documentation, coupled with a high incidence of failure to comply with delivery timeframes.

- The current asset registers are manual and therefore lack the efficiencies of an electronic system, particularly in terms of the valuation of assets. Asset management registers are updated annually and the Asset Management Component monitors compliance of institutions via inventory controllers and quarterly stock takes. Where the movement of asset location occurs without prior approval tracing is undertaken. However, the challenge remains to ensure that no unauthorised movement of assets occurs.
- The current system for the management of contracts is spreadsheet based and requires upgrading to a Contracts Management Database. All information and reminders are captured on the current system.

- Specifications for the database for the Acquisition of Goods and Services have been finalised and approval sought for the linking of this database with the Treasury Database. The contract has been awarded to State Information Technology Agency (SITA) to assist with the development of this database.

8. FINANCE AND ACCOUNTING SERVICES

- The only meaningful revenue collected by the Department is that of patient fees, although certain factors have an influence on collection:
  - As many as 97% of patients attending the Departments' health facilities are unable to make a meaningful contribution for services provided;
  - The provision of free services to women, children under 6 years, pensioners, the disabled, and patients on the ART programme; and
  - The ongoing review of the Uniform Patient Fee Structure (UPFS), resulting in more groups being included under the categories exempted from the payment of fees and the reduction in fees payable by certain categories of patients.
- The Department continued to strive towards maximum revenue collection and provided training and support to all institutions to enhance revenue collection. The Department focussed on the assessment of patients' ability to pay, correct billing and timeous recovery of debt from patients and other third parties such as Medical Aids, Road Accident Fund and statutory bodies.

9. TELEHEALTH AND INFORMATION SYSTEM

- Adequate capacity is in the process of being established at Head Office to provide strategic guidance and a central management system for telemedicine.
- Half of the planned Telehealth sites are operational and the Telemedicine Implementation Plan is in the process of being aligned with the Service Transformation Plan (STP) imperatives.
- All departmental computers and printers purchased prior to 2005, and identified as part of Phase 1 of the Replacement of Redundant and Obsolete Computers, have been replaced.
- The Department's target to ensure that all PHC Clinics have at least one computer and printer has been fully achieved. At a later stage (funds permitting), the existing dial-up modem connectivity will be replaced with fixed data lines that will enable clinics to connect to transversal systems such as BAS and PERSAL, as well as to the Hospital Management Information Systems which are planned for phased implementation in all hospitals.
- Due to under-funding none of the existing data lines have been upgraded. Applications have been made to the State Information Technology Agency for the existing 128k lines for the five Revitalisation sites to be upgraded to 1Mb using National Department of Health funds. This initiative will be completed soon.
- The implementation of Meditech at hospitals is at the beginning stages. Thus far all software licenses as well as the required hardware (servers etc.) have been procured for the 5 Revitalisation sites, and an application has been made to SITA for the existing data lines to be upgraded from 128k to 1Mb (1,024k). The Local Area Networks in each of these sites were also replaced with properly structured networks (fibre-optic backbone and manageable switches etc.) using National Department of Health funds. This will ensure the optimal functioning of the Meditech HMIS once it has been installed and implemented. During 2008/09 Meditech will be piloted in one of the Revitalisation sites, after which it will be implemented in the other four sites.
- All hospitals have an information kiosk, although some have more than one kiosk depending on the number of hospital beds. Ninety kiosks have been delivered and installed although there have been ongoing challenges with maintenance. Once these issues have been resolved, the kiosks will be formally handed over to Corporate Communications.
- All departmental hospitals and Community Health Centres (CHC's) form part of the Department's Virtual Private Network (VPN). This will ensure that access to these sites is secure/restricted, and will enable data compression and band width management thereby allowing certain applications such as BAS and PERSAL to be given priority speeding up access and transaction times. The implementation of the Department's VPN by SITA initially caused major problems in accessing BAS due to certain configuration problems however this should be resolved in 2008/09.
- A Master Systems Specification (MSS) has been developed complying with the information management and monitoring and evaluation requirements of the Department, although no objectives or targets in the Master System Plan have been achieved. SITA has recently awarded the tender for the development of the

Master Systems Plan (MSP). Consultation with Senior Management is necessary to ensure that the relevant information is provided to the Service Provider.

- An estimated 21,000 calls were logged (an average of 1,750 calls per month) in 2006/07 increasing to an estimated 23,171 calls logged (an average of 1,931 calls per month) in 2007/08. These figures exclude queries that were resolved telephonically or using remote control tools. The types of calls logged include hardware, software and networking faults, other requests (moving of equipment, unlocking of users accounts, etc.), installations of hardware, software and networks, etc.

10. AUDIT AND RISK MANAGEMENT

- The Audit and Risk Management Component has performed a transversal function in dealing with audit matters affecting all health institutions, ensuring that risks are identified and mitigated through the implementation of internal control measures. The Component has worked closely with the Office of the Auditor-General and the Internal Audit Unit of the Provincial Treasury in the execution of its duties.
- During the 2007/08 reporting period, the Department was subjected to a multitude of audits by the Office of the Auditor-General as well as the Internal Audit Unit. These audits included audits of financial statements of the Department and that of the Provincial Medical Supply Centre, the Conditional Grant, as well as regularity audits at 8 institutions and Head Office. The Auditor-General also undertook review audits of the general computer controls of the Meditech System at Addington Hospital, the information system (SAP) at the Inkosi Albert Luthuli Central Hospital, commenced performance audits on the "Investment in Infrastructure" as well as that of "Conflicts of Interest".
- The Component finalised various risk management initiatives as part of the strategy to combat fraud and corruption. In this regard numerous workshops were conducted in 2007/08 targeting officials falling within the management echelon. The campaign included workshops on the fundamentals of Risk Management (effectiveness and analysis of processes involved in mitigating potential risks); Fraud Prevention (rollout of the Fraud Prevention Plan as part of the Departments Strategy in reducing the incidents of fraud and corruption); and presentations on Corporate Governance (incorporating a module on the relevant sections of the Public Finance Management Act).
- The Component managed the special project "Operation Cure" which is aimed at rooting out procurement related corruption in the Department. During the reporting period the second phase of 'Operation Cure' had commenced with various suppliers and 14 employees of the Department being arrested and assets totaling approximately R9m being attached by the Assets Forfeiture Unit. Further, two suppliers who have since plead guilty to having made corrupt payments to employees in the Department have agreed to pay compensation to the Department in the amount of R1.8m and to drop a civil claim for R650,000 that has been lodged in the High Court against the Department.
- The Component, in partnership with the Internal Audit Unit of the Provincial Treasury, conducted a risk assessment on Strategic Management in the Department with the objective of reviewing key business objectives, the risks impacting on the achievement of these objectives and the internal controls that will need to be designed to manage these risks.

11. HEALTH SERVICE PLANNING, MONITORING & EVALUATION

11.1 Monitoring & Evaluation

- The Provincial Treasury of KwaZulu-Natal (2001:1) notes in its guidelines for annual reporting that *"[when] a government is voted into office, an inevitable contract of accountability is entered into between government and the citizens it serves. It is therefore [imperative for] government to inform the citizens on what they intend to achieve against pre-determined objectives".*
- All Government Departments are liable to account for their "budget, programmes and achievements". To this end, these Government Departments are compelled by legislative and policy frameworks "to monitor, evaluate and report" on the activities that their business plans are based on when they make their budget bids to Treasury (National Department of Health, 2007:13).
- The KwaZulu-Natal Department of Health has taken a decision to move from the traditional way of Monitoring and Evaluation (M&E) to a results-based approach. There is pressure from both external and internal stakeholders that the Department is accountable for its performance results and outcomes.

Structure for Monitoring and Evaluation

- Suitable structures have been developed and initiated in the department for effective M&E at all levels within the health system. All District Offices have either appointed or nominated Managers for M&E, and various components within Head Office have M&E Sub-Components.

Status of Monitoring and Evaluation

- M&E is a 'developing' practice in the Public Sector as is the case of the Department. The level of monitoring differs across the various components and programmes with evaluation still in its infancy. The Health Services Planning, M&E Unit, in conjunction with other M&E Sub-Components in the Department, Head Office Programme Managers, District Offices and the Area Principal Technical Advisors are currently engaging in the development of an M&E Framework for the Department through a process of extensive consultation.
- The Health Research and Knowledge Management Sub-Component play a vital role in providing technical support and guidance for the evaluation of performance or/and outcome and impact on request.
- Monitoring of performance against District Health Plan targets is evident through quarterly reporting from District Management to the Chief Operations Officer and Area General Managers.
- Monitoring of inputs and outputs by Hospitals and Community Health Centres is further demonstrated by newsletters and quarterly publications on the intranet.
- M&E Sub-Components within Head Office do embark on monitoring with a greater focus on inputs and outputs.
- Active monitoring and feedback of progress towards the Annual Performance Plan (APP) targets is lacking, especially at Head Office level. This will be addressed in 2008/09 through an integrated approach.
- Head Office Components and Programmes contribute to the Quarterly Treasury Reporting that is coordinated by Data Management.

- The various Component and/or Programme Managers need to ensure that their programme priorities, measurable objectives and targets in the APP are comprehensive with regards to key performance measures to ensure effective M&E.
- The process of planning for M&E must be fully inclusive with regular consultation and feedback.
- M&E does not rest with one Sub-Component; but should form part of the routine interaction between the *'programme planners'* and *'programme implementers'*.
- Health Research & Knowledge Management and Epidemiology is vital for technical support and guidance to ensure focused evaluation of programme implementation and outcome or impact.

- In 2008/09, the Health Services Planning, Monitoring & Evaluation Unit will work closely with other M&E Sub-Components in Head Office in monitoring progress towards targets as specified in the 2008/09 APP; and reporting requirements of districts will be streamlined and aligned to the APP. Closer collaboration with Data Management and Head Office Programmes/ Components is essential in this regard.
- It is envisaged that the M&E Framework will be finalised for MANCO approval in 2008/09.

11.2 Epidemiology

- The lack of reliable scientific data on disease profiles seriously jeopardises planning and resource allocation. Implementation of epidemiological studies is expensive (both time and resource) however the ultimate value to the health system far outweighs the initial input.
- The preparation for a Provincial Burden of Disease (BOD) study commenced in 2007/08 through a process of extensive consultation with stakeholders including the University of KwaZulu-Natal (UKZN). The National Department of Health seconded an Epidemiologist Consultant (with biostatistics experience) to the Health Service Planning, Monitoring & Evaluation Unit to provide technical guidance and act as Project Manager for the BOD study.

- In response to National & Provincial commitment to improve PHC service delivery, it was decided to implement the BOD project in two Phases in the Province i.e.
- Phase 1: *'PHC Disease Profile'* focusing on PHC clinics and Community Health Centres. This phase commenced in December 2007 in the Umgungundlovu District. It is envisaged that data collection will be completed in 2008/09.
- Phase 2: *'Hospital Burden of Disease'* focusing on hospitals will commence on completion of phase 1 (envisaged that data collection will commence in 2009/10).

Challenge

- Lack of funding for additional resources resulted in very slow progress with the BOD study i.e. data collection for Phase 1. This will increase the project time and delay crucial results needed to inform strategic and annual planning.

11.3 Health Research & Knowledge Management (HRKM)

- HRKM received 114 research proposals for approval in 2007/08 of which 86 were recommended and approved by the Provincial Health Research Committee. During the same period, applications for 11 Clinical Trials were received of which 8 were approved by the Health Research Committee and the Head/ Acting Head of Department.
- Three in-house Operational Research studies, based on research questions identified during the development of the 2008/09 Annual Performance Plan, commenced in 2007/08. The studies will investigate *Bed Occupancy Rates, Average Length of Stay, Teenage Birth Rate and High Caesarean Section Rates*. Results will be used to inform decision-making, policy review and planning.
- The Sub-Component finalised a research proposal for an in-house study on Infection Prevention and Control (*'Hand Washing'*) and submitted it for Ethical approval in 2007/08. The study will be conducted in the 5 Revitalisation Hospitals. Results from the study will be used to inform Infection Prevention and Control strategies.
- The Sub-Component fulfills a valuable function in sourcing relevant research that may inform health service planning and delivery. Information is made available to Programme Managers on a regular basis.
- A research database is in the final stages of development, and it is envisaged that the database will be activated early in 2008/09. The database will be linked with the National Health Research and Knowledge Management database, that will ensure un-restricted access to relevant research.

Challenge

- Effective coordination and monitoring of health research is a challenge due to organisations failing to submit studies through the HRKM for approval. *This will be addressed through integrated meetings facilitated by the Provincial Health Research Committee – to commence early in 2008/09.*

11.4 Health Services Planning

- The Directorate improved visible leadership and support to districts during the development of the 2008/09 District Health Plans (DHP's). DHP's evolved to evidence-based documents informed by the critical analysis of indicators affecting health systems, service delivery and health status of beneficiaries.
  - Ten 2008/09 DHP's (except eThekwini) were signed off by the MEC for Health and submitted to the National Department of Health.
- The Directorate initiated a process of consultation with Senior, District and Programme Management to inform and direct the development of the 2008/09 Annual Performance Plan (APP) and the 2007/08 Annual Report.
- The 2008/09 APP was finalised, submitted, approved and tabled by the MEC for Health in April 2008.
- The Directorate commenced with a strategy to align the departmental planning cycle through a process of consultation and feedback. This process is aligned with the M&E Framework to ensure effective monitoring and evaluation of departmental performance against strategic and measurable objectives and targets incorporated in the Strategic and Annual Performance Plans.
- The District Health Expenditure Reviews (DHER's) were not conducted in 2007/08 due to new software being developed for the reviewed DHER Tool. The new tool will be rolled out to districts in 2008/09 through a programme of capacity building and training which will ensure decentralised accountability.

- The Directorate, in keeping with its mandate, developed and submitted the 2006/07 Annual Report, and the 2007/08 and 2008/09 Annual Performance Plans. All documents were approved by the Head of Department and MEC and tabled in Parliament.

11.5 Human Resource Planning (HRP)

- The final draft of the Human Resource Plan, costed and fully aligned with the 10-year Service Transformation Plan (STP) was submitted to the Department of Public Service Administration (DPSA) in 2007/08. The final Plan was submitted to the Acting Head of Department for approval.
  - Commenced consultation with Specialists and Heads of Sections to identify the existing gaps in the Specialist categories at all levels of care. Determined the required number of Registrars per discipline per package of service and level of care, and included the expansion requirements in the 10-year HRP.
  - The Provincial HRP will be available on the Departmental intranet in 2008/09. The Plan will be reviewed regularly (in alignment with the STP and service delivery requirements) and regular feedback will be prioritised.
  - Adequate monitoring systems, using the DPSA Monitoring Template, will be used to ensure effective monitoring of the Provincial and District Plans.

Challenges

1. Financial support to give effect to the implementation of PHC and other structures as prescribed in the STP and HRP.
2. Recruitment and retention strategies to counteract the high staff turn-over.
3. Infrastructure backlog have a serious impact on expansion of services as per STP and HRP.
4. Expansion of services (as per STP and HRP) might not be possible in 2008/09 due to over-expenditure.

- Out-of-adjustment personnel have huge cost implications for the department, and HRP commenced with the correction thereof in 2007/08. It is envisaged that this process will be completed in 2008/09.

11.6 Geographical Information System (GIS)

Service Transformation Plan (STP)

- The first draft of the STP, developed as per National Health Priority 1, was submitted and approved by the MEC in June 2007. The approved draft was submitted to the National Department of Health and approved.
- Phase 2, focussing on outstanding issues i.e. Mortuary Services, Emergency Medical Rescue Services (EMRS), Laundry, Learning Sites and Mobile Clinics, will continue in 2008/09. Extensive consultation with stakeholders will inform development of the Plan.
  - The GIS Section has been responsible for the development of the database which houses all information pertaining to the STP. In addition, all catchment populations and referral models have been developed and maintained by GIS.
- Key to planning in the Department is the location of facilities and the communities they serve. GIS has initiated a project to map the mobile stopping points of each mobile clinic in all Districts in KwaZulu-Natal. A great deal of preparation has gone into the planning of this project to ensure that the results are of a high standard and will inform decision making. This project will be concluded in 2008/09 – for inclusion in the STP.

Upgrade of the GIS Website and Database

- During 2007/08, the GIS undertook a complete upgrade of the online mapping website and the database that supports the online mapping. This necessitated the complete migration of the GIS database to a SQL Express platform and the section took the opportunity to streamline the database. The online mapping system can be found at http://healthmap.kznhealth.gov.za.
- GIS has typically always managed the location of health facilities in the Province. This includes working closely with the Districts to ensure accurate GPS readings of the facility and the recording of these in the GIS database. This is closely aligned to the STP as the location and sequencing of the facilities feeds into the STP.

Home Based Carers (HBC's) Mapping in Uthukela District

- The GIS Section was instrumental in the mapping of HBC's in the Uthukela District in 2007, and created the database to house the HBC data. This process has given the Uthukela District Office valuable information as to the location, area of responsibility and burden carried by HBC's. This project is ongoing and will receive the full support of the GIS office in 2008/09.

Burden of Disease Study

- The Burden of Disease study is currently being undertaken in the Province, and the data collected is being linked to the Unicodes managed by the GIS Section. As a result, the GIS will be able to quickly and easily display the data collected for the BOD.

11.7 Data Management

- The purpose of the District Health Information System (DHIS) is to gather, analyse and disseminate aggregated, routine data that pertains to health service delivery. The data and its interpretation is intended to underpin effective and efficient decision-making for evidence-based health service planning and delivery.
- At the moment the majority of routine information is obtained by the DHIS and the hospital-based PTSS systems.
- The PTSS will be phased out and replaced with the DHIS version 1.4 with the capacity to capture data on a daily basis. Training for the implementation of version 1.4 is planned for early 2008 after which it will be rolled out to all districts.

Challenges

- Various vertical and separate data collection systems e.g. Electronic TB Register, DORA Reports, EMRS, etc. with no linkage or integration. Paper-based systems result in duplication and quality of data is sometimes questionable.
- The lack of a standard reporting system results in duplication and data inconsistencies.

- In terms of the National Health Act No. 61 of 2003[1] the Director General of Health is required to monitor Provincial progress towards national priorities and goals. In addition, the Public Finance Management Act (PFMA) No. 1 of 1999[2] (as amended), Regulations and Guidelines require Provincial Departments of Health to monitor and report performance on their Annual Performance Plans.
  - To comply with the above, Data Management coordinates the Provincial Quarterly Reporting System (QRS) and was able to comply with the reporting requirements every quarter.
- The Sub-Component developed and submitted a draft Data Management Policy for approval. Completion of the policy is envisaged early in 2008/09.

[1] Chapter 3, Section 21 (3) (a) of the National Health Act No. 61 of 2003
[2] Chapter 4, Section 27(4) and Chapter 5, Section 36(5) of the PFMA Public Finance Management Act No. 1 of 1999, as amended

Table 1: Provincial Objectives and Performance Indicators for the Administration Programme

Indicator	2004/05 (Actual)	2005/06 (Actual)	2006/07 (Actual)	2007/08 (Actual)	2007/08 (Target)
CORPORATE COMMUNICATIONS					
Objective: To provide efficient and effective communication support in line with the Department's core functions					
Number of managers who have received training in media relations.	50	75	100	–	200
Number of Public Relations Practitioners who attended all training sessions.	50	50	50	–	63
Number of media briefings.	1	4	4	4	4
Objective: To market the Department's programmes and activities					
Number of campaigns undertaken.	4	4	4	4	4
Objective: To strengthen community participation					
Annual Health Provincial Council Indaba.	Not measured	Not measured	1	1	1
Imbizo per Area per National Imbizo Focus Week	1	5	12	12	12
LEGAL SERVICES					
Objective: To strengthen and maintain comprehensive legal services to the Department					
Analysis of litigation trends to inform health service planning.	Not measured	40%	60%	370 cases [3]	70%
Establishment of a compendium of all legislation and policy documents, including the Provincial Health Bill.	10%	20%	30%	80%	50%
Ad hoc legal advice rendered in line with the applicable legislative and policy imperatives.	40%	60%	60%	See Footnote [4]	70%
Functional contract management system operational in Department.	40%	60%	70%	See Footnote [5]	70%
OMBUDSPERSON					
Objective: To ensure the implementation of effective mechanisms for the management of complaints					
% of complaints acknowledged within 3 days after receipt.	75%	80%	80%	–	80%
% of complaints resolved within 60 workdays.	75%	80%	80%	–	80%

[3] This is an inappropriate measure for litigation as legal proceedings against or on behalf of the Department is dealt with as and when they arise and there is no specific "target" in a financial year as one cannot anticipate when or how many legal proceedings the Department will be party to.

[4] This is also an inappropriate measure as one cannot anticipate what kind of or how many requests for legal advice will occur in the reporting period. The legal advice sought is wide and varied with requests for telephonic as well as for written advice. Advice is largely sought in respect of medico legal matters, legal compliance and contract issues including SCM queries and also advice in respect of Labour matters.

[5] 450 Contracts drafted and managed in 2007/08

Indicator	2004/05 (Actual)	2005/06 (Actual)	2006/07 (Actual)	2007/08 (Actual)	2007/08 (Target)
INSTITUTIONAL SECURITY AND RISK MANAGEMENT SERVICE					
Objective: To ensure organisational integrity within the Department					
Conduct high profile investigations in collaboration with Law Enforcement Agencies.	Not measured	Not measured	50%	See Footnote [6]	50%
Development of Anti-fraud and Corruption Plan.	Not measured	Not measured	80%	100% [7]	100%
Objective: To strive towards the establishment of a safe and secure environment					
Development of a security manual relevant to the service delivery challenges of the Department.	Not measured	Not measured	70%	Footnote	100%
Vetting of staff (Percentage related to specified categories).	Not measured	No measured	20%	Not measured	40%
Conduct security audit.	Not measured	Not measured	20%	See Footnote [8]	40%
Implement asset protection system at all Health Institutions.	Not measured	Not measured	20%	Not measured	40%
Security advice on MEC's events.	Not measured	Not measured	100%	100%	100%
Objective: To ensure the provision of effective and efficient risk management support services					
Creation of a fully functional Risk Management Services Sub-Component.	Not measured	Not measured	30%	See Footnote [9]	50%
Development of Departmental Risk Management Policy.	Not measured	No measured	100%	80% [10]	100%
Development of Risk Management strategy for the Department.	Not measured	Not measured	100%	80% [11]	100%
Departmental risk profile assessments conducted.	Not measured	Not measured	100%	100%	100%
Objective: To foster a risk management culture in the Department					
Development and implementation of a Departmental Risk Mitigation Plan.	Not measured	Not measured	80%	100%	90%
Conduct risk awareness programmes.	Not measured	Not measured	80%	Unclear [12]	90%
Ensure that risk management form an integral part of the Key Result Areas of relevant staff.	Not measured	Not measured	50%	60%	70%
CORPORATE GOVERNANCE, IGR AND DONOR COORDINATION SERVICES					
Objective: To provide effective and efficient inter-governmental services to the MEC, HOD and Department and effective and efficient donor coordination services					
% of planned IGR services to the MEC, HOD and Department provided.	Not measured	0%	10%	40%	30%
% compliance with the requirements to provide coordination services to the MEC, HOD, National Health Council, Provincial Health Council, Cabinet, Parliamentary and MEXCO matters.	Not measured	25%	50%	80%	80%

[6] Where the need arise
[7] The plan is being reviewed with the intention of revising certain aspects and the process will unfold in 2008/09
[8] Audit not complete – expected in 2008/09
[9] Head Office structure not approved/ implemented
[10] Awaiting approval from the Acting HOD
[11] Awaiting approval from the Acting HOD
[12] Denominator unclear for %

Indicator	2004/05 (Actual)	2005/06 (Actual)	2006/07 (Actual)	2007/08 (Actual)	2007/08 (Target)
% compliance with the departmental responsibilities emanating from the Social Cluster.	Not measured	25%	50%	80%	80%
System institutionalised for donor coordination services.	Not measured	Not measured	Not measured	30%	30%
Objective: To render effective and efficient corporate services to Head Office					
% of posts filled in terms of posts advertised for Head Office.	Not measured	Not measured	20%	40%	40%
% of Senior Management Service (SMS) in Head Office compliant to Financial Disclosure, and Performance Management Contracts.	Not measured	Not measured	100%	95% [13]	100%
Provision of effective, efficient and developmental orientated General Administration, Human Resources, Finance and Supply Chain Management (SCM) for Head Office.	30%	45%	55%	55%	70%
Objective: To provide an effective document management system for the Head Office					
% compliance with legal prescripts governing document- and archive management.	Not measured	30%	50%	50%	70%
% of Forms designed and systems established.	Not measured	10%	20%	20%	40%
SUPPLY CHAIN MANAGEMENT (SCM)					
Objective: To establish and maintain an integrated SCM system in the Department					
SCM policy, structure and delegations approved and implemented.	Not measured	40%	60%	80% [14]	80%
% Health Institutions included in training sessions on SCM.	Not measured	50%	70%	100% [15]	80%
% of Procurement Plans completed to guide acquisition of goods and services by Institutions.	Not measured	40%	60%	75%	75%
Accurate and updated asset register maintained in Institutions.	Not measured	50%	60%	90%	90%
Policies, processes and systems for safeguarding of assets and for inventory control developed and implemented.	Not measured	40%	50%	100%	90%
Systems and processes implemented for the management of contracts.	Not measured	40%	50%	90%	90%
Updated specifications for the acquisition of transversal goods and services developed and compiled in a catalogue.	Not measured	Not measured	55%	98% [16]	75%
Integrated logistical support systems implemented to reduce "stock outs" and improve service delivery.	Not measured	Not measured	70%	80%	80%

[13] Double barrel indicator: 95% achievement with financial disclosure – performance contract submission was problematic
[14] Interim SCM delegations are being reviewed
[15] In addition to training provided a SCM Help Desk has been established to assist institutions
[16] Specifications are quantified as a numbers and are as follows: – Services: 5 Specifications; Non-Medical: 23 Specifications and Medical Equipment: 70 Specifications

Indicator	2004/05 (Actual)	2005/06 (Actual)	2006/07 (Actual)	2007/08 (Actual)	2007/08 (Target)
Objective: To implement processes to promote business opportunities for emerging business in the Department					
Strategic sourcing guidelines for targeted procurement formulated and implemented.	Not measured	+9%	+50%	+10%	+10%
% of business awarded to SMME's.	Not measured	+9%	+50%	+10%	+10%
% of businesses awarded to co-operatives.	Not measured	+5%	+50%	+10%	+10%
% of business awarded to persons with disabilities.	Not measured	0%	+20%	+10%	+10%
% of business awarded to companies owned by the "youth".	Not measured	0%	+30%	+10%	+10%
% of business awarded to companies from rural areas.	Not measured	+9%	+50%	+10%	+10%
% of business awarded to companies owned by women.	Not measured	+9%	+50%	+10%	+10%
Objective: To ensure community awareness on business opportunities in the Department					
Number of awareness campaigns conducted.	Not measured	40	50	70	70
% increase of targeted groups participating in the procurement process of the Department.	Not measured	25%	30%	45%	45%
Objective: To establish systems to support acquisition of goods and services (data base)					
Data base established to support the acquisition of goods and services.	Not measured	Not measured	40%	80%	80%
FINANCIAL MANAGEMENT					
Objective: To ensure that the finance systems and budgetary processes are aligned to Strategic and Service Transformation Objectives of the Department					
An equitable and aligned budget.	85%	88%	90%	90%	95%
Improved budget management and control.	Not measured	Not measured	80%	95%	95%
Mechanisms in place to guide prioritisation and budgeting processes for Institutions.	Not measured	Not measured	90%	95%	95%
Objective: To implement and maintain effective and efficient financial revenue administration systems					
An effective, efficient, disciplined and competent financial management at Institutions, including financial management, revenue management, banking services, reporting and taxation services.	85%	88%	90%	–	92%
TELEHEALTH AND INFORMATION TECHNOLOGY					
Objective: To expand the telemedicine service in line with the STP					
Adequate capacity established at Head Office to provide strategic guidance and central system management for telemedicine.	Not measured	Not measured	10%	–	35%
Number of Telehealth sites operational.	17	36	46	37	55
Alignment of the Telemedicine Implementation Plan with STP Imperatives.	Not measured	Not measured	35%	–	50%
Objective: To acquire, install and maintain computer equipment, systems and networks supporting seamless service delivery processes					
% redundant/obsolete PCs replaced.	10%	25%	35%	100%	100%
% of Hospitals, CHC's and Institutions other than PHC Clinics that are VPN compliant.	0%	0%	100%	100%	100%

Indicator	2004/05 (Actual)	2005/06 (Actual)	2006/07 (Actual)	2007/08 (Actual)	2007/08 (Target)
% of PHC Clinics with PCs and Printers.	5%	8%	100%	100%	100%
Meditech implemented at all Hospitals.	Not measured	Not measured	0%	0%	1%
% of Hospitals with upgraded data lines.	Not measured	Not measured	0%	0%	100%
% of Hospitals with a functioning Kiosk (90 Kiosks – number in each Hospital depends on the number of beds in a Hospital).	0%	0%	100%	90%	–
% of Health Professionals trained on Funda.	Not measured	0%	0%	100%	25%
Objectives: To develop a Master Systems Plan that will guide the implementation of information management systems and technology in the Department					
Master Systems Specification developed complying with the information management, monitoring and evaluation requirements of the Department.	0%	0%	100%	0%	100%
Approved Master Systems Plan.	0%	0%	0%	0%	100%
% objectives and targets in the Master Systems Plan satisfied.	0%	0%	0%	0%	0%
FORENSIC PATHOLOGY AND LABORATORY SERVICES[17]					
Objectives: To ensure the effective and efficient management and provisioning of forensic medical pathology and mortuary services					
Number of functional Mortuary Facilities in the Province.	Not measured	25	39	39	46
% Objectives and Targets set for the Business Plan to access Conditional Grant resources accomplished.	Not measured	Not measured	70%	100%	80%
Policies, norms, standards and protocols for the provisioning of decentralised medical forensic pathology services developed and implemented.	Not measured	Not measured	70%	80%	80%
Objectives: To provide Forensic training for health care professionals and support staff					
Number of accredited courses registered and provided.	Not measured	2	6	Not available	6
Objective: To monitor the rendering of laboratory services by the National Health Laboratories Services (NHLS) to the Department[18]					
Departmental policy framework for the utilisation of NHLS developed and implemented.	Not measured	Not measured	100%	Not available	100%
Analysis of impact on changes to tariff structure conducted to inform decision-making processes.	Not measured	Not measured	50%	Not available	80%
Monitoring and Evaluation System developed and implemented at all Institutions to monitor NHLS compliance with the Service Level Agreement imperatives.	Not measured	Not measured	50%	Not available	80%
% of instances of non compliance with Service Level Agreement Imperatives reported/ resolved.	Not measured	Not measured	50%	Not available	80%

[17] No information received for Forensic Medical Pathology and Mortuary Services
[18] No information received for NHLS

Indicator	2004/05 (Actual)	2005/06 (Actual)	2006/07 (Actual)	2007/08 (Actual)	2007/08 (Target)
PHARMACEUTICAL SERVICES					
Objectives: To ensure the development and implementation of an effective and efficient pharmaceutical system					
Policy framework, norms and standards developed and implemented for effective and efficient rendering of pharmaceutical services by all Institutions.	Not measured	Not measured	50%	100%	100%
Monitor and evaluate the delivery of pharmaceutical services by Institutions against set standards and report thereon.	Not measured	Not measured	30%	70%	60%
OTHER HOSPITALS (PRIVATE)					
Objective: To ensure that the private health care industry adheres to National Health standards					
% of Private Hospitals inspected.	Not measured	Not measured	100%	100%	100%
Number of applications for Re-licensing of Private Hospitals services received and processed for approval.	Not measured	Not measured	100%	100%	100%
Number of applications for the provisioning of private services assessed and duly processed for approval.	Not measured	Not measured	100%	100% [19]	100%
Applications for new licences reviewed at a quarterly basis.	Not measured	Not measured	100%	100%	100%
OTHER HOSPITALS (STATE AIDED HOSPITALS)					
Objective: To ensure that State Aided Hospitals comply with standards and conditions set in the Service Level Agreements					
Quarterly supervisory visits and reports.	100%	100%	100%	100%	100%
Policy framework, norms and standards developed and implemented to monitor and evaluate service delivery by State Aided Hospitals.	0%	0%	0%	–	25%
HUMAN RESOURCES MANAGEMENT AND DEVELOPMENT SERVICES					
Objective: To promote human resources development of staff at Health institutions					
Number of managers trained in management, leadership and supervision.	Not measured	149	600	99 [20]	650
Number of staff accessing accredited training programmes.	Not measured	5,000	5,100	1,172 [21]	5,200
Objectives: To ensure human resources management policies and strategies directly support the core business of the Department					
Realignment of the Human resources strategy towards achieving the core service delivery imperatives of the Department.	Not measured	Not measured	30%	30%	50%

[19] One application (with more than one site) still being assessed and not submitted
[20] The challenge with this measure is that the academic year is not the same as the Department's financial year therefore learners that "overlap" between financial years
[21] This measure is based on the number of service providers that are accredited and not the programme itself

Indicator	2004/05 (Actual)	2005/06 (Actual)	2006/07 (Actual)	2007/08 (Actual)	2007/08 (Target)
Policy framework and norms for Human resources management developed and implemented.	Not measured	Not measured	30%	50%	50%
Early warning system developed and implemented on key Human Resources Indicators.	Not measured	Not measured	0%	0%	50%
Monitor and Evaluate the impact of Human Resources management policies on the achievement of strategic imperatives of the Department and achievement of seamless service delivery and report thereon.	Not measured	Not measured	0%	0%	50%
HEALTH SERVICE PLANNING, MONITORING & EVALUATION					
Objective: To facilitate and integrate health service planning in the Province					
Updating of Service Transformation Plan through District Health Services Planning Framework in terms of disease profiles, poverty profiles, changes in service delivery priorities and health system priorities as well as norms.	Not measured	Not measured	60%	85% [22]	85%
% Districts with a fully developed Epidemiology profile informing health service delivery packages.	Not measured	Not measured	0%	0%	20%
Cost efficiency assessment of District Health Plans.	Not measured	Not measured	0%	0% [23]	10%
Annual Report MTEF 2006/07 consistent with APP and Strategic Plan.	Not measured	Not measured	Not measured	70% [24]	100%
Annual Performance Plan for MTEF 2008/09 approved.	Not measured	Not measured	100%	100%	100%
Objective: To ensure the effective and efficient management of data and information					
Policy and guidelines on information system management developed and implemented.	Not measured	Not measured	Not measured	Draft developed [25]	70%
Improved the quality and timeliness of health data captured on District Health Information System (DHIS).	Not measured	Not measured	Not measured	50%	50%
Audit completed on all information systems and integration of systems completed.	Not measured	Not measured	Not measured	0% [26]	20%
Re-design Departmental web site to have data download functionality.	Not measured	Not measured	Not measured	100%	100%
Objective: To ensure that non-health information provided to the Department is renewed with accompanying metadata					
Updated airports and airfield information.	Not measured	Not measured	Not measured	100%	100%
Updated Provincial Government Department's data (e.g. roads, rivers).	Not measured	Not measured	Not measured	100%	100%

[22] Living document constantly updated – see narrative for outstanding programmes and services which will be added in 2008/09
[23] Commenced with review of DHER Tool and development of software – not completed in districts and will commence in 2008/09
[24] Not consistent and plans in place to improve alignment
[25] Draft Policy submitted for final comments
[26] Many vertical systems still in use – DHIS 1.4 will be implemented in 2008/09. Alignment of indicators in M&E Framework

Indicator	2004/05 (Actual)	2005/06 (Actual)	2006/07 (Actual)	2007/08 (Actual)	2007/08 (Target)
Updated orthophoto image catalogue.	Not measured	Not measured	Not measured	100%	100%
Database for Umzimkhulu verified and duly updated.	Not measured	Not measured	Not measured	100%	100%
Objective: To guide and assess the quality of health services against norms and standards and implementation of the Quality Improvement Plan					
Policy and strategy on quality assurance reviewed.	Not measured	Not measured	Not measured	100% [27]	30%
Early warning system established on quality assurance.	Not measured	Not measured	Not measured	0%	30%
Monitor progress being made with the implementation of the different activities in the Quality Improvement Plan and report thereon.	Not measured	Not measured	30%	50%	100%
Dedicated capacity established at Head Office and District Offices to monitor adherence to quality management arrangements and related policy imperatives at Health Institutions.	Not measured	Not measured	Not measured	20%	25%
Annual client satisfaction experience conducted at all Institutions	Not measured	100%	100%		100%
Objective: To guide and assess the implementation of Infection Control at all Health institutions					
Policy and strategy on infection control reviewed.	Not measured	Not measured	Not measured	100% [28]	30%
Early warning system established on infection control.	Not measured	Not measured	Not measured		30%
Dedicated capacity established at Head Office and District Offices to monitor infection control implementation.	Not measured	Not measured	Not measured		30%

[27] Final Draft Policy submitted
[28] Final Draft Policy submitted

Programme 2

District Health Services

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TABLE OF GRAPHS

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PROGRAMME DESCRIPTION

Comprehensive, integrated and sustainable health care services (preventive, promotive, curative and rehabilitative) based on the Primary Health Care (PHC) approach through the District Health System (DHS).

PROGRAMME STRUCTURE

Sub-Programme 2.1
District Management

Managing the implementation of comprehensive, integrated, efficient, effective and sustainable health services based on the PHC approach.

Sub-Programme 2.2
Primary Health Care (PHC) Services

Compassionate, dedicated, integrated, effective and efficient PHC services rendered at fixed PHC clinics and mobile services, and outreach services. Services fall within the scope of practice of a Professional Nurse.

Sub-Programme 2.3
Community Health Centres

A broad range of PHC services including accident, emergency and midwifery services, but excluding surgery under general anaesthetic. Services fall within the scope of practice of a General Practitioner and a Professional Nurse.

Sub-Programme 2.4
Community-Based Health Services

Health services rendered at non-health facilities including programmes and services for home and community-based care, care for survivors of violence, mental health, chronic and geriatric care, school and youth, healthy lifestyles, support for Tuberculosis (TB) and HIV and AIDS, etc.

Sub-Programme 2.5
Other Community Health Services

Environmental and Port Health services including monitoring of services for hazardous substances, water and sanitation, storage, labeling, preparation and selling of food substances, abattoirs and dairies, air quality/ pollution and ports of entry.

Sub-Programme 2.6
HIV, AIDS, STI and TB

PHC services related to the comprehensive management of HIV, AIDS, STI and TB. Services include programmes for Voluntary Counselling & Testing (VCT), Prevention of Mother to Child Transmission of HIV (PMTCT), Non-Occupational and Occupational Post Exposure Prophylaxis, Sexually Transmitted Infections (STI's), High Transmission Areas (HTA's), Anti Retroviral Therapy (ART), Home Based Care (HBC), and TB Programmes.

Sub-Programme 2.7
Nutrition

Integrated, sustainable and community driven nutrition services aimed at the most vulnerable groups in communities.

Sub-Programme 2.8
Maternal, Child & Women's Health

Comprehensive and integrated services and programmes rendered at all levels of care to reduce the preventable causes of morbidity and mortality of pregnant and non-pregnant women, neonates, infants, children and youth.

Sub-Programme 2.9
Coroner Services

Forensic pathology and medical services established to determine the circumstances and causes of unnatural deaths.

Sub-Programme 2.10
District Hospitals

A designated package of health services covering diagnostic, curative, in-patient and out-patient District Hospital services, with designated procedures performed under general anesthetic. Services fall mostly within the scope of practice of a General Practitioner.

1. PRIMARY HEALTH CARE (PHC)[1]

National Priority 5:
Strengthen PHC, Emergency Medical Rescue Services and Hospital Service delivery systems.

Provincial Strategic Goal 2:
Strengthen PHC and provide caring, responsive and quality health care services at all levels.

Strategic Priority 4:
Improve quality of care.

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PHC Priorities – 2007/08

1. Implementation of District structures.
2. Improving quality of care.

District Management

Priority 1

- District organisational structures, as defined in the Service Transformation Plan (STP), had been customised to accommodate district needs and service delivery imperatives. Implementation has improved decentralised planning, monitoring, evaluation and data & information management.
- Corporate Service Centres were established in all district offices where they provided decentralised Human Resource, Financial and Supply Chain Management services to district office components, including Emergency Medical Rescue Services (EMRS) and Forensic Medical Pathology Services.
- All districts developed, submitted and implemented District Health Plans (DHP's) with improved alignment to the Department's strategic goals and objectives. The Plans conformed to the requirements of the White Paper on the Transformation of Health Service in SA, the National Health Act of 2003 and with due regard to the requirements of the Integrated Development Plans (IDP's) in terms of the Medical Schemes Act (MSA) (Act No. 32 of 2000).

Challenges

- Alignment and integration of DHP's with IDP's, partly due to different planning cycles and planning agendas.
- Sustained partnerships with social partners. Socio-determinants of health, outside the mandate of the Department, jeopardise health outcomes in spite of improved availability and utilisation of health services.

Primary Health Care Services

Priority 2

The Province has adopted and is fully committed to the implementation of the PHC Approach as defined by the World Health Organisation's (WHO) Alma Ata Declaration that provides the ideological framework for first level health care. The Declaration denotes the following 8 elements:

Essential Health

Implementation of the National Health package of PHC services covering promotive, preventive, curative, rehabilitative and palliative health care, rendered from both medical and traditional aspects of health care provision.

- In 2007/08, a total of 542 PHC clinics offered at least 80% of the National PHC package of services and 489 facilities had all essential equipment as per standard equipment list.[2]
- The Traditional Health and Medicine Programme in KwaZulu-Natal commenced in 2007/08, when the MEC for Health hosted a Provincial workshop attended by approximately 560 Traditional Health and Medicine Practitioners. Four commissions were consulted to inform the development of the provincial programme i.e. *Collaboration and Referral Relationships; Self Reliance and Development; Agriculture and Manufacturing; and Training, Public Education and Research.*
  - The Department created two posts for the Traditional Health and Medicine Programme, and plan to commence with the development of relevant policies and frameworks in 2008/09.

[1] In KZN the term 'Primary Health Care' includes household & community-based services (e.g. rehabilitation workers, home based care), Clinics, Schools, CHC and District Hospitals. Programmes include promotive & preventive interventions as well as aspects of curative, rehabilitative & palliative care

[2] District Quarterly Reports

Inter-Sectoral Coordination

- During 2007/08, a total of 73 National Integrated Nutrition Programme (INP) sites provided integrated services to communities.

Community Participation

- Clinic Committees were established in 372 PHC clinics, heeding the Department's commitment to *'listen to the voices of the people'*.[3]

Challenge

- Although Clinic Committees are strategically well placed to facilitate dialogue between health services and communities they are not yet fully utilised.

Equitable Distribution

- To improve access, the Department opened 6 new PHC clinics in 2007/08. These clinics are being developed to provide the standard package of PHC services.
- Plans for the development of Health Posts in under-served areas and isolated communities are well advanced and renovations of buildings commenced in 2007/08.

Availability of Services

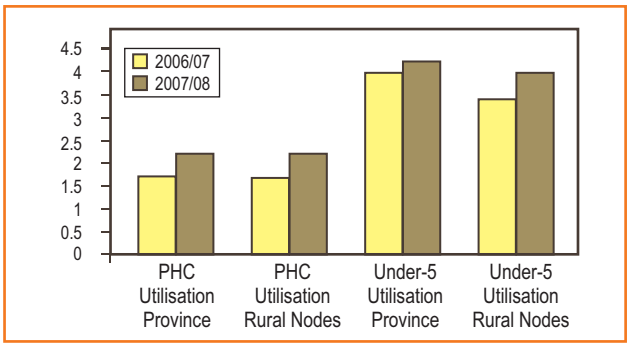
Home and Community Level

- The Department has made considerable progress in expanding health services at household level. 129 contracted Non-Profit Organisations (NPO's) provided home-based care for the severely disabled, terminally ill and/or bedridden individuals. Through this network, 164,480 households were reached during the reporting period.
- 15,700 Community Health Carers, contracted through a Provincial NPO, provided promotive and preventive information and support to individuals and families in keeping with the commitment to take health to communities. 7,600 Community Health Carers received stipends through the Department during the reporting period.
- In 2007/08 the Department trained:
  - 500 Youth Ambassadors to provide basic PHC information to communities; and
  - 1,200 Directly Observed Treatment Short Course (DOTS) supporters, increasing the number of patients with DOTS support from 78% in 2006/07 to 82% in 2007/08.

Clinics and Community Health Centres

- Availability of services (including access to midwifery and emergency services) improved with 42 PHC clinics providing 24-hour services and 205 designated clinics offering on-call services.[4]
- In 2007/08, mobile service points were increased to improve access in under-serviced areas. There were a total of 2,392 mobile points with 95 points serviced weekly, 430 points serviced twice a month, and 1,867 points serviced monthly.[5]
- The deployment of Community Service Officers extended monthly health services to under-served areas with at least 60% of facilities visited monthly by Rehabilitative Therapists, 242 clinics by Nutritionists and 175 clinics by Dentists/ Oral Therapists.[6]
- Utilisation of PHC services showed an increase from 2006/07 which implies improved equity in access between the most deprived inaccessible areas and those that are more easily accessible.

Graph 1: Utilisation Rate – PHC



- The PHC total headcount increased by 8% from 19,950,299 in 2006/07 to 21,260,261[7] in 2007/08 (consistent with increased utilisation of services). This however created tension between availability and utilisation of services vs. availability of human resources and quality of care that may be influenced by clinical and case loads.

[3] District Quarterly Reports

[4] District Quarterly Reports
[5] District Quarterly Reports
[6] District Quarterly Reports
[7] Quarterly Treasury Report

- The Nurse Clinical Workload decreased from 1:75.5 in 2006/07 to 1:65 in 2007/08 (target 1:40), and the Doctor clinical workload increased from 1:14.7 in 2006/07 to 1:17 (target 1:30) in 2007/08.
- Professional staff vacancy rates in PHC clinics decreased slightly from 35% in 2006/07 to 32.27% in 2007/08.

Challenges

- The revised PHC structures have been approved in 2007/08 (except eThekwini District) however are not yet implemented. This is contradictory to the Departments' commitment to improve PHC service delivery.
- Although the Department was successful in increasing availability, access and utilisation of PHC services, the increased case and work load of nurses at PHC level is still too high to ensure quality of care.
- Dissemination and active monitoring of the 10-year Human Resource Plan.
- The increasing number of clients with non-communicable diseases utilising PHC services substantially increased the work and case load at PHC level in the absence of commissary increase in staffing. Quality may therefore be compromised.

Accessibility

The Department improved access to PHC services by extending clinic hours and increasing the extensive network of Home and Community Based Carers in 2007/08.

- In spite of increased accessibility, the Province recorded an immunisation drop-out rate of 20% between the first vaccination (at 6 weeks) and the measles vaccine (at 9 months) in 2007/08. This may be indicative of missed opportunities at both community and clinic level.
- Effective health information/education remained a challenge especially because it impacted negatively on utilisation of services and compliance to treatment regimes, for example: Only 45% of women attended antenatal care before 20 weeks of pregnancy (considered a crucial service to reduce maternal morbidity and mortality), with 75% Nevirapine uptake in pregnancy (a crucial prevention strategy for the transmission of HIV from the mother to the baby).
- A Provincial WHO Study (Horwood C, Qazi S, et al: 2007) found that 47% of children with severe pneumonia were misdiagnosed by Nurse Practitioners (and not referred for a medical opinion), and only 18% of children with suspected HIV infections were diagnosed and referred correctly. This indicates a lack of access to quality care, inappropriate and/or no referral due to a lack of capacity, knowledge and inadequate clinical supervision. This in turn translates into increased cost.

Challenges

- Access to health promotion & education targeting people with disabilities (especially the deaf and blind) is limited. *Training of deaf people as counsellors will improve access.*
- Missed opportunities at both community and clinic level should be addressed through innovative community out-reach programmes.

Acceptability

Measuring acceptability of services remained a challenge in 2007/08.

Challenge

- Integration of systems and programmes to monitor client satisfaction e.g. client satisfaction surveys, feedback through Clinic Committees and Hospital Boards, community indaba's and response of clients post community events.

- Although VCT is available at 100% of PHC clinics the proportion of PHC clients tested for HIV was only 3% in 2007/08 which might be an indication of missed opportunities and a lack of information.
- The STI partner treatment rates decreased from 28% in 2006/07 to 21.2% in 2007/08, not only alluding to acceptability of services but also the need for integrated community development and out-reach programmes.

Affordability

- The Provincial PHC expenditure (per uninsured person) decreased from R296.70 in 2006/07 to R184.39 in 2007/08, and the PHC expenditure per headcount at PHC facilities increased from R92 in 2006/07 to R97.46 in 2007/08, which is below the National average of R101.60.

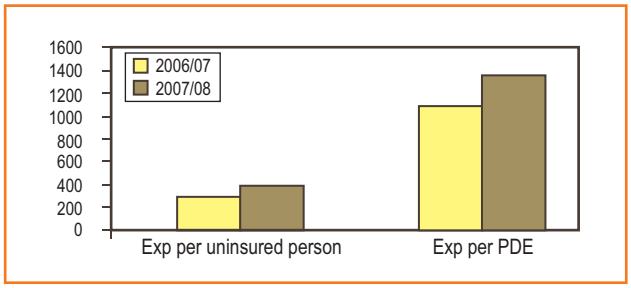
2. DISTRICT HOSPITALS

District Hospital Priorities – 2007/08

1. Commence with the implementation of the revised organisational structures and post establishments.
2. Increase the number of step-down beds.
3. Provide dedicated capacity for 'out-reach' initiatives to strengthen PHC services.

- Hospital structures were developed during the reporting period, but are not yet signed off.
- 88% (37/42)[8] of District Hospitals offered the full package of District Hospital services and 90% (38/42) had appointed Hospital Boards to improve community participation.[9]
- Referral pathways have been established for all levels of care and coordinated with EMRS and Planned Patient Transport (PPT) to ensure seamless service delivery. PPT covered 100% hospital-to-hospital and 55% clinic-to-hospital transport routes during the reporting period.
- 7 District Hospitals (Estcourt, Eshowe, Itshelejuba, Edendale, Mbongolwane, St Apollinaris and Benedictine) and 2 CHC (Pholela and Inanda) participated in the Premier Service Excellence Awards; 4 facilities were short listed; and Itshelejuba Hospital won the Department's Gold Award and Silver in the Premiers' Service Excellence Awards.
- Council for Health Services Accreditation of Southern Africa (COHSASA) accreditation is ongoing although the sustained impact on quality and service delivery as compared to non-accredited hospitals is not yet measured. Addington Hospitals' certificate expired in 2007 but they maintained all standards in 2007/08.

Graph 2: District Hospital Expenditure



- The expenditure per uninsured person increased from R309.51 in 2006/07 to R405.49 in 2007/08, and the expenditure per PDE from R1,084 in 2006/07 to R1,351 in 2007/08. This compares well with the National average of R1,260.

3. COMPREHENSIVE HIV AND AIDS SERVICES

National Priority 4:
Improve management of communicable & non-communicable diseases.

Provincial Goal 1:
Effective implementation of the Comprehensive HIV and AIDS Strategy & TB Crisis Management Plan.

Strategic Priority 5:
Strengthening Strategic Health Programmes.

↓

Comprehensive HIV and AIDS Priorities – 2007/08

1. Implementation of the Comprehensive Plan for the Prevention, Treatment, Care and Support for people infected and affected by HIV and AIDS.

Integration of Services

- An integrated HIV and AIDS Policy has been finalised through a process of consultation. The Policy has been submitted for final approval.
- The Department commenced with the implementation of an integration strategy to improve access, quality and utilisation of HIV and AIDS services. Phase 1 commenced in 2007/08 focusing on HIV, AIDS, STI, TB, PMTCT and Maternal, Child and Women's Health (MC&WH) services. The HIV and AIDS, STI's and TB (HAST) Unit managed the integrated Business Plan including integrated training, monitoring and evaluation.
- The development of an integrated patient monitoring system for HIV and AIDS related services commenced in 2007/08 and will be finalised in 2008/09.

3.1 Prevention

3.1.1 Voluntary Counselling & Testing (VCT)

VCT Priorities – 2007/08

1. Implementation of an integrated and comprehensive VCT Programme.

[8] DHIS denominators are used throughout the report
[9] District Quarterly Reports

- VCT services are available at 100% of PHC and 60% mobile services and expansion to non-medical sites increased from 59 sites in 2006/07 to 65 sites in 2007/08. All non-medical sites were linked to PHC clinics to ensure adequate support, referral and submission of monthly data.
- Partnerships to extend VCT services to farms commenced in 2007/08, with community mobile services being piloted in Ugu and Umkhanyakude Districts. An application for funding (through the Global Fund) has been submitted for the acquisition and provisioning of province wide community mobile VCT services.
- The HIV testing rate (excluding Ante-Natal Care) was 87% (target 90%) with 439,503 clients pre-test counselled and 385,405 tested.
- In 2007/08 the Department appointed a dedicated Manager for the Lay Counsellor programme to improve training, support and service delivery. In addition the department employed 1,876 Lay Counsellors (level 3 salary scale) and 96 Site Mentors for direct support and mentorship.
- Review of the lay counsellor training curriculum towards provisioning of a formal accredited SAQA qualification commenced in 2007/08. It is hoped that this will provide career pathing for lay counsellors, improve sustainability of lay counsellor programmes and improve quality of VCT programmes.

3.1.2 Sexually Transmitted Infections (STI's)

- The partner treatment rate decreased from 28% in 2006/07 to 21.2% in 2007/08 (target 30%). In response to the low treatment rate the 'Call-a-Slip' Campaign commenced in 2007/08. The outcome will be evaluated in 2008/09.
- The condom distribution rate is still relatively low at 7 (Provincial target of 8 and National target of 11) and strategies to improve access commenced through cleaning companies (Prestige, Fidelity and Supercare), EMRS, traditional healers and taverns.
- In 2007/08, a total of 42,900,900 male condoms were distributed through primary sites/ depots (target 92,000,000), and 139,138 female condoms (target 480,000). It is suspected that female condom distribution is under-reported and negotiation commenced for the inclusion of the indicator in the DHIS.
- A total of 362,452 clients were treated for STI's in 2007/08, and the disappointing treatment rate of 21% (target 40%) can be an indication of missed opportunities in health service delivery.

3.1.3 High Transmission Areas (HTA)

HTA Priorities – 2007/08

1. Strengthen prevention & treatment of STI's through standardised protocols & promotion of barrier methods.
2. Expansion of 'High Transmission' services.

- VCT services have been introduced in all HTA Sites to improve access to preventative services targeting high risk groups. Referral systems for HTA Sites to clinics improved seamless service delivery.
- 5 Truck Stops functioned as Wellness Centres in Uthukela District (near Ladysmith Toll Plaza), Umgungundlovu District (Mooi River Toll), Ugu District (Marburg), Sisonke District (Kokstad) and Zululand District (Pongola).
- There were 14 HTA sites (increased from 10 in 2006/07) including tertiary institutions, taxi ranks, farming areas and correctional services.
- A total of 4,281 patients (target 4,525) were treated at HTA sites in 2007/08.

3.1.4 Post Exposure Prophylaxis (PEP)

PEP Priorities – 2007/08

1. Strengthen services for victims of sexual assault as well as exposed Health Workers.
2. Training of staff.

- Access to the complete package of PEP services after sexual assault increased from 87% hospitals and 7 CHC in 2006/07 to 88% hospitals and 9 CHC in 2007/08.
- 32 Students completed the first 2-year Diploma in Forensics at UKZN.
- Approximately 1,722 rape cases were reported to health facilities quarterly, of which ±40% received prophylaxis (PEP). Lack of data on the HIV testing rate, HIV positive vs. HIV negative clients, treatment compliance, sero-conversion, referral for HIV, etc. makes it impossible to determine the effectiveness of the programme. The improved HIV and AIDS monitoring system might address this in 2008/09.

3.1.5 Prevention of Mother to Child Transmission of HIV (PMTCT)

PMTCT Priorities – 2007/08

1. Implementation of a comprehensive programme for PMTCT to reduce vertical transmission.
2. Providing the single-dose Nevirapine regimen to all qualifying mothers & babies.
3. Testing of babies born to HIV+ mothers at 6 weeks.
4. Integration of PMTCT into child health.
5. Promotion of safe infant feeding.
6. Monitoring & evaluation.

- Access to PMTCT services increased from 96% in 2006/07 to 98% in 2007/08.
- Only 87.7% of antenatal clients were tested for HIV, and Nevirapine uptake rate increased from 70% in 2006/07 to 74.8% (target 80%) in 2007/08.
- 56% of HIV exposed babies were PCR tested at 6 weeks.

3.2 Treatment, Care & Support

3.2.1 Ante-Retroviral Therapy (ART)

ART Priorities – 2007/08

1. Monitoring & evaluation of the ART Programme – including viral loads to determine adherence and pharmaco-vigilance.

- In 2007/08, access to ART increased to 84 accredited sites (target 67), including Hospitals (60), CHC (12), PHC Clinics (4), NGO's (3) and Correctional Services (5).
- 60% (50/84) accredited service points referred stable patients to 300 PHC feeder clinics which allowed additional capacity for new patients to be initiated on ART. Roving teams (established in 2007/08) visited feeder clinics to initiate patients on treatment, further extending access & utilisation.
- Accredited NGO's (with clinical capacity) provided ART initiation services and subsequent down referral of patients to surrounding PHC clinics in areas with inadequate coverage of ART initiation facilities i.e. Ithembalabantu in Umlazi and the Blue Roof facility in Wentworth.
- In 2007/08, a total of 146,537 patients were on ART (target 81,614), with 42,498 (29%) adult males, 91,067 (62%) adult females and 12,972 (9%) children. During the reporting period there were 45,226 qualifying patients vs. 48,492 patients initiated on treatment, which might be due to patients with opportunistic infections (such as TB) requiring treatment before initiation of ART.
- Paediatric uptake receives attention, although extended partnerships with other social partners should be improved.

Challenges

- The monitoring of waiting times for qualifying HIV positive persons vs. persons receiving ART remains a challenge due to poor quality of data and late presentation of patients for ART.
- Employment of new staff, down referral of patients to lower levels of care, etc. changes the flow of patients with subsequent increased waiting times.

There are no waiting times in areas where services are fully decentralised e.g. Umkhanyakude District.

- The integration with Pepfar funded NGO's improved in 2007/08 with 23 signed Memorandum of Understandings (MOU's) to counteract duplication of services and create synergy in implementation of HIV and AIDS programmes in the Province.
- The ART defaulter rate was relatively low at 4%, and evaluation studies are currently being conducted to determine the effectiveness of ART services. A recent research report by the Italian Cooperation indicated that the majority of patients are still on regimen one, five years since inception of the programme in KwaZulu-Natal (KZN). This is a good indication of the quality of ART services, especially the counselling and treatment readiness training offered to all patients.
- Adherence to treatment was improved through support groups (attached to all service points) and additional programmes e.g. 'Treatment Buddy Support' through ARK. Patients were also linked to Community Based Organisations (CBO's), Faith Based Organisations (FBO's) and other NGO's for support and improved adherence.

Challenge

- Effective integration of health services including planning, costing, monitoring and evaluation.

Missed opportunities must be identified and included in integrated strategies.

- The CD4 turnaround time was generally less than six days (within the National norm). Compliance to the target was influenced by challenges with specimen transport and internet/ computer availability (mostly in rural areas).

3.2.2 Home-Based Care (HBC)

HBC Priorities – 2007/08

1. Provision of adequate treatment, care & support in facilities and communities.
2. Implementation of integrated HBC.
3. Development of Provincial database of HBCG/ volunteers to determine coverage.
4. Standardisation of training & qualifications of persons rendering HBC services.

- In 2007/08, there were 129 contracted Non-Profit Organisations and 15,700 Community Health Carers providing promotive and preventive information to community members. 7,600 Community Health Carers received stipends during the reporting period, and a total of 164,480 households were reached.
- A total of 73 NIP sites were funded in 2007/08.

3.2.3 Step-Down Care (SDC)

SDC Priorities – 2007/08

1. Adequate treatment, care & support in facilities and communities.
2. Establishment & support of step-down facilities.

- A total of 12 Step Down Facilities/ Units were operational in 2007/08.

3.3 Research, Monitoring & Surveillance

- HIV and AIDS research activities, funded under the Global Fund, will inform the management of TB and HIV co-infected patients. Guidelines for combined treatment are expected in 2008/09.
- In 2007/08 the Department commenced with a 'Patient Information System' pilot project in the Ugu District. Data collection tools for ART, PMTCT and VCT will be tested to improve the quality of data, after which it will be rolled out to other districts.
- The HAST Unit introduced a new Pre-ART Register in 2007/08 aimed at recording information for those patients who are HIV positive but not yet requiring ART. Negotiations commenced to align the register with Departmental data and information systems.
- A Provincial Pharmaco-Vigilance System is in place but with limited success. To improve the system, the HAST Unit commenced with a tender process for the establishment of an effective ARV resistance surveillance system, which will be concluded in 2008/09.

4. TUBERCULOSIS (TB)

National Priority 4:
Improve management of communicable & non-communicable diseases.

Provincial Goal 1:
Effective implementation of the Comprehensive HIV and AIDS Strategy & TB Crisis Management Plan.

Strategic Priority 5:
Strengthening Strategic Health Programmes.

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TB Priorities – 2007/08

1. Optimise and sustain the quality of DOTS.
2. Align standard diagnostic protocols to include screening for TB in all instances.
3. Improve access to quality assured TB sputum microscopy for case detection.
4. Implement standardised treatment protocols.
5. Ensure an effective and regular drug supply system.
6. Implementation of an Electronic TB Register.
7. Collaboration with all care providers to improve efficiency of the programme.

4.1 Provincial TB Programme

- The management capacity of the Provincial TB Programme has been strengthened with the following appointments:

  - Principal Technical Advisor: TB Advocacy & Social Mobilisation (September 2007);
  - Principal Surveillance Officer (December 2007);
  - TB Surveillance Officers x2 (January 2008);
  - TB Administrative Officer (January 2008);
  - TB Administrative Clerk (January 2008).

- Case finding has been strengthened with the number of facilities implementing the suspect register increasing from 50% (319/639) in 2006/07 to 72% (460/639) in 2007/08.
- The appointment of 30 dedicated TB nurses during 2007/08 increased the capacity to manage patient load at facility level.
- Clinical management of TB has been enhanced with 814 Health Care Workers being trained in the WHO/ National Tuberculosis Control Programme (NTCP) Guidelines during 2007/08.
- Case retention of patients has been improved through implementation of the Patient Tracking System for early detection of defaulters, from 24% (153/639) TB reporting stations in 2006/07 to 52% (332/639) in 2007/08.
- The TB 'Point of Service Counselling Programme' on disease information and treatment adherence has increased from 20% (127/639) TB reporting stations in 2006/07 to 50% (319/639) in 2007/08.
- The DOTS programme gradually expanded with an additional 1,200 volunteers trained and the 'TB Free DOTS Project' being expanded from Umgungundlovu District to eThekwini, Uthungulu, and Umzinyathi Districts in 2007/08.
- The social awareness and mobilisation strategy was informed by an extensive Knowledge, Attitude and Practice (KAP) TB survey (the first in the country). In 2007/08 the focus shifted to radio adverts, door-to-door campaigns (instead of large mass events), simplified posters/ pamphlets with short direct messages and implementation of a TB radio campaign.
- Celebration of the world TB day and increased door-to-door campaigns in all districts (with good political support) resulted in increased case finding.
- The TB surveillance, reporting and recording improved with an additional 3 districts splitting their data bases and the appointment of 3 Surveillance Officers ensured improved efficiency and management of the TB Surveillance System.
- The Department upgraded/ replaced 5/22 TB computers, and a new updated version of the programme was downloaded onto all the provincial computers in September 2007. All Surveillance Officers and Data Capturers were re-trained to manage the system effectively.
- The improvement is evident with the overall efficiency improving from 90% (10% outcomes not evaluated) in 2006/07 to 93% with 7% of outcomes not evaluated in 2007/08.
- TB diagnostics was improved with the implementation of the blinded re-check Quality Assurance (QA) Programme in 50% (41/82) microscopy centers in the province. KwaZulu-Natal is the first province to implement the system and is being used as a benchmark for roll-out to other provinces.
- The Province completed a SWOT (Strengths, Weakness, Opportunities and Threats) analysis of standards and practices in 100% microscopy centers in the Province, which informed the development of a revised training programme. All TB Microscopists were re-trained to improve service delivery.

Multiple Drug Resistant Tuberculosis (MDR TB) Priorities – 2007/08

Implement the NTCP rationale and stepwise approach to control including:

1. Identification of casual factors for emergence of drug resistant TB.
2. Strengthening surveillance of drug-resistant TB.
3. Measures to prevent the development and spread of drug-resistant TB.
4. Assessment & strengthening of the quality of MDR TB treatment.
5. Systematic implementation of infection control measures in MDR TB treatment centres.
6. Develop clearly defined clinical protocols to identify possible MDR TB cases and to manage confirmed cases appropriately.
7. Improve laboratory capacity for MDR TB diagnosis.

4.2 Improved and standardised clinical management of MDR TB

- The Department commenced with the implementation of the 2006 WHO MDR TB Management Guidelines and the 2007 NTCP MDR TB Management Working Draft Guidelines. Six Doctors and 6 Nurses from the decentralised MDR TB Units completed the training course during November and December 2007.

4.2.1 Improved surveillance, reporting and recording of MDR TB

- The implementation of the TB Crisis Management Plan has improved the screening of high risk groups for MDR TB.
- Training workshops on surveillance and screening for MDR TB have been conducted in all districts. The impact on case finding for MDR TB is evident with the number of specimens submitted to the IALCH MDR Laboratory - increasing from 10,000 specimens a month in 2006/07 to 13,000 specimens a month in 2007/08.
- Reporting and recording has been strengthened by the implementation of the new National Reporting and Recording System for MDR and Extreme Drug Resistance Tuberculosis (XDR TB), which was introduced in October 2007 with follow-up training in January 2008.
- The overall capacity to manage patients in terms of bed space and service points to initiate treatment was improved.

Note: See information for TB Hospitals in Programme 4: Provincial and Specialised Hospitals.

- During 2007/08, the Department completed the draft MDR TB Community-Based Management Protocol & Guidelines for the management of MDR TB. A pilot project commenced in the Msinga Sub-District in Umzinyathi District with 11 mobile nursing teams administrating the daily treatment (including injections) to patients in their homes on a daily basis.
- The laboratory capacity for culture and drug sensitivity testing has been improved with renovations in the laboratory at IALCH to enlarge the floor space, thus allowing for increased equipment to conduct additional tests.

4.3 Implementation of the WHO 7-Point Plan in response to MDR & XDR TB

4.3.1 Rapid surveys of XDR TB

- The Protocol was finalised and surveillance completed in 5 sites in the Province (only province to conduct the rapid surveys in the Southern African Development Co-operation (SADC) Region). Results did not indicate any further XDR TB outbreaks in the province.

4.3.2 Enhance laboratory capacity

- The Province performed regular sensitivity testing for both first and second line TB drugs, thus being able to identify MDR or XDR TB immediately. This intervention was fully supported by the TB Crisis Management Plan interventions (only province automatically performing sensitivity testing).

4.3.3 Improve capacity to investigate outbreaks

- The Department appointed a Technical Advisor (through WHO funding) to investigate the XDR TB outbreak at Church of Scotland Hospital (Msinga) in the Umzinyathi District. The investigation established that there were no similar XDR TB outbreaks in the Province.

4.3.4 Implement Infection Prevention and Control Precautions

- Workshops on Infection Prevention and Control and Communicable Disease Control (CDC) were conducted in all districts involving core district teams (CDC Coordinators, Infection Prevention & Control Practitioners and Environmental Health Practitioners). Ventilation assessments were conducted in Church of Scotland and King George V Hospitals and N95 masks were issued to all staff working in TB / MDR TB wards and clinics.

4.3.5 Increase research support for new anti-TB drug development

- The Province supported several clinical trials on improved TB drugs, including drugs that can shorten treatment time frames.

4.3.6 Increase research support for rapid diagnostic test development

- KwaZulu-Natal is one of 5 provinces supporting the 'FIND' project for new and quicker diagnostic methods for MDR TB. If diagnostic methods are successful it will allow the WHO to review and change the current MDR TB diagnostic policy.

4.3.7 Promote universal access to ARV's under joint TB and HIV activities

- The Department commenced with the process to accredit all TB Hospitals as ART sites that will ensure seamless service delivery and improved access to integrated services.

5. MATERNAL, CHILD & WOMEN'S HEALTH (MC&WH)

National Priority 2:
Promote healthy lifestyles.

National Priority 4:
Improve management of communicable & non-communicable diseases.

Provincial Goal 2:
Strengthen PHC and provide caring, responsible and quality health services at all levels.

Strategic Priority 5:
Strengthening Strategic Health Programmes.

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MC&WH Priorities – 2007/08

1. Implementation of integrated strategies to reduce morbidity & mortality in target groups.
2. Implementation of a policy framework to increase the uptake of VCT by pregnant women and improve clinical outcomes of the PMTCT Programme.
3. Increase number of Choice of Termination of Pregnancy (CTOP) sites.
4. Implement strategies to increase uptake of cancer screening for women.

5.1 Genetic Services

- The development of an integrated Genetic Policy commenced in 2007/08.
- Comprehensive genetic services (including community out-reach programmes to improve community referral and support) were available at IALCH, Prince Mshiyeni Memorial and King Edward VIII Hospitals.
- Monitoring of priority birth defects improved with the number of reporting surveillance sites improving from 35 hospitals in 2006/07 to 49 in 2007/08.

Challenge

- The high cost of Genetic Services impacts on availability.

5.2 Child Health

Expanded Programme on Immunisation (EPI)

- **Measles**: A total of 514 suspected measles cases were reported in 2007/08, with 3 confirmed measles cases from eThekwini, Ugu and Uthungulu Districts. All cases were fully investigated and reported.
- Measles coverage was unacceptably low at 86% (measles 1) and 74% (measles 2) indicating a drop-out rate of 12% between measles 1 and 2.
- **Adverse Events Following Immunisation (AEFI)**: Investigation of adverse events was poor with 46 AEFI cases reported and only 24 (52%) cases fully investigated, classified and submitted to the National Department of Health.
- **Acute Flaccid Paralysis (AFP)**: Surveillance and reporting of suspected cases remained a challenge in spite of extended support. The province reported 43 of the required 66 cases (65%) and fully investigated 81% (35/43) of reported cases in 2007/08.
- **National Polio & Measles Campaigns**: The Province achieved 94.3% measles and 94.7% polio coverage during the 1st round of the National Polio & Measles campaign in May 2007 (National target 90% for both). During the 2nd round polio campaign in June 2007, the Province achieved 87% coverage (National target 90%). Hard to reach communities were targeted with many success stories (report available).
- In 2007/08 the Department commenced with implementation of the National Data Query System (DQS) to improve EPI data quality. The system will be actively monitored in 2008/09 to determine accuracy of data.
- The **WHO Reach Every District (RED)** Strategy has been rolled out to an additional 4 districts (total 7) in 2007/08, with active follow-up conducted in 5 districts. The positive outcome on service delivery includes improved daily access to immunisation services, improved cold chain maintenance (both measures of effective immunisation services) and improved utilisation of services. Immunisation coverage in eThekwini District showed a considerable improvement post implementation of this strategy in 2005. Immunisation coverage increased from 67% in 2005, to 72% in 2006 and 77% in 2007.
- **Elimination of neonatal tetanus** was sustained through ongoing surveillance with 1 case reported from the Uthungulu District (Lower Umfolozi War Memorial Hospital) in 2007/08.

Challenges

- EPI surveillance.
- Cold chain management of vaccines.
- Data quality and management.

- **Integrated Management of Childhood Illnesses (IMCI)**, globally considered one of the most effective programmes to reduce childhood morbidity and mortality, was implemented in 82% PHC clinics and CHC (compared to 80% in 2006/07), and 42% of PHC clinics have at least 60% of nurses trained in IMCI Clinical Management. Two districts are currently implementing the Community Component of IMCI.
- The **Child Health Problem Identification Programme (ChIP)**, an audit and reporting tool, was implemented in 16 Hospitals, with Umphumulo, Untunjambili, IALCH & King Edward Hospitals starting implementation in 2007/08. Data not yet interrogated to inform planning and decision-making at facility level.
- According to current ChIP data the priority child health conditions are opportunistic infections (pneumonia, TB, etc), diarrhoeal diseases, lower respiratory tract infections, malnutrition, ear nose & throat and oral infections, which is consistent with the provincial health profiles. This also emphasises the link with poor environmental hygiene and poverty.

Challenge

- Implementation and sustainability of the Community Component of IMCI. Partnerships with NGO's and CBO's need to be extended to improve sustainability of community programmes.

- In an effort to improve access to promotive and preventive services for children, a framework for the development of Well Baby Clinics was finalised in March 2007. Training manuals (that will be tested by the HRC) are expected to be finalised in 2008/09.

5.3 Maternal Health

- **Confidential Enquiry into Maternal Deaths** is well established. 354 Maternal deaths were reported from January – December 2007, with 340 records fully assessed (by 16 Provincial Assessors) and submitted to the National Department of Health. Post mortem results for 14 deaths were outstanding at time of report. Non-pregnancy related infections, obstetric haemorrhage and hypertension (HPT) continue to be the most common causes of death.
- 100% Hospitals (with maternity services) were implementing the **Saving Mother's Recommendations** and conducting monthly maternal & neonatal morbidity and mortality meetings. A report on the outcome/ impact of implementation is outstanding and outcome cannot be measured for this report. The next tri-annual report will however shed light on the progress towards decreasing the preventable causes of death.
- There were 181 practising **Advanced Midwives** and 53 in training in 2007/08.
- The **Ante-Natal and Post Natal Care Policy** was finalised in 2007/08 and submitted for approval. Development of training manuals commenced and a training project will be implemented in the Umgungundlovu District in July 2008.
- The **Basic Ante-Natal Care (BANC) Programme** was extended to Zululand and Ilembe Districts with assistance from the Centre for Rural Health. The first National evaluation for eThekwini and Umzinyathi Districts is scheduled for July 2008, after which data will be available to judge if this has added value to reduced morbidity and mortality.
- There were 53 registered and 10 active **Peri-Natal Problem Identification Programme (PPIP)** sites in the Province in 2007/08, which provided valuable information on peri-natal indicators.
- 58 Facilities implemented the **Kangaroo Mother Care (KMC) Programme**, a recognised initiative to manage low-birth weight babies. Data on the outcome/ impact of the programme was not available for this report.
- **Neonatal Resuscitation** and use of the partogram to reduce maternal & neonatal deaths is strengthened through a PATH Project implemented in Sisonke, Umzinyathi and Ilembe Districts. The project commenced in 2007/08 and will conclude in 2008/09.

5.4 Women's Health

- **Choice on Termination of Pregnancy (CTOP) services** were provided at 18 Public Hospitals (16 first trimester and two second trimester services), and 10 private facilities (mainly based in the eThekwini District) during 2007/08.
- Two Districts (Ugu and eThekwini) entered into Service Level Agreements with Marie Stopes SA to improve access to legal and safe services thus reducing complications due to illegal or unsafe abortions.
- A total of 8,760 incomplete abortions and 188 septic abortions were reported in 2007/08, which might be indirectly related to inadequate access and utilisation of safe CTOP services.

Table 1: Number of Terminations 2007/08

District	>12 weeks gestation	<18 years
Ugu	25.4% (52/ 204)	4.4% (9/ 204)
Umgungundlovu	18.1% (212/ 1,167)	4.1% (49/ 1,167)
Uthukela	22% (30/ 136)	5.8% (8/ 136)
Uthungulu	3.3% (46/ 1,365)	3.2% (44/ 1,365)
eThekwini	14% (1,554/11,031)	2.9% (324/ 11,031)
Total	**13.6% (1,894/13,904)**	**3.1% (434/13,904)**

- The high number of 2nd trimester terminations might be related to inadequate availability, access and utilisation (late reporting to health services). Increased costs and risks associated with late terminations (mostly initiated outside health facilities) should be considered in strategies to improve access to preventative programmes and safe termination services.
- The Department, in partnership with IPAS SA, trained 19 CTOP Practitioners in April 2007. Three CTOP Practitioners (1 per Service Area) successfully completed a counselling course for Trainers in November 2007, and 2 Doctors (Lower Umfolozi War Memorial and Benedictine Hospitals) were trained in the clinical management of 2nd trimester terminations.

Challenge

- Illegal Termination of Pregnancy services provided by un-registered service providers.

- **Screening for cervical cancer** was prioritised in all districts, with 60% of facilities having at least one Professional Nurse trained to perform Pap smears for screening of abnormal cells. [10]
- Twelve facilities provided Colposcopy services for the treatment of abnormal cells – considered inadequate to ensure the effective management of approximate 40% abnormal smears.
- The cervical cancer screening coverage was 4.5% [11] in 2007/08 as compared to National target of 7%.

[10] District Quarterly Reports
[11] NHLS data – DHIS data is considered incomplete

- **Contraceptive coverage** shows a steady decline over the last 5 years. The women-year protection rate decreased from 64% in 2002 to 21.3% in 2007/08. This is a serious concern especially taking into consideration the teenage pregnancy rate, high disease burden in the province and increased demand for termination of pregnancy services.
- To improve access to services and contraceptive uptake and compliance, the Department developed a draft framework linking contraceptive services with HAART. The strategy will be rolled out in 2008/09.
- 157 Professional Nurses and 14 Enrolled Nurses successfully completed the integrated Sexual & Reproductive Health training course during 2007/08.

5.5 Youth Health

- In 2007/08, the Departments of Health and Education initiated the integrated **'Project Baby'** in secondary schools in the Province with the aim to reduce the teenage pregnancy rate, reduce HIV infection amongst learners, promote abstinence and raise awareness about preventive and promotive aspects of child care. The project is targeting Grade 8 learners in 1 school per district, and the outcome will be monitored by both Departments of Health and Education.

6. NUTRITION

National Priority 2:
Promote healthy lifestyles.

Provincial Goal 3:
Promote health, prevent and manage illness with emphasis on poverty, lifestyle, trauma & violence.

Strategic Priority 5:
Strengthening Strategic Health Programmes.

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Nutrition Priorities – 2007/08

1. Strengthen nutrition advisory services.
2. Strengthen disease-specific nutrition interventions for patients presenting with chronic diseases and maternal nutrition deficiencies.

- Poor **Vitamin A coverage** to children under-5 inspired a Provincial Vitamin A campaign in March 2008, during which 60% coverage was achieved.

6.1 Disease Specific Nutrition Support & Counseling

- In 2007/08, an average of 130,000 patients (per quarter) received fortified porridge, while micronutrients were issued routinely to TB and HIV positive patients on treatment.
- The incidence of severe malnutrition for children under-5 remained stable at 0.6% (target 0.4%), although it seems inconsistent with the poverty and epidemiology profiles of the province. Community management of severe malnutrition will be addressed in 2008/09, including community based growth monitoring and implementation of the IMCI Community Component.

6.2 Household Food Security

- A total of 270 clinic gardens have been established in the Province. An evaluation, conducted in 2007/08, highlighted the challenge to sustain the gardens due to a lack of skilled permanent staff, insufficient water and soil types not being analysed before planting. The study found that patients benefit from the gardens i.e. gaining gardening skills and receiving seedlings/ vegetables for personal use.

6.3 Youth, Adolescent, & Maternal Nutrition

- To address the increased obesity incidence in the Province, the Department started consultation for the development of Obesity Guidelines in 2007/08.

6.4 Infant and Young Child Feeding

- During 2007/08, three Hospitals (Grey's, Vryheid and Addington) were awarded full Baby-Friendly status while Manguzi, Nkonjeni, Appelsbosch and Murchison Hospitals and Ulundi Unit A were re-assessed – all sustained their status.
- There are currently 44 Hospitals, 1 CHC and 3 PHC Clinics (Kwadabeka, Umdumezulu & Unit A) that have been awarded Baby-Friendly status.

6.5 Growth Monitoring

- To improve detection and monitoring of malnutrition and under-weight for age children, all Community Health Workers have been trained on growth monitoring and were provided with scales for use during community visits. Scales have also been purchased for School Health Nurses to use during school health screening programmes.
- Skin fold calipers, scales and bioelectrical impedance machines have been purchased for dieticians to improve nutritional assessments.
- Guidelines and protocols for in-hospital management of severe malnutrition have been developed and are available to all clinics and hospitals. Nurses, doctors and dieticians were trained although high staff turnover poses a challenge in sustaining quality.
- All districts appointed Nutrition Senior Technical Advisors (2 acting positions) to improve service delivery (including monitoring & evaluation) at District level.

Challenges

- Lack of capacity at PHC facilities and hospitals to implement comprehensive nutrition services.
- The nutrition data set is incomplete, not regularly updated and data is not validated. Commenced with negotiation to include nutrition indicators in DHIS and the Monitoring and Evaluation (M&E) Framework.

7. COMMUNICABLE DISEASE CONTROL (CDC)

National Priority 4:
Improve management of communicable & non-communicable diseases.

Provincial Goal 3:
Strengthen PHC and provide caring, responsive and quality health services at all levels.

Strategic Priority 4:
Improving quality of care.

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CDC Priorities – 2007/08

1. Improve the CDC surveillance & information system.
2. Improve & expand the 24-hour Disaster Management Flash Reporting System.
3. Improve case management & treatment of targeted conditions.
4. Maintain & expand advocacy, health promotion & education programmes.
5. Build capacity to conduct outbreak investigations, epidemic & response preparedness.
6. Implement the Influenza Epidemic Plan and planning for the 2010 Soccer World Cup.
7. Expand research in CDC.

- Routine CDC surveillance & information (supplemented by the SMS messaging system) is fully functional with an outbreak response time of <24hours as compared to the National target of <48hours. All facilities have an active disease surveillance system.
- Laboratory surveillance, including virology, pathology and microbiology is fully functional 24-hours per day.
- Emergency Preparedness Response Plans (ensuring rapid response and investigation of all cases) are in place and implemented in all districts. In 2007/08 the Department implemented the use of standard log books, and confirmed the list of priority diseases with thresholds calculated for alert and action. Compliance is actively monitored.

Challenge

- The Department is still awaiting installation of the correct version of the National Notifiable Medical Conditions Database, which will improve data quality and timeliness.

- The Provincial Flash Reporting System (including 24-hour SMS messaging through the Operations Centre) is fully functional and regular alerts were sent on seasonal diseases. Feedback was sent to Districts through a monthly CDC newsletter highlighting statistical notes, graphs, etc.
- The Diarrhoeal Control Programme is not yet integrated with existing child health services and will receive attention in 2008/09.
- The Provincial Influenza Epidemic Plan is in place with training planned for June 2008.
- The Department developed a Business Plan for the 2010 Soccer World Cup and preparations commenced as per plan.

Challenges

- Lack of an integrated database for Notifiable Conditions and lack of feedback between programmes compromise quality and timeliness of data.
- Integrated monitoring & evaluation system.

8. CHRONIC DISEASES AND GERIATRICS

National Priority 2:
Promote healthy lifestyles.

Provincial Goal 2:
Strengthen PHC and provide caring, responsive and quality health services at all levels.

Strategic Priority 4:
Improving quality of care.

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Chronic Diseases & Geriatrics Priorities – 2007/08

1. Increase the cataract surgery rate.
2. Provide low vision services at Sight Saver Centres.
3. Improve availability of chronic medication in PHC facilities.
4. Strengthen provision of family medicine practice at district offices to support & provide clinical governance.

- A total of 7,060 cataract surgeries were reported for 2007/08.[12]
- The Department established partnerships with private Surgeons to address the surgery backlog whilst internal capacity is being developed through training at the University of KwaZulu-Natal and Edendale Hospital (currently accepting 2 doctors every 6 months).
- The Medical School provides cataract surgery out-reach at Prince Mshiyeni Memorial, Rietvlei and St Aidens Hospitals and the Bureau for the Prevention of Blindness is assisting with cataract surgery at Hlabisa, Emmaus, Nkonjeni, Benedictine, Church of Scotland, Kokstad and Ixopo Hospitals.
- In 2007/08, districts initiated various creative programmes to improve access and screening of vulnerable groups e.g. screening of clients at pension payout points making use of Community Health Carers.

[12] DHIS

8.1 Sight Saver Hospitals

There were 17 **Sight Saver Hospitals** in the Province as indicated in the following table.

Table 2: Sight Saver Hospitals – 2007/08

District	Sight Saver Hospitals
Ugu	Murchison Hospital
Umgungundlovu	Greys and Edendale Hospitals
Uthukela	Ladysmith Hospital
Umzinyathi	Dundee Hospital
Amajuba	Madadeni Hospital
Zululand	Nkonjeni Hospital
Umkhanyakude	Mosvold Hospital
Uthungulu	Ngwelezane Hospital
Sisonke	Rietvlei and EG & Usher Hospitals
eThekwini	Prince Mshiyeni Memorial, Mahatma Gandhi, St Marys, St Aidens, Inkosi Albert Luthuli Central and Addington Hospitals

- None of the hospitals offered the full package of services due to a lack of basic equipment (most hospitals have only one cataract theatre set), shortage of Optometrists to provide refraction and low vision services, lack of aids for people with low vision and a shortage of cataract surgeons in Nkonjeni, Mahatma Gandhi, Rietvlei and Port Shepstone Hospitals.

8.2 Eye Care Project

- In 2007/08, the Department formalised a comprehensive MOU with the International Centre for Eyecare Education (ICEE) to improve access to eye care services in the Province.

a) Child Eye Care

- The MOU is operational and signed by both Departments of Education and Health in 2007/08. The aim of the project is to screen and provide spectacles at affordable prices to school children. Approximately 167,500 children were pre-screened for refractive errors and 1,000 received spectacles through the project.

b) Development of a Sight Saver Hospital at Mahatma Gandhi Hospital

- The project was launched by the MEC for Health as part of World Sight Day in October 2007. The MOU is not yet signed.

c) Giving Sight

- *'Giving Sight to KwaZulu-Natal'* will provide eye-care services (including eye examination, provision of spectacles and/or referral) to patients in excess of 1 million by 2010. The collaboration would include capacity building, development of eye care infrastructure and a model for eye care service delivery, including a refractive programme as part of the District Health System.
  - The project aims to develop optometrists in public health and develop and support a system of community-based optical technicians to set up practices that will provide cost effective lenses to the public and private sectors. The MOU is not yet signed. The ICEE trained 15 service providers to continue training in their districts. Two districts trained 245 PHC Nurses in 2007/08 with support from the ICEE.
- Access to chronic medication is maintained in 100% PHC Clinics with no reported stock-outs.
- The Department conducted an orientation workshop on Family Medicine in 2007/08 and reached an agreement with the University of KZN to assist the Department in establishing comprehensive Family Medicine components at all District Offices.
- A policy and monitoring tool for the issuing of the influenza vaccine is available to all Districts and monitored by the District Pharmacists and District Office.
- During 2007/08, a total of 436 facilities had fast queues for the aged. [13]
- Stroke Units are not yet functional.
- IALCH is piloting a Geriatric Clinic as a Centre of learning.

[13] District Quarterly Reports

9. HEALTH PROMOTION (HP)

National Priority 2:
Promote healthy lifestyles.

Provincial Goal 3:
Promote health, prevent and manage illness with emphasis on poverty, lifestyle, trauma & violence.

Strategic Priority 4:
Improving quality of care.

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HP Priorities – 2007/08

1. Enhance capacity at all levels (including EMRS) to undertake HP services.
2. Integrate HP services with clinical procedures.

- During 2007/08, the Department enhanced decentralised capacity for effective Health Promotion (HP) as indicated below:
  - Multi-sectoral District Forums were established and supported in all districts to facilitate sustained decentralised accountability for HP functions.
  - Capacity building and skills development workshops, including Health Promoting Schools (HPS) assessment, were facilitated in Umkhanyakude, Umzinyathi, Amajuba and Uthungulu Districts. All districts received training on Provincial Corporate Communication roles.
  - The National Department of Health (DOH) conducted a workshop on the Tobacco Control Act in October 2007 in eThekwini District.
- The HP monitoring & evaluation system is not integrated into the DHIS, and the programme commenced consultation with the Provincial Monitoring and Evaluation (M&E) Unit to incorporate HP into the Departmental M&E Framework and DHIS.
- Successful partnerships were sustained with NGO's (Cancer Association of South Africa (CANSA), Diabetes Kids in Care, DramAide, etc.), South African Police Service, Departments of Agriculture & Environmental Affairs and other Department of Health Programmes, e.g. Nutrition and MC&WH. DramAide duplicated Health Promoting Schools (HPS) standards and criteria in schools where they have programmes.

9.1 Health Promoting Schools (HPS)

- HPS (in accordance with the Ottawa Charter's 5 Action Areas) were linked to PHC clinics to ensure follow-up, monitoring and sustainability post accreditation. Community Health Carers (based in clinics) acted as consultants to implementing schools and functioned as the link between schools and PHC clinics.
- During 2007/08 the Department developed a HPS database to monitor progress against targets.
  - 85/6000 (1.4%) Schools applied for external assessment and accreditation, and 78/85 (92%) were assessed by the Provincial Assessment Team.
  - 74/78 Schools received accreditation status at the first assessment, and 1 Secondary (Ilembe) and 3 Pre-Primary Schools (Amajuba x2 and Sisonke x1) after 2 assessments.
  - 52/78 (67%) Schools have been launched formally, implying community involvement and support with the implementation of the programme in schools.
  - 16 HPS received follow-up support visits to ensure sustainability. The integrated & multi-disciplinary teams functioned well and can be used as an example of effective partnerships.

Challenges

- Although Health Promotion is a learning area in the Life Orientation component of the Department of Education (DOE) curriculum the Department of Education has not yet participated in assessments of HPS. This jeopardises the sustainability and value of the concept.
- There are no policies or guidelines against which to measure the programme. The Department has a concept document (2004) that must be finalised.
- The process of implementation and compliance with HPS criteria takes between 6 months to 6 years due to circumstances outside their control i.e. sanitation and water.
- Evaluation of Health Promotion programmes to determine value is still lacking.

9.2 Health Promoting Homes

- In 2007/08, Ugu District initiated the concept of HPH with 4 Health Promoting Schools taking responsibility for supporting 2 homes each to implement basic health promotion principles at household level. This concept supports the Departmental goal to take health to communities and will be monitored and rolled out post evaluation.

9.3 Health Promoting Hospitals (HPH) and Clinics (HPC)

- HPC's ensure that the 5 National Healthy Lifestyle Components (Nutrition, Physical Activity, Tobacco Control, Substance Abuse and Safe Sexual Practices) plus hand washing are complied with at clinic level. HPS and HPC were linked to ensure that learners can join fast queues and first level School Health Services can be rendered through clinics that are linked to schools.
- Amajuba District is piloting this concept in 5 PHC clinics as a natural follow-on to HPS, using multi-disciplinary teams to render a variety of health services to learners. In 2007/08, a total of 22 clinics implemented the HPC criteria i.e. Ugu District (8), Umzinyathi District (8) and Zululand District (6).
- Health Promoting Hospitals are in different phases of implementation i.e. Phase 1: 6 Hospitals; Phase 2: 4 Hospitals and Phase 3: 4 Hospitals. Assessment will be a joint initiative between the Quality Assurance and Healthy Lifestyles Components.
- In 2007/08, in line with the World Health Assembly Resolution, the Department (in collaboration with University of KwaZulu-Natal and Edgewood College) commenced with a research project in 11 Health Promoting Schools in 3 Districts. A programme on nutrition & physical activity was introduced in 11 schools to evaluate the results against a control group of schools. Due to the nationwide strike in 2007 the project was not completed.

9.4 Healthy Lifestyles (Vuka SA)

- In 2007/08, all Provincial health awareness events and campaigns incorporated a healthy lifestyle and physical activity component.
- During the reporting year, the Healthy Lifestyles Programme ran training workshops in all districts on physical activity and the elderly. Two facility-based elderly support groups per District were represented.
- The Department extended partnerships with the Department of Education's *'Schools as Safety & Security'* programme. Resource centres are being built in targeted schools and used as depots for relevant health information material that is available to communities.

Table 3: Resource Centres

District	Resource Centres
Ugu	Phungashe Education Centre – Gamalakhe Nursing College. No dedicated staff – room used for Department of Health meetings
Umgungundlovu	Northdale Hospital. Non-functional - no dedicated staff
Uthukela	Ladysmith Health Resource Centre. Functional and used by staff and non-health professionals as library and training facility Ukhahlamba Education Centre
Amajuba	Newcastle Health Resource Centre at the District Office
Zululand	Hlobane Resource Centre
Sisonke	Mahwaqa Education Centre. Not permanently placed.

10. ORAL HEALTH

Provincial Goal 2:
Strengthen PHC and provide caring, responsive and quality health services at all levels.

Strategic Priority 4:
Improving quality of care.

↓

Oral Health Priorities – 2007/08

1. Ensure Oral Health units are adequately equipped.
2. Implementation of mechanisms to reduce the restoration to extraction rate.

- In 2007/08, seven districts allocated funding for the standardisation of equipment at service delivery points to improve access, availability, utilisation and quality. eThekwini, Umgungundlovu, Sisonke & Zululand Districts will be targeted in 2008/09.
- Specifications are available on the Intranet and Supply Chain finalised the consumable and material tender that commenced in 2006/07. The equipment tender will be re-advertised in 2008/09.

10.1 Human Resources

- The Health Professional Council of South Africa (HPCSA) has introduced compulsory registration for Dental Chairside Assistants, however recruitment and retention of this category remains a challenge especially in the rural areas.

- The Department employed 60 permanent Dentists, 30 Community Service Dentists, 20 Dental Therapists, 20 Oral Hygienists and 150 Dental Chairside Assistants.
- To improve access to services for children, the Oral Health Programme developed & submitted a Business Plan for the establishment of a dedicated Children's Dental Health Centre at Edendale Hospital in the Umgungundlovu District. The Centre will offer free preventive & promotive dental & oral health services to children (including restorative work).
- No improvement was noted with the restoration to extraction rate, mainly due to poor data. To improve monitoring and planning, the Oral Health Programme commenced with negotiations to include relevant data elements in the DHIS and M&E Framework.
- Twenty Oral Hygienists and 20 Therapists were trained at the Oral and Dental Centre at King George V Hospital, after which relevant placements were actualised.

11. MENTAL HEALTH

National Priority 4:
Improve management of communicable & non-communicable diseases.

Provincial Goal 2:
Strengthen PHC and provide caring, responsive and quality health services at all levels.

Provincial Goal 3:
Promote health, prevent and manage illness with emphasis on poverty, lifestyle, trauma & violence.

Strategic Priority 5:
Strengthening Strategic Health Programmes.

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Mental Health Priorities – 2007/08

1. Implementation of integrated policy framework based on Mental Health Care Act.
2. Training of health care staff on mental health and substance abuse.
3. Improvement of infrastructure to accommodate & treat mental health care users.
4. Develop & implement policies & guidelines on substance abuse, violence prevention, psycho-social rehabilitation and suicide.
5. Formulate strategies for the prevention of violence against women and children.

- In 2007/08, the Department continued to pursue strategies that would facilitate the implementation of mental health services within the Mental Health Care Act (MHCA) framework.
- The Province established 4 fully functional Mental Health Review Boards, one each in eThekwini, Umgungundlovu, Uthukela and Uthungulu Districts.
- The review boards have added value in giving effect to the intentions of the MHCA by reviewing admissions and ensuring that the rights of mental health care users are upheld.

Challenge

- Issues pertaining to remunerations and roles & responsibilities in District Offices have not been clarified. A policy guideline has been finalised but remains to be approved.

- In 2007/08, the University of KZN developed and disseminated guidelines and treatment protocols for care of the acute and chronically mentally ill. The guidelines serve to develop capacity for Medical Officers and Professional Nurses in District Hospitals to provide improved care, treatment and rehabilitation to mental health care users.
- All District and Provincial Hospitals in the Province were providing 72-hour observation and assessment services and 33 hospitals have seclusion facilities[14] in accordance with the MHCA. Improved accessibility as opposed to custodial care in psychiatric institutions was possible with clients only referred to Townhill Hospital with persistent symptoms after observation and assessment.

Challenge

- The integration of mental health into mainstream PHC services still poses a challenge due to:
  - Insufficient training of PHC nurses in mental health care;
  - Resistance of especially Local Government clinics to integrate mental health services into mainstream PHC; and
  - Resistance from mental health care users to access integrated PHC services.

[14] District Quarterly Reports

- In 2007/08 the Department continued to network with other institutions and organisations to improve access to mental health services. A total of 11 Residential Care Facilities, 5 Halfway Houses, 15 Day Care Facilities and 2 Clubhouses were licensed and subsidised in 2007/08. These facilities provided the rehabilitative aspect of mental health care according to the MHCA and formed part of community based care as outlined in the STP.

Note: The following services are included in Programme 4: Provincial Hospital Services

- Adolescent Psychiatric Units and Care (Townhill and King George V Hospitals)
- Forensic Unit (Fort Napier Hospital)
- Improvement of Infrastructure

11.1 Substance Abuse

- 100% of District Hospitals were able to provide detoxification services.
- The audit on detoxification that commenced in 2006/07 is not yet complete however a preliminary report will be compiled and presented at the National Youth Indaba to be held in Durban in June 2008.
- The Mental Health Directorate actively pursued collaboration and integration of programmes i.e. representation on the KZN Substance Abuse Forum, provided technical support for the establishment of Local Drug Action Committees, engaged with SANCA in a collaborative effort to curb substance abuse, collaborated with Healthy Lifestyles for promotional and preventative aspects of substance abuse campaigning (including the anti–tobacco campaign), participated in the School Health Weeks, provided input to the Employee Assistance Programme and Occupational Health & Safety regarding substance abuse by employees, gave input to MC&WH regarding Foetal Alcohol Syndrome and provided script material for radio talk shows.
- Training is ongoing in every district including modules on integration, 2-week module on mental health care in a PHC setting and substance abuse.
- The Protocol on Transfer of Mental Health Care Users was developed in 2007/08 and is available on the Departmental intranet. Implementation is still poor, partly because EMRS reported that they lack training in the management of psychiatric patients in transfer and institutions report that they cannot provide nurse escorts due to staff shortages. Arrangements to develop and include a mental health module in the College of Emergency Care Curriculum to capacitate Emergency Care Practitioners commenced in 2007/08 and will be prioritised in 2008/09.
- The Strategic and Implementation Plan of 2003 to inform the integrated Policy Framework is due for revision. No progress was made in 2007/08 and will be prioritised in 2008/09.
- The Policy on Substance Abuse was adopted as per National Mini National Drug Master Plan.
- The Mental Health Directorate finalised the Psycho-Social Rehabilitation Policy in 2007/08 through extensive consultation. A pilot that will inform the policy implementation strategy is being implemented in the Amajuba District, and will be rolled out in 2008/09.
- In 2007/08, the Mental Health Directorate embarked on a process to develop a Mental Health Information System in collaboration with the National Department of Health. The first discussion document was adopted in Pretoria.
- Consultation commenced in 2007/08 to align mental health indicators with the Provincial M&E Framework and DHIS.
- Mental Health and Substance Abuse is included in the Supervisors Manual to improve supervision & quality improvement programme for Mental Health.
- National norms and standards are available but Provincial policies need to be developed and monitored to give effect to these norms and standards to ensure that they are attained and maintained.
- Quality improvement is not linked with Provincial and District Quality Assurance but will be engaged in the policy development process.
- Infrastructure and maintenance of community-based rehabilitation facilities is dependant on district budgets and priorities, which has been a challenge during 2007/08. This was adopted as a priority at a Strategic Planning meeting in 2007/08 and will receive priority status in 2008/09.

Challenge

- There is a severe shortage of specialised staff including Specialist Mental Health Care Practitioners, Psychiatrists and Psychologists. Ratios of Specialists, Psychologists and Psychiatric Nurses are well under the required norms and ratios and should be addressed as indicated in the Service Transformation Plan and Human Resource Plan.

12. REHABILITATION & DISABILITY

National Priority 4:
Improve management of communicable & non-communicable diseases.

Provincial Goal 2:
Strengthen PHC and provide caring, responsive and quality health services at all levels.

Strategic Priority 4:
Improving quality of care.

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Rehabilitation and Disability Priorities – 2007/08

1. Provide policy guidelines.
2. Strengthen the provision of rehabilitation & other services to disabled people at PHC level.
3. Develop & facilitate innovative solutions to address the backlog in provision of assistive devices.
4. Implementation of strategy to prevent disability in the province.

- A Provincial Disability and Rehabilitation Policy have been developed and disseminated through the Departmental intranet in 2007/08. The policy provides a framework for the implementation of disability and rehabilitation services and serves as a best practice model in the country.
- In 2007/08, a total of 150 Community Service Therapists were employed in the Province and the Department signed one Service Level Agreement for Community Based Rehabilitation (CBR) – employing 22 CBR workers.

Challenges

- Recruitment and retention of mid-level workers.
- The lack of norms and standards for therapists. This is currently being addressed by professional forums nationally.

- The audit on physical access to facilities was completed in 2007/08, reporting that 60% of hospitals met the minimum criteria for physical accessibility. Results were submitted to the National Department of Health and the recommendations were negotiated and accepted by Senior Management and Districts.
- The programme has provided input into specifications for tenders in order to make assistive devices more affordable for day to day service delivery.
- The Programme has commenced negotiations with Supply Chain Management to develop a state tender for people with severe communication disabilities needing alternative and augmentative communication devices. This includes devices for cancer patients post laryngectomee, cleft palates, severe to profound speech and language disorders and dysphagia. The specifications and costing are in the process of being confirmed.
- The strategy to prevent disability is outlined in the new Disability Policy that is in turn aligned to the Integrated National Disability Strategy.
- A significant number of new audiology sites were created at hospitals since community service commenced. An audit needs to be conducted to determine what level of audio services is conducted as well as the number of sites per district and caseload. Due to high staff turnover and the over-reliance on community service therapists there may be audio equipment but no staff e.g. Church of Scotland Hospital (COSH).
- An orientation and mobility plan for the blind has been developed and 15 workshops will be conducted throughout the Province to build capacity at grass roots to assist blind people with orientation and mobility.
- In addition, the Province is in the process of developing a list of devices for blind rehabilitation which will be put into a state tender document. This will also prioritise children who are blind.
- The Province has entered into a partnership with UKZN to train mid-level workers in the rehabilitation professions. Assistants currently employed were prioritised with 24 Physiotherapy Assistants being registered with HPCSA as mid-level workers. They will now receive 'top-up' training that will enable them to enter the 2 year course towards a Diploma in Physiotherapy and Occupational Therapy. This programme is ground-breaking and the first in the country.
- Another 15 assistants (Umzimkhulu Sub-District in Sisonke) will be given in-service training within 2008/09 to capacitate them to enter the diploma programme.

- Consultation for the development of the curriculum for Speech Therapists and Audiologists commenced in 2007/08 and will be the first in the country.
- Twenty three workshops, which employ 54 people with disabilities to repair wheelchairs, are operational in the Province. A 3-year Service Level Agreement with the workshops was renewed in 2007/08. The workshops provide employment to people with disabilities and ensure that wheelchair repair services are available to disadvantaged people free of charge.
- A ground breaking step was taken in ensuring the blind have access to HIV information. HIV educational material is currently being translated into 5 Braille booklets.
- In addition, the HIV and AIDS programme will be training People with Disabilities (PWD's) on issues around awareness, prevention and management of HIV, AIDS and disability, and will be employing PWD's as lay-counsellors.
- One of the primary objectives of the Programme is the creation of disability awareness as a human rights issue. Various disability awareness events were held to commemorate the International Day of Disabled Persons in the Province, held in Ndwedwe. The Programme supported the event with the provision of various assistive devices including wheelchairs, walking frames and crutches. Other events around disability awareness were conducted in the Districts during Health Calendar days such as Back Week, Deaf Awareness and Cerebral Palsy.
- The Programme is monitoring the employment equity within the Department with the Human Resource Section and the Department of Labour, and has launched the Disabled Employees Forum looking at the health, wellness and safety needs of PWD's employed in the Department.
- The Programme is currently collaborating with UKZN, The Valley Trust and the National Health Institute in conducting research on children with disabilities. It is envisaged that this will culminate in a model of early childhood development for KZN.

13. ENVIRONMENTAL HEALTH

National Priority 4:
Improve management of communicable & non-communicable diseases.

Provincial Goal 2:
Strengthen PHC and provide caring, responsive and quality health services at all levels.

Strategic Priority 4:
Improving quality of care.

↓

Environmental Health Priorities – 2007/08

1. Implementation of a framework for monitoring & evaluation of services rendered by Local Municipalities.
2. Establish mechanisms for development of hazardous substance control programmes.
3. Strengthen vector control.
4. Develop & maintain an environmental health management information system.
5. Develop a readiness plan for Port Health services during 2010 World Cup.
6. Develop & facilitate adoption of policy framework to regulate provisioning of services by private entities such as funeral undertakers.

Priority 1

- The District and Metropolitan Municipalities resolved not to take over the Municipal Health Services due to inadequate funding allocated by the National Treasury for this function in 2006/2007 i.e. R12 per household against the benchmark of R13 per capita per annum recommended by the National Joint Task Team.
- The matter was subsequently referred to the Technical Premiers Coordinating Forum, the Provincial Department of Health, Department of Local Government and Traditional Affairs and Provincial Treasury to resolve the funding problem.
- Extensive discussions commenced with Legal Services regarding the pre-requisite of a warrant being required before inspection of premises (as contained in the KZN Health Care Bill).

- There is no current legislation for Environmental Health Practitioners (EHP's) attached to the Province and District Municipalities should they wish to implement legal recourse. Previously, EHP's representing local municipalities had local by-laws that they could implement. District municipalities were recently established but lack their own set of legislation.
- The Draft Environmental Health Regulations compiled in 2005 must be promulgated as soon as possible to alleviate the problem.

Priority 2

- A Hazardous Substances Programme Framework (outlining resource requirement for each District and detailed strategic intervention measures) was distributed to all Districts. Implementation of the Framework is expected to commence in 2008/09.
- The Policy for Health Care Risk Waste Management was finalised and approved. It stipulates the need to establish institutional structures at various levels to monitor & evaluate the implementation of the Policy by critically evaluating routine inspection reports.
- The Provincial institutional structure (the Health Care Waste Management Committee) has been established and will facilitate the establishment, strengthening and support of district structures which, in turn will support health establishments. Training will commence in 2008/09.

Priority 3

- A Provincial Vector Control Committee was established in 2007/08 to initiate and strengthen Vector Control within all Districts.
- EHP's were capacitated on Rodent Control at the Plague Orientation Workshop held in March 2007. The need was identified for a more practically oriented workshop on how to catch rodents, extract blood samples and interpret the laboratory results. This was achieved at a workshop held from the 24th – 26th October 2007.
- EHP's have commenced trapping live rodents which are submitted to the Durban museum for the extraction of blood samples for final analysis by National Institution for Communicable Disease (NICD). Thus far all results have been negative for Toxoplasmosis and Leptospirosis.
- A compact disk is being compiled to provide easy assess to uniform information and control measures for known Insects and Vectors that affect Public Health.

Priority 4

- The Environmental Management Plan (EMP) has been approved and submitted to the National Department of Health, the Provincial Department of Agriculture and Environmental Affairs for consideration and inclusion in their programmes. A committee to coordinate the implementation of the Plan has been established and will oversee the Department's mandate that relates to the management of the environment.
- The Environmental Health Management Information System (developed by the National Department of Health in collaboration with the Health Systems Trust) is currently being revised for inclusion in the DHIS and Monitoring & Evaluation Framework.

Priority 5

- The implementation plan for water quality monitoring (to assess the microbiological safety status of water supplies) has not been finalised.
- A 2010 Environmental Health Sub-Committee, encompassing Port Health, was set up in August 2007 and all District and Metropolitan Municipalities are represented.
- The Port Health Framework for the 2010 World Cup has been completed and submitted to the National Department of Health. The Plan outlines the strategic objectives and key activities including budgetary requirements. The 1st drafts of both the Provincial Strategic Framework and the Provincial Environmental Health Action Plans have been developed.
- A motivation for the creation and funding of new posts for Port Health Services has been submitted to Budget Control & Organisational Improvement Services. It makes provision for adequate resources to meet core capacity requirements to implement adequate control measures at the designated land, sea and air ports of entry into the Province.
- An inspection-in-loco between Port Health Services, Communicable Disease Control (CDC) Programme and Hospital Systems Development was carried out to identify possible isolation facilities that will best serve the ports of entry into the Province. Hospitals have been identified (Addington, Mseleni and Ngwelezana Hospitals) and processes will be put into place by the relevant components for the upgrading of existing facilities and/or provision of new isolation facilities.

Priority 6

- A Committee, comprising EHP's from all Districts, serve on the 'Disposal of the Deed' Working Group. A database is being compiled of all registered and unregistered Undertakers operating within the Province. The stakeholders representing the various Undertakers are being contacted with a view to establish a forum to ensure uniform management of problem areas.
- A handbook is being compiled to regulate the inspection and control of Undertakers and Mortuaries in collaboration with Forensic Services.

13.1 Food Safety

- The Food Safety Protocol has been approved, and training of EHP's will commence in July 2008. The Protocol provides guidelines aimed at the effective introduction of food safety measures for caterers that provide catering services on the premises of government departments and at special events. It will ensure that food handled and served on those premises will not be detrimental to the health of the consumers.
- Consignments of imported foodstuffs detained for Port Health will be inspected and sampled for microbiological, chemical and labeling integrity. The necessary analysis will be done prior to it being released for sale/ consumption.

13.2 Malaria Control

- The smooth functioning of the Malaria Control Programme was seriously challenged by the decentralisation of the programme to District level, creating uncertainty regarding communication channels and a lack of expertise at district office level. A motivation for capacity building is being finalised and will be submitted for approval in 2008/09.
- The total malaria cases notified for the Province remain very low with a total of 606 notified for 2007/08. The incidence of malaria is under 1/1,000 population with the Case Fatality Rate (CFR) at 0.8%. The CFR is higher than the norm of 0.5%[15] but this can be contributed to the extremely low numbers of malaria cases being notified. A successful Indoor Residual Spraying programme was completed in the areas of risk for malaria transmission, achieving coverage of 85%.
- The Malaria Control Programme exceeds expectation in performance towards achieving the relevant Millennium Development Goal.
  - Resistance of the malaria parasite to the drug used for the treatment of uncomplicated malaria, as well as resistance of the malaria vector to synthetic perythroid used for indoor residual spraying was detected during 2000.
  - These findings have had a significant impact on malaria control by influencing the review and subsequent change of the policy for indoor residual spraying. The use of DDT and Coartem (a combination drug) was re-introduced, and registered in 2001 for the treatment of malaria in KwaZulu-Natal.
  - The implementation of the aforementioned policy changes impacted significantly on the reduction of the malaria incidence in KwaZulu-Natal. A reduction of more than 90% in malaria notifications from 2001 to 2007 was recorded, as was a decrease of over 95% of deaths compared to deaths during the same period. This achievement exceeds by far the goal to half malaria morbidity and mortality by 2010.

13.3 Human Resources

- Delayed approval of the request for the creation of a post for a Deputy Manager, Entomologist and Malaria Information Officer for the Malaria Control Programme creates extreme and severe problems to retain these scarce skill personnel – no progress has been made. A position for the Principal Technical Advisor was advertised and filled at the Head Office (Hazardous Substance Control Programme).

13.4 Role of Environmental Health in Water and Sanitation at Health Facilities

- The Environmental Health Component is responsible for facilitating health and hygiene education to promote hygiene practices in water and sanitation. Khanyisa Projects was assigned to promote the above in 5 Districts. They had 77 contact sessions and reached 20,435 persons.
- The Directorate developed a standard tool for the collection of sampling data and Districts submitted data on a monthly basis. In 2007/08 a total of 8,627 water samples were taken for microbiological analysis of which 2,366 were compliant. 2,183 samples were taken for chemical analysis of which 521 were compliant.
- 52 EHP's were trained in Participatory and Sanitation Transformation (PHAST) during 2007/08.

[15] DHIS reported 1.5% Malaria fatality rate

Table 4: Performance Indicators for District Health Services [16]

Indicator	2004/05 (Actual)	2005/06 (Actual)	2006/07 (Actual)	2007/08 (Actual)	2007/08 (Target)	National Target 2007/08
Input						
1. Uninsured population served per fixed Public PHC facility.	17,062	16,257	16,323	16,578	14,928 [17]	<10,000
2. Provincial PHC expenditure per uninsured person.	R 210.48	R 251.41	R 296.70	R 184.39 [18] R 406.78	R 382.20	N/A
3. Local Government PHC expenditure per uninsured person.	R 8.33	R 9.82	R 9.36	R 12.29	R 8.39 [19]	R 5.14
4. PHC expenditure (Provincial pus Local Government) per uninsured person.	R 219.21	R 261.22	R 305.42	R 196.69 [20] R 413.90	R 390.51	R 274.00
5. Professional Nurses in fixed PHC facilities per 100 000 uninsured person.	2,737	2,844	No Data	1,649 [21]	Not Set	No Data
6. Districts offering full package of PHC services.	85%	87%	93%	100% [22]	100%	100%
7. Environmental Health expenditure (Provincial plus Local Government) per uninsured person.	R 9.41	R 9.37	R 9.61	R 9.77	R 12.23	R 13.00
Process						
8. Health Districts with appointed Manager.	100%	100%	100%	100%	100%	100%
9. Health Districts with Plan as per DHP Guidelines.	100%	100%	100%	100%	100%	100%
10. Fixed PHC facilities with functioning community participation structure.	89%	100%	87%	65%	92%	100%
11. Facility data timeliness rate for all PHC facilities.	100%	92%	96%	90%	100%	100%

[16] Data for 2004/05, 2005/06: APP 2007/08, Page 82, Table 21; 2006/07: AR 2006/07, Page 53, Table 10; 2007/08 Target: APP 2008/09, Page 128, Table 17
[17] Data from APP 2008/09, (Total uninsured population) Page 126, Table 16(No of Clinics & CHC) Page 122, Table 15
[18] R184.39 DHIS and R413.90 Finance
[19] Data from APP 2007/08, Page 84, Table 22, Line 3 totalled and divided by the 11 districts to get an average
[20] Data from DHIS (R196.69) and Finance (R413.90)
[21] Actual number of Professional Nurses (PERSAL)
[22] Poor indicator – the 100% refer to 'Districts offering full package of services' however does not reflect the % of facilities offering the full package of services (240 PHC clinics offer 80% of package

Indicator	2004/05 (Actual)	2005/06 (Actual)	2006/07 (Actual)	2007/08 (Actual)	2007/08 (Target)	National Target 2007/08
Output						
12. PHC total headcount.	18,873,246	19,210,359	19,950,299	21,260,261[23]	21,079,790	N/A
13. Utilisation rate – PHC.	1.8	2.0	2.0	2.3[24]	2.0	3.5
14. Utilisation rate – PHC under-5 years.	3.5	4.0	4.0	4.2[25]	4.0	5.0
Quality						
15. Supervision rate.	83%	93%	50%	54%	100%	100%
16. Fixed PHC facilities supported by a doctor at least once a week.	Not Collected	No Collected	Not Collected	73%	No Baseline	100%
17. Provincial PHC expenditure per headcount at Provincial PHC facilities.	R 94.00	R 92.00	R 92.00	R 97.46	R 205.55	R 78.00
18. Expenditure (Provincial plus Local Government) per headcount at public PHC facilities.	R 98.00	R 96.00	R 66.00	R 81.41	R 172.28	R 78.00
Outcome						
19. Health Districts with a single provider of PHC services.	0%	0%	0%	0%	0%	0%

[23] Quarterly Treasury Report
[24] CHC & PHC combined
[25] CHC & PHC combined

Table 5: Performance Indicators for District Hospitals [26]

Indicator	2004/05 (Actual)	2005/06 (Actual)	2006/07 (Actual)	2007/08 (Actual)	2007/08 (Target)	National Target 2007/08
Input						
1. Expenditure on Hospital staff as % of District Hospital expenditure.	69.77%	66.51%	68.72%	70.82	65.25%	62%
2. Expenditure on drugs for Hospital use as % of District Hospital expenditure.	4.96%	5.30%	5.24%	4.41%	7.20%	11%
3. Expenditure by District Hospitals per uninsured person.	R 275.07	R 306.87	R 309.51	R 405.49	R 313.36	–
Process						
4. District Hospitals with operational Hospital Board.	98%	98%	100%	87% [27]	100%	100%
5. District Hospitals with appointed (not acting) Hospital Managers.	93%	95%	100%	100%	100%	100%
6. Facility data timeliness rate for District Hospitals.	93%	93%	98%	90%	100%	100%
Output						
7. Caesarean section rate for District Hospitals.	18%	19%	16%	21%	15%	12.5%
Quality						
8. District Hospitals with Patient Satisfaction Survey using Department of Heath Template.	100%	100%	100%	88% (37/42)	100%	100%
9. District Hospitals with Clinical Audit Meetings.	20%	40%	Quarterly Meetings	38% (16/42)	60%	100%
Efficiency						
10. Average length of stay in District Hospitals.	5 Days	6 Days	5.7 Days	4 Days	4.2 Days	
11. Bed utilisation rate (based on usable beds) in District Hospitals.	61%	64%	62%	68%	68%	
12. Expenditure per patient day equivalent in District Hospitals.	R 789.00	R 984.00	R 1 084.00	R 1351.00 [28]	R 799.00	–
Outcome						
13. Case fatality rate in District Hospitals for surgery separations.	5%	4%	4%	4.5% [29]	4.8%	3.5%

[26] 2004/05, 2005/06, 2007/08 Target: APP 2007/08, Page 100 Table 27; 2007/08: AR 2006/07, Page 55, Table 11
[27] Quarterly District Reports – (36/ 42)
[28] Quarterly Treasury Report
[29] Quarterly Treasury Report

Table 6: Provincial Objectives and Performance Indicators for District Health Services [30]

Measurable Objectives	Performance Indicator	2004/05 (Actual)	2005/06 (Actual)	2006/07 (Actual)	2007/08 (Actual)	2007/08 (Target)
Sub-Programme 2.1: District Management						
1. To strengthen integrated Health Planning.	District Managers participating in the IDP process and DHP's included in IDP's (%).	Not Measured	Not Measured	100%	100% [31]	100%
	District Health Plans developed and DHER's completed (%).	Not Measured	Not Measured	100%	100% [32]	100%
	Health facilities with community-based governance structures (%).	Not Measured	Not Measured	80%	87% [33]	100%
	Districts with consulted and updated STP (%).	Not Measured	Not Measured	Not Measured	90% [34]	100%
	Reduction of inconsistencies on DHIS as validated by District Information Officers:					
	Incompleteness: (%)	Not Measured	60%	55%	50% [35]	45%
	Inconsistencies: (%)	Not Measured	60%	55%	45%	45%
2. To implement the District Management Structures and increase the number of health professionals in all institutions.	Districts with appointed District Management Teams (%).	Not Measured	80%	100%	100% [36]	100%
	District Managers with signed performance contracts that are aligned with the strategic objectives of the Department (%).	Not Measured	Not Measured	100%	100%	100%
	Posts filled in each District according to the HR norms in the STP (%)	Not Measured	Not Measured	Not Measured	See Footnote [37]	65%
	Districts with Health information Committees (%).	Not Measured	Not Measured	75%	75%	90%
Sub-Programme 2.2: Primary Health Care Clinics						
3. To improve rendering of PHC Services at PHC Clinics.	PHC Clinics providing the package of PHC services as defined in the STP (%).	Not Measured	Not Measured	Not Measured	95% (542/ 568) [38]	40%
	PHC Clinics compliant to the STP infrastructure requirements (%).	Not Measured	Not Measured	Not Measured	Not measured	5%
	Supervision visit rate (%) - (one visit per month).	Not Measured	93%	100%	54% [39]	100%

[30] 2004/05, 2005/06: APP 2007/08 Page 93, Table 25; 2006/07: Not available
[31] Not included in the IDP's – mainly due to different planning cycles. Participate in process
[32] All Districts submitted 2007/08 District Health Plans – DHER not completed (revising tool)
[33] District Quarterly Reports
[34] eThekwini not completed
[35] High turn-over – lack of training and orientation
[36] Not all District Management posts filled – indicator unclear
[37] Ugu 74%; Umgungundlovu 64%; Uthukela 72%; Umzinyathi 66%; Amajuba 72%; Zululand 68%; Umkhanyakude 72%; Uthungulu 66%; Ilembe 67%; Sisonke 56%; eThekwini 70%
[38] Number of Clinics providing at least 80% of PHC package – District Quarterly Reports
[39] Previous misinterpretation of indicator – recording more than one visit/ clinic/ year

Measurable Objectives	Performance Indicator	2004/05 (Actual)	2005/06 (Actual)	2006/07 (Actual)	2007/08 (Actual)	2007/08 (Target)
	PHC Clinics using a dedicated computer for capturing of health data (%).	Not Measured	Not Measured	Not Measured	80% [40]	45%
	Professionals Health Workers posts filled in Clinics (%).	Not Measured	Not Measured	65%	67.73%	70%
	Facility Information Officer posts filled (%).	Not Measured	Not Measured	100%	100% [41]	100%
	Stock-out rate of essential drugs (%).	Not Measured	Not Measured	0%	2.2%	0%
	Doctor clinical workload.	Not Measured	Not Measured	14.7 [42]	17	30
	Nurse clinical workload.	Not Measured	Not Measured	75.5 [43]	65	40
	Utilisation rate.	2	2	2	2.2	3
	PHC Clinics compliant with standard equipment list (%).	Not Measured	Not Measured	90%	86% (489/ 568%) [44]	100%
	Fixed PHC facilities offering PMTCT (%).	Not Measured	Not Measured	100%	96% [45]	100%
	Fixed PHC facilities offering VCT to non-ANC patients (%).	Not Measured	Not Measured	100%	100% [46]	100%
	Incorporation of Local Government PHC Clinics	Not Measured	Not Measured	Not Measured	0	100%
Sub-Programme 2.3 : Community Health Centres						
4. To improve the rendering of PHC services at Community Health Centres	CHC's providing the package of PHC services as defined in the STP (%).	Not Measured	Not Measured	100%	100%	100%
	Number of CHC's.	14	14	16	15 [47]	20
	Number of CHC's compliant with STP norms (infrastructure, package of services and HR).	N/A	N/A	N/A	STP not yet implemented	2
	CHC's with appointed Managers (%).	Not Measured	Not Measured	100%	88%	100%
	Professional Health Workers posts filled in CHC's (%).	Not Measured	65%	75%	60.59%	100%

[40] District Quarterly Reports – contradictory to Telehealth Report indicating 100% clinics with computers
[41] FIO's hold different job titles i.e. Clinic Support Officer, Office Assistant, etc. Accuracy of data could be compromised
[42] Includes both PHC & CHC
[43] Includes both PHC & CHC
[44] Number of facilities with all essential equipment as per list – District Quarterly Reports
[45] Quarterly Treasury Report
[46] DORA Report
[47] Denominators as per DHIS to ensure accurate calculation of indicators

Measurable Objectives	Performance Indicator	2004/05 (Actual)	2005/06 (Actual)	2006/07 (Actual)	2007/08 (Actual)	2007/08 (Target)
	Facility Information Officer posts filled (%).	Not Measured	Not Measured	100%	100%	100%
	Stock-out rate of essential drugs (%).	Not Measured	Not Measured	0%	2.2% [48]	0%
	Doctor clinical workload.	Not Measured	Not Measured	14.7 [49]	31	20
	Nurse clinical workload.	Not Measured	Not Measured	75.5 [50]	77	60
	Utilisation rate.	2	2	2	2.4	3
	CHC's offering PMTCT (%).	Not Measured	Not Measured	100%	100%	100%
	CHC's offering VCT to non-antenatal clients (%).	Not Measured	Not Measured	100%	100%	100%
	CHC's compliant with standard equipment list (%).	Not Measured	Not Measured	100%	100%	100%
Sub-Programme 2.4: Community Based Services						
5. To recruit an increased number of Home- and Community-Based Care Givers (HCBC)	Number of Home and Community-Based Care Givers	4,000	4,000	7,000	15,700	8,000
6. To provide home and community based care by contracting local Non-Profit Organisations.	Home and Community-Based Carers contracted by local Non-Governmental Organisation (NGO) Principals (%).	Not Measured	Not Measured	10%	68% 6,000 Community Health Worker (CHW) 4,400 HBC 309 NIP	50%
7. To ensure HCBC Givers are appropriately qualified.	Number of HCBC who are competent in terms of SETA requirements.	Not Measured	Not Measured	4,000	4,000 CHW 400 RPL 3,500 HBC	6,000
8. To establish one Health Post per rural Local Government Wards	Rural wards with Health Posts (%).	0%	0%	0%	0%	10%

[48] No differentiation (DHIS) between PHC Clinics & CHC – reasons for stock-out not confirmed
[49] PHC & CHC
[50] PHC & CHC7

Measurable Objectives	Performance Indicator	2004/05 (Actual)	2005/06 (Actual)	2006/07 (Actual)	2007/08 (Actual)	2007/08 (Target)
Sub-Programme 2.9: District Hospitals						
9. To strengthen management within District Hospitals.	District Hospitals with Chief Executive Officers (CEO's) appointed (not acting) (%).	87%	87%	100%	100%	100%
	District Hospitals offering full package of services (%).	Not Measured	Not Measured	82%	85% [51]	85%
	District Hospitals implementing recommendations on waiting, service & ambulance response times (%).	20%	25%	100%	100%	100%
	District Hospitals conducting patient satisfaction surveys (%).	Not Measured	Not Measured	100%	88% (37/42)	100%
	District Hospitals with effective infection control programmes implemented (%).	75%	80%	100%	100% [52]	100%
	District Hospitals utilising quality measurement systems (%).	50%	50%	75%	75%	85%
	District Hospitals with Facility Information Officers (FIO) appointed (%).	75%	75%	85%	100%	100%
	District Hospitals conducting clinical audits (%).	Not Measured	50%	80%	38% (16/42)	80%
10. To establish referral protocols/ guidelines.	Districts with quarterly clinical forum meetings to discuss referral protocol/ guidelines (%).	Not Measured	Not Measured	50%	Included in management meetings	100%
	Districts with protocol / guidelines (%).	Not Measured	Not Measured	50%	100%	100%
11. To improve community participation in governance of services rendered.	Provision of Governance Structures (%).	50%	70%	90%	Denominator not clear [53]	100%

[51] 36/42 offer full package of services
[52] Reports outstanding to determine effectiveness of implementation
[53] Provisions made but functionality not known

Table 7: Performance Indicators for HIV, AIDS, STI's and TB Control [54]

Indicator	2004/05 (Actual)	2005/06 (Actual)	2006/07 (Actual)	2007/08 (Actual)	2007/08 (Target)	National (Target)
Input						
1. ARV treatment service points compared to plan. (%)	100%	100%	72 (+42%) [55]	84 (+21%) [56]	69 Sites	–
2. Fixed PHC facilities offering PMTCT. (%)	94%	100%	100%	96%	100%	100%
3. Fixed PHC facilities offering VCT. (%)	100%	100%	100%	100%	100%	100%
4. Hospitals offering PEP for Occupational HIV exposure. (%)	100%	100%	100%	100%	100%	100%
5. Hospitals offering PEP for Sexual Assault. (%)	57%	57%	57%	88% [57] (51/58)	100%	100%
6. Number of HTA Intervention Sites operational.	2	3	–	14 [58]	15	–
Process						
7. TB clients with a DOTS supporter. (%)	73%	75%	78%	82%	82%	100%
8. Number of male condom distribution rate from Public Sector Health facilities. (per male per year)	5	7	7	7	8	11
9. Fixed facilities with ARV drug stock out. (%)	0%	0%	0%	2.7%	0%	0%
10. Hospitals drawing blood for CD4 testing. (%)	100%	100%	Not Available	100%	100%	100%
11. Fixed PHC facilities drawing blood for CD4 testing. (%)	10%	20%	20%	20%	10%	50%
12. Fixed facilities referring patients to ARV treatment points for assessment. (%)	100%	100%	100%	100%	100%	–
Output						
13. STI partner treatment rate. (%)	26%	22%	28%	21.2%	30%	40%
14. Nevirapine dose to baby coverage rate. (%)	Not Available	39%	102% [59]	72%	93%	70%
15. Clients HIV pre–test counselled rate in fixed PHC facilities. (%)	93%	93%	100%	100%	100%	–
16. Number of patients registered for ART compared to target.	11,449	57,149	73,641	146,537 [60]	81,614	–
17. TB treatment interruption rate. (%)	13%	14%	14%	8.5%	11%	4%

[54] 2004/05, 2005/06: APP 2007/08 Page 113, Table 31; 2006/07: AR 2006/07 Page 58, Table 13; 2007/08 target: APP 2008/09 Page 149, Table 2
[55] DORA Report
[56] Accredited facilities includes: 60 Hospitals, 12 CHC's, 4 PHC Clinics, 3 NGO's, and 5 Prisons
[57] PEP for Sexual Assault also offered at 9 CHC
[58] 5 Truck Stops operational – see narrative
[59] Data questionable and will be investigated

Indicator	2004/05 (Actual)	2005/06 (Actual)	2006/07 (Actual)	2007/08 (Actual)	2007/08 (Target)	National (Target)
Quality						
18. Number of CD4 test at ARV treatment service points with turnaround time >6 days.	0	0	0	0	0	0
19. TB sputa specimens with turnaround time > 48 hours. (%)	15%	15%	55%	41.8%	60%	–
Efficiency						
20. Dedicated HIV and AIDS budget spent. (%)	100%	97%	94%	100%	100%	100%
Outcome						
21. New smear positive PTB cases cured at first attempt. (%)	33%	35%	42%	31.4%	46%	85%
22. New MDR TB cases reported – annual % change. (%)	No Data	16%	683 Cases	58% 1,080 Cases	58%	–30%
23. Number of STI treated new episode among ART patients.	–	17,839	368,985	25,463[61]	970	–
24. ART monitoring visits measured at WHO performance scale 1 or 2. (%)	–	–	–	Not Measured	No Baseline	–

[60] DORA Report (+64,923 over target)
[61] DORA Report – 2006/07 data seems unrealistic

Table 8: Provincial Objectives and Performance Indicators for TB Control [62]

Measurable Objective	Indicator	2004/05 (Actual)	2005/06 (Actual)	2006/07 (Actual)	2007/08 (Actual)	2007/08 (Target)
1. To improve case finding.	Institutions that have integrated routine TB diagnostic questions into their general initial patient assessment procedures (%).	N/A	N/A	100%	100%	100%
	Institutions implementing routine screening in high risk groups (%).	N/A	N/A	100%	100%	100%
	Case detection new sputum smear positive (PTB) (%).	N/A	N/A	33%	Footnote [63]	65%
	Institutions implementing the suspect register (%).	–	–	50%	72% (460/ 639)	90%
2. To provide adequate staff at facility level to manage TB Programme.	Members of staff appointed.	Not Monitored	Not Monitored	186	See Narrative For Details	75
3. To improve Laboratory diagnosis services.	Microscopy sites assessed (%).	N/A	N/A	100%	100% [64]	100%
	Microscopy sites meeting minimum standards (%).	100%	100%	100%	100% [65]	100%
	Number of Microscopists appointed.	Not Monitored	Not Monitored	2	47	20
	Laboratories implementing quality assurance protocols (%).	Not Monitored	Not Monitored	50%	100%	60%
4. To improve clinical management of patients.	Number of health care workers trained in NTCP guidelines.	Not Monitored	Not Monitored	1,200	814	Not Determined
	Smear conversion rate (%).	–	–	–	56% (2mths) 66% (3mths)	75% 85%
	Cure rate (%).	–	35%	60%	51%	85%
5. To improve TB diagnosis by sputum examination.	Bacteriological cover (%).	78%	78%	78%	85%	100%
6. To improve the collection of sputum specimens from peripheral health facilities.	Institutions provided with transport three times per week (%).	73%	73%	80%	100%	100%

[62] 2004/05, 2005/06, 2007/08 Target: APP 2007/08 Page 123, Table 33; 2006/07: AR 2006/07 Page 57, Table 12
[63] Not measured (TB Manager)
[64] See narrative for details re QA programme
[65] See narrative for comments re SWOT analysis

Measurable Objective	Indicator	2004/05 (Actual)	2005/06 (Actual)	2006/07 (Actual)	2007/08 (Actual)	2007/08 (Target)
7. To improve patient adherence.	% Health care workers providing a minimum standard of DOTS.	N/A	N/A	90%	Indicator Unclear	75%
	Number of DOTS supporters trained.	–	–	1,200	1,200	Not Determined
	Number of TB tracing teams appointed.	–	–	60	33	Not Determined
	Number of awareness days held.	–	–	12	See Footnote [66]	Not Determined
	Defaulter/ interruption rate (%).	–	14%	14%	8.5%	<5
8. To ensure an efficient and effective paper based and electronic recording system.	% Districts with fully implemented and functional Electronic Tuberculosis Register (ETBR) system.	N/A	100%	100%	100%	100%
	% Institutions submitting reliable TB–data to district offices.	N/A	N/A	80%	100% [67]	100%
9. To strengthen surveillance of MDR TB.	% Institutions with protocols for identification of suspected MDR TB cases.	N/A	N/A	100%	100%	100%
	% Districts monitoring verified MDR TB cases.	N/A	N/A	100%	100%	100%
10. To improve treatment of MDR TB.	MDR TB treatment success (new and previously treated MDR TB patients combined) (%).	N/A	N/A	42%		60%
	Number of health care workers trained in MDR TB guidelines.	–	–	600	119 [68]	Not Determined
	Number of decentralised MDR TB hospitals.	–	–	2	2 New [69]	Not Determined
11. To integrate TB and HIV services.	Proportion of all TB patients offered VCT (%)	N/A	N/A	10%	See Footnote [70]	25%
	Proportion of HIV+ patients screened for TB (%)	N/A	N/A	Not Measured	Same As Above	75%

[66] Focus was on door-to-door campaigns as informed by the KAP study – see narrative
[67] ETBR system challenges impact on data timeliness
[68] See narrative re training of staff in MDR TB Units
[69] Murchison Hospital (Ugu District) and Thulasizwe Hospital (Zululand District)
[70] Routine requirement but not yet actively measured with standard tool

Table 9: Provincial Objectives and Performance Indicators for HIV, AIDS and STI[71]

Measurable Objective	Indicator	2004/05 (Actual)	2005/06 (Actual)	2006/07 (Actual)	2007/08 (Actual)	2007/08 (Target)
PREVENTION OF MOTHER TO CHILD TRANSMISSION						
1. To increase the uptake of PCR testing of babies born to HIV + mothers.	% of babies born to HIV positive mothers PCR tested.	–	–	Data not available[72]	56% (30,850)	50%
2. To integrate PMTCT baby follow–up into child health services.	% Institutions following an integrated approach during immunisation visits.	Not Measured	Not Measured	Not Measured	Not measured	20%
HOME–BASED CARE						
3. To standardise and rationalise Home–Based Care by developing a data base of all carers/ volunteers.	% of volunteers trained in accredited programmes/ courses.	–	–	50%	994 trained[73]	50%
4. To increase the coverage of home based care in Districts.	% of Municipal wards having an operational Home and Community–Based Care Givers Programme.	–	–	100%	Not available	50%
ANTI–RETROVIRAL THERAPY						
5. To increase access to ART by increasing number of people on ART.	% of patients on ART in relation to the target.	–	20%	30%	+ 43%	40%
6. To monitor adherence to and effectiveness of ART.	% "drop–out" from ART programme.	–	1.4%	<1%	1.3% (1,974)	<1%
7. To monitor adverse events.	% of sites with adverse events monitoring system.	–	No data available	No data available	100%	100%

[71] 2004/05, 2005/06, 2007/08 Target: APP 2007/08, Page 125, Table 34. 2006/07: AR 2006/07, Page 60, Table 4
[72] Data exists however it could not be validated at time of going to press.
[73] 3rd Quarter data – denominator not clear for %

Table 10: Performance Indicators for Maternal Child and Women's Health and Nutrition[71]

Indicator	2004/05 (Actual)	2005/06 (Actual)	2006/07 (Actual)	2007/08 (Actual)	2007/08 (Target)	National (Target)
Incidence						
1. Incidence of severe malnutrition under 5 years. (%)	–	0.6%	0.6%	0.6%[75]	0.4%	1.6%
Input						
2. Hospitals offering TOP Services. (%)	35%	35%	40%	32% (18/56)[76]	42%	100%
3. Community Heath Centres (CHC) offering TOP services. (%)	0%	0%	0%	0%	10%	80%
Process						
4. Fixed PHC Facilities with Diptheria, Tetanus and Pertussis (DTP)–Hib vaccine stock out. (%)	0%	2%	0%	0%	0%	0%
5. Acute Flaccid Paralysis (AFP) detection rate. (%)	1%	0,8%	1%	65% (43/66)[77]	100%	100%
6. AFP stool adequacy rate. (%)	100%	87%	84%	81%[78]	80%	80%
Output						
7. Schools at which Phase I health services are being rendered. (%)	37%	17%[79]	57%	57%[80]	70%	100%
8. (Full) Immunisation coverage under 1 year. (%)	84%	76.4%	74.8%	82%	90%	90%
9. Measles coverage under 1 year. (%)	88.9 %	79%	90%	86%	90%	90%
10. Vitamin A coverage under 1 year. (%)	82.3%	116%	100%	100%	95%	80%
11. Vitamin A coverage of children 0–5 months.[81] (%)	–	–	–	13%[82]	100%	100%
12. Vitamin A coverage of children 12–60 months. (%)	–	40%	40%	36%	80%	100%
13. Vitamin A coverage of mothers. (%)	–	84%	71%			
Clinics				98.4%	100%	100%
Hospitals				69.8%	100%	100%

[74] 2004/05, 2005/06, 2006/07: AR 2006/07 Page 61, Table 15. 2007/08 Target: APP 2007/08 Page 148, Table 40, National Target: APP 2007/08 Page 148, Table 40
[75] Values not consistent with poverty profiles – suspect misinterpretation of indicator or incomplete data
[76] 18 / 56 Designated Public Health facilities provide the service
[77] KZN must report & investigate 66 cases/ year.
[78] 35 of 43 cases were fully investigated with adequate stools
[79] Inadequate data
[80] Data not available due to poor M&E – will be addressed in M&E Framework in MTEF 2008/09
[81] New indicator not previously measured
[82] Denominator – use under-1 population. New data element

Indicator	2004/05 (Actual)	2005/06 (Actual)	2006/07 (Actual)	2007/08 (Actual)	2007/08 (Target)	National (Target)
14. Cervical cancer screening coverage. (%)	4.7%	2%	4.5%	0.4% [83]	7%	7%
15. Antenatal coverage. (%)	117%	114%	87%	100%	90%	80%
16. Number of patients with BMI <18. [84]	Not Collected	Not Collected	Not Collected	Collected in 2008/09	No Baseline	–
17. Number of patients receiving food supplements.	–	–	–	232,265 [85]	No Baseline	–
18. Number of children under 5years receiving food supplements (who are under–weight).	–	–	–	39,869 [86]	No Baseline	–
19. Number of HIV+ mothers choosing to formula feed on discharge	–	–	–	34,673	No Target	–
20. Admission rate: severe malnutrition under 5 years	–	0.6%	0.6%	0.6% (1,840) [87]	No Target	–
21. Weighing coverage (annualised). (%)		62%	62%	68%	100%	100%
Quality						
22. Facilities certified as baby friendly. (%)	51%	65%	70%	76% [88]	65%	30%
23. Fixed PHC Facilities certified as youth friendly. (%)	5.1%	6%	17%	6.8% (39/568)	10%	30%
24. Fixed PHC Facilities implementing IMCI. (%)	65%	75%	80%	82%	100%	100%
Outcome						
25. Institutional delivery rate for women under 18 years. (%)	7.3%	8%	8%	8.4%	<10%	<13%
26. Not gaining weight <5 years. (%)	6%	6%	5%	1.3%	<4%	<10%

[83] DHIS data is incomplete. NHLS (Cytology Unit) indicated a coverage of 4.7%
[84] New indicator not previously measured
[85] Per quarter
[86] Per quarter
[87] This does not correspond with other related indicators and poverty profile and will be investigated
[88] 44/ 58 hospitals, as well as 1 CHC and 3 PHC clinics are certified as Baby-Friendly – See narrative

Table 11: Provincial Objectives and Performance Indicators for Nutrition [89]

Measurable Objective	Indicator	2004/05 (Actual)	2005/06 (Actual)	2006/07 (Actual)	2007/08 (Actual)	2007/08 (Target)
1. To contribute to the reduction of malnutrition in children <5 years of age, specifically of children not gaining weight.	Number of children not gaining weight as a percentage of the total number of children weighed. (%)	6%	6%	5%	1.3%	5%
2. To contribute to the reduction of malnutrition in children < 5 years of age, specifically of severe malnutrition.	Proportion of severely underweight children < 5 years. (%)	0.55%	No data available	0.45%	0.1%	0.45%
	Underweight for age under 5 years. (%)	1.8%	1.3%	1.2%	1.2% [90]	1.0%
3. To eliminate micronutrient malnutrition deficiencies among the population focusing on vulnerable population and specific target groups.	Vitamin A supplementation coverage of children 6–12 months measured as the number of children who received 100 000U capsules. (%)	–	116% [91]	88%	100%	89%
	Vitamin A coverage of children 12– 60 months. (%)	–	40%	25%	36% [92]	80%
	Vitamin A coverage of mothers. (%) Clinics Hospitals	– –	84% –	70% –	 98.4% 69.8%	85%
	Vitamin A coverage for children 0–5months. (%)	–	No Data Available	45%	13% [93]	60%
4. To provide nutritional support to patients under treatment.	Number of patients with BMI <18 [94]	Not Measured	Not Measured	Not Measured	Not Collected	No Baseline
	Number of patients receiving food supplement.	–	–	–	232,265	No baseline to determine target
	Number of children <5 receiving food supplement (who are underweight).	–	–	–	39,869	No baseline to determine target
5. To provide relevant support to mothers on feeding choices.	Admission rate: severe malnutrition under 5 years. (%)	–	0.6%	0.6%	1,840 admissions	0.6%
	Weighing coverage (annualised). (%)	–	62%	62%	68%	80%
6. To contribute to household food security.	Number of PHC Clinic gardens.	75	220	250	270	270

[89] 2004/05, 2006/07: AR 2006/07 Page 62, Table 16. 2006/06, 2007/08 Target: APP 2007/08 Page 143, Table 38

[90] Not a true reflection when compared with issue of supplements to underweight under-5 children. Will be addressed with data strategy

[91] Percentage higher than 100% due to cross border patient flow and possible inaccurate counting of doses administered

[92] Inadequate community out-reach contributes to low coverage – issues of access & utilisation addressed with Vit A campaign

[93] Might be an indication of large percentage of mothers formula feeding – raises concerns whether AFASS is being practiced

[94] Data will only be collected from MTEF 2007/08

Table 12: Provincial Objectives and Performance Indicators for Maternal, Child and Women's Health [95]

Measurable Objective	Indicator	2004/05 (Actual)	2005/06 (Actual)	2006/07 (Actual)	2007/08 (Actual)	2007/08 (Target)
MATERNAL HEALTH						
1. To sustain Maternal Mortality at 144/100 00 in the face of the HIV and AIDS epidemic.	Maternal mortality rate	156/ 100,000	159/ 100,000	144/ 100,000	144/ 100,000 [96]	144/ 100,000
2. To ensure 100% of maternal deaths occurring in health facilities are reported and analysed	% maternal deaths duly assessed and reported	–	–	100%	100% [97]	100%
3. To increase the percentage of pregnant women attending antenatal care before 20 weeks	% of women attending ANC before 20 weeks	50%	58%	70%	37%	75%
4. To Increase the percentage of women accessing 5 essential antenatal Care visits.	% of women attending 5 targeted Ante–natal visits	62%	64%	75%	22% (42,925/ 193,199)	80%
5. To reduce avoidable Peri–natal Deaths.	Peri–natal mortality rate per population	44/ 1,000	40/ 1,000	30/ 1,000	30/ 1,000 [98]	30/ 1,000
NEONATAL HEALTH						
6. To sustain the elimination of Neonatal Tetanus	Neonatal mortality rate	11/ 1,000	10.4/ 1,000	9.5/ 1,000	9.5/ 1,000 [99]	9.5/ 1,000
7. To reduce the morbidity among low weight babies	% of low birth weight babies	15%	18%	15%	11.3%	15%
	Number of Peri–Natal Problem Identification Programme (PPIP) sites	27	29	50	53 [100]	50
	Number of Hospitals implementing Kangaroo Mother Care. (KMC)	37	34	50	22	50
EXPANDED PROGRAMME OF IMMUNISATION						
8. To achieve 90% coverage of children less than one year for the primary series of immunisation in every District	Implementation of RED Strategy.	0 Districts	1 District	2 Districts	7 Districts	11 Districts
	% Provincial Coverage of fully immunised children under 1year.	96%	76.4%	90%	82%	90%
	Dropout rates between 1st and 3rd DTP. (%)	<10%	<10%	6.9%	4.2%	<10%

[95] 2004/05, 2005/06, 2007/08 National Target: APP 2007/08 Page 23, Table 39
[96] Maternal Mortality Rate reported tri-annually through Confidential Enquiry into Maternal Deaths. The Department can only report on facility deaths (lack of community data) which are not a true reflection.
[97] Refer to complete records and submission to National Department of Health
[98] Department can only report on facility data (lack of community data) – therefore not a true reflection
[99] Department only report on facility mortality – not a true reflection
[100] 53 Registered Sites with 10 sites actively reporting

Measurable Objective	Indicator	2004/05 (Actual)	2005/06 (Actual)	2006/07 (Actual)	2007/08 (Actual)	2007/08 (Target)
9. To sustain surveillance of Acute Flaccid Paralysis (AFP)	All suspected cases of flaccid paralysis fully investigated with adequate specimens (%).	100% (37 cases)	100% (53 cases)	100% (45 cases)	65% 43/ 66 cases	100%
10. To sustain reporting and investigation of suspected Measles cases.	Investigate 100% of suspected measles cases.	100% 954 Suspected and 265 confirmed cases	100%	100% 963 Suspected and 5 confirmed cases	100% [101] 514 Suspected and 3 confirmed cases	100%
11. To sustain reporting of Adverse Events following Immunisation (AEFI).	Cases of adverse events following Immunisation investigated within 48 hrs by District AEFI teams.	100% (26 Cases)	100% (45 Cases)	25%	52% 24/ 46 Cases investigated	100%
SCHOOL HEALTH						
12. To implement the National School Health Policy by providing basic screening services to school children in grade R/1.	% of schools covered	No data	17%	35%	57% [102]	70%
ADOLESCENT HEALTH						
13. To increase access of Youth Friendly Health services.	Number of facilities achieving Youth Friendly accreditation.	27	33	39	39 [103]	100
WOMEN'S HEALTH						
14. To increase contraceptive coverage, including emergency contraception and dual protection, to reduce unwanted pregnancies, termination of pregnancies, STI/ HIV infection and cancer of the cervix.	Number of Nurses trained in integrated sexual and reproductive health.	586	600	650	157 Professional Nurses (PN's) and 14 Enrolled Nurses (EN's) [104]	700
15. To increase access to TOP services to reduce septic and unsafe abortion.	% of Hospitals offering TOP	35%	35%	40%	32% (18/56)	45%
16. To increase access to cervical cancer screening to reduce incidence of cancer of the cervix.	5% of women over 30 years screened for cervical cancer	2%	2%	4.5%	0.4% [105]	7%
17. To increase access to 1st level treatment of Abnormal cervical cells	Number of colposcopy sites	10	10	–	12	15

[101] Confirmed measles cases in eThekwini, Ugu and Uthungulu Districts
[102] Data could not be confirmed due to inadequate reporting & M&E at Provincial level
[103] No progress due to shortage of staff
[104] Practical training continue to be a challenge due to shortage of PHC trainers in districts
[105] Used Cytology data (more accurate than DHIS)

Table 13: Performance Indicators for Disease Prevention & Control [106]

Indicator	2004/05 (Actual)	2005/06 (Actual)	2006/07 (Actual)	2007/08 (Actual)	2007/08 (Target)	National Target
Input						
1. Number of Trauma centres for victims of violence.	23	23	25	36	27	11
2. Number of District Outbreak Response Teams operational	11	11	11	11	11	11
3. Number of Development and distribution of pamphlets, fact sheets and media coverage for community awareness on communicable diseases.	–	4	4	Indicator unclear	4	–
4. Facilities with support groups for chronic conditions. (%)	50%	50%	60%	70% [107]	80%	–
Process						
5. CHC's with fast queues for elder persons. (%)	40%	40%	54%	80% [108]	60%	20%
6. Investigation of all reported outbreaks. (%)	Not Measured	100%	100%	100%	100%	100%
Output						
7. Number of Districts with health care waste management plan implemented.	11	11	11	11	11	11
8. Hospitals providing occupational health programmes.(%)	100%	100%	100%	100%	100%	100%
9. Number of Schools implementing Health Promoting Schools Programme (HPSP).	Not Measured	132	132	85 [109]	132	132
10. Integrated Epidemic Preparedness and Response Plans implemented.	Yes	Yes	Yes	Yes	Yes	Yes
11. Priority CDC training plans implemented.	Yes	Yes	Yes	Yes	Yes	Yes
12. Health facilities supplying chronic medication. (%)	100%	100%	100%	100%	100%	–
13. Number of Health facilities with low vision services.	Not Measured	1	5	2 [110]	10	–

[106] 2004/05, 2005/06, 2006/07, 2007/08: APP 2007/08 Page 181, Table 45
[107] Indicator not actively monitored
[108] Quarterly District Reports – (436 facilities) not specific to CHC
[109] 85 Schools applied for assessment and were accredited – see narrative
[110] At IALCH and development commenced in Mahatma Ghandi M Hospital in MTEF 2007/08

Indicator	2004/05 (Actual)	2005/06 (Actual)	2006/07 (Actual)	2007/08 (Actual)	2007/08 (Target)	National Target
Quality						
14. Number of Schools complying with quality index requirements for HPSP.	Not Measured	20	25	78 [111]	35	55
15. Outbreak response time.	1 Day	1 Day	1 Day	1 Day	1 Day	1 Day
16. Facilities complying with chronic long term care model. (%)	Not Measured	60%	70%	Not Measured [112]	80%	–
Outcome						
17. Dental restoration to extraction rate.	45:1	35:1	30:1	25:1	25:1	25:1
18. Malaria fatality rate.	0.5%	<1%	0.6%	1.5% (DHIS) 0.8% (EH)	0.5%	0.3%
19. Cholera fatality rate. (%)	No Cases	0%	<1%	0%	<1%	<1%
20. Number of Cataract surgery procedures.	7,892	8,286	8,701	7,060	9,136	12,000

[111] Provincial accredited as HPS
[112] Reliable data not available – no monitoring tool

Table 14: Provincial Objectives and Performance Indicators for Disease Prevention and Control [113]

Measurable Objective	Indicator	2004/05 (Actual)	2005/06 (Actual)	2007/08 (Actual)	2007/08 (Target)
COMMUNICABLE DISEASES PROGRAMME					
1. To Improve Staffing Capacity At Both Provincial And District Level.	Number of staff appointed.	1 Provincial CDC Surveillance Officer 17 District CDC Surveillance Officers	1 Provincial CDC Technical Officer 1 Provincial CDC Surveillance Officer 3 District CDC Surveillance Officers officer 40 District CDC Community Tracing Officers	Process Completed	Process Completed
2. To complete transfer of old TB Programme Structure to HAST.	Transfer completed.	–	Migration Plan in place	Process Completed	Process Completed
3. To train Health Care Workers in EPR guidelines and case management.	Number of Health Care Workers trained: Rabies.	221	300	1,840 [114] 300	300
	Food Poisoning.	180	300	300	300
	Diarrhoea control.	–	300	300	300
	EPR.	–	–	300	300
4. To strengthen training of Health Care Workers in the above through telemedicine.	Training schedule available and adhered to.	–	–	Adhered to schedule	1 per quarter per District
5. To implement the district–based Surveillance Information Systems.	% of Districts implementing surveillance system including measles data base.	–	–	100% [115]	100%
	Transfer of "stand alone" data bases to a consolidated web–based system.	–	–	Not Complete [116]	100%

[113] 2004/05: APP 2007/08 Page 170, Table 44; 2005/06: APP Page 66, Table 44; 2006/07: AR 2006/07 Page 170, Table 19; 2007/08 Target: APP 2007/08 Page 170, Table 44
[114] Home Based Care Workers were trained in 4 Core Unit Standards (i.e. Engage in Home Health Promotion, Primary Health Care, Collection of Information and DOTS)
[115] Measles database is kept by MC&WH (EPI Programme)
[116] Awaiting National software package for the CDC database – expected in MTEF 2008/09

Measurable Objective	Indicator	2004/05 (Actual)	2005/06 (Actual)	2007/08 (Actual)	2007/08 (Target)
6. To implement the Diarrhoeal Control Programme.	% of Districts implementing the Programme.	Nil	Implemented in 4 sentinel sites in each district	4 Sentinel sites in each Districts [117]	100%
7. To expand and strengthen the 24–Hour Disaster Management Flash Reporting System.	% Districts implementing the Disaster Management Flash Reporting System.	–	60%	100%	100%
	% Districts provided with technical support.	–	60%	100%	100%
8. To train District Communicable Disease Coordinators in outbreak investigation protocols and procedures.	% of District Communicable Disease Coordinators trained.	–	100%	100% [118]	100%
9. To develop a comprehensive strategy and operational plan for the control of communicable diseases during the 2010 Soccer Event.	Plan developed and adopted.	–	Draft plan available from National CDC Unit	Plan developed	Develop appropriate capacity for implementation
CHRONIC DISEASES AND GERIATRIC CARE					
1. To increase the cataract surgery rate.	Number of trained Ophthalmic Medical Officers.	–	4	2 [119]	8
2. To increase the number of low vision services at all Sight Saver Centres.	Number of Districts with low vision services.	–	5	2 [120]	9
3. To provide flu–vaccines to older persons and persons at risk at all health facilities.	% of health facilities providing flu–vaccine to target group.	50%	60%	No data	80%
4. To improve the availability of chronic medication in PHC facilities.	% of PHC facilities providing chronic medication.	97%	100%	100%	100%
5. To raise community awareness on geriatric care.	At least one community awareness campaign per year.	0	0	2 [121]	1

[117] Implementation still fragmented and not integrated or monitored adequately. Increased staff component will improve implementation & monitoring
[118] The high turn-over rate of professional staff jeopardise training output and outcome
[119] Hospitals find it difficult to release doctors for training. Two trained doctors currently placed in Murchison and Eshowe Hospitals
[120] IALCH provides low vision services and Mahatma Ghandi Hospital is being developed. Currently 17 Sight Saver Hospitals
[121] World Health Day commemorated at Sabuyaze in Ilembe and World Sight Day at Mahatma Ghandi Hospital to launch the hospital as a Sight Saver Hospital

Measurable Objective	Indicator	2004/05 (Actual)	2005/06 (Actual)	2007/08 (Actual)	2007/08 (Target)
DISABILITY AND REHABILITATION PROGRAMME					
1. To increase access to rehabilitation services.	One or more rehabilitation disciplines established at all levels of care: – % Hospital – % PHC Clinics	 85% 50%	 90% 60%	 85% 60%	 95% 85%
	Number of Stroke Units commissioned.	2	5	5 [122]	12
	Number of Spinal Units commissioned.	1	0	1 [123]	1
	The provision of appropriate assistive devices and medical orthotic and prosthetic devices measured against the planned target.	2,784 wheelchairs, 915 hearing aids, 19 motorised wheelchairs and 10,000 O & P devices	60%	1,437 wheelchairs, 1,184 hearing aids, 9,184 walking aids, 216 O&P devices [124]	80%
	Number of Diagnostic Audiology Clinics functional.	9	12	19 [125]	18
	% facilities with appropriate access for persons with disabilities.	–	20%	60% [126]	60%
2. To ensure adequate capacity in all institutions to provide quality health services to disabled persons.	Number of mobility orientation and independence training workshops conducted.	0	3	0 [127]	5
	Number of Health Care Workers trained to use signs to communicate with the deaf.	0	30	50 [128]	200
	Number of rehabilitation mid–level workers trained in the Diploma Program.	0	0	24 [129]	60
	Number of Home and Community Based Care Givers trained on disability issues.	41	50	200 [130]	80

[122] Pilot sites at Murchison, Greys, COSH, Vryheid & Madadeni Hospitals – function sub-optimally due to high staff turn-over resulting in poor carry over of rehabilitation and disability services
[123] Phoenix in eThekwini District with poor access to the majority of people in the province – Community Health Carers were trained in spinal care in MTEF 2007/08
[124] Cannot be measured against target – denominator not known
[125] See narrative
[126] Audit result (2007)
[127] See narrative
[128] All training cancelled due to shortage of funds
[129] Physiotherapy Assistants trained - see narrative
[130] Content: Disability, HIV and AIDS, Women and Disability and Community based Rehabilitation

Measurable Objective	Indicator	2004/05 (Actual)	2005/06 (Actual)	2007/08 (Actual)	2007/08 (Target)
	Number of Rehabilitation and Professional Health Workers trained on disability issues.	500	800	20 [131]	1,200
	% Therapists trained to identify and administer the "free health service system".	0%	0%	0 [132]	80%
3. To improve quality of rehabilitation services.	Number of Wheelchair Repair and Maintenance Workshops established at Hospitals and CHC's	19	19	23	23
	% PHC facilities with reference material to communicate with the deaf.	0%	20%	0	60%
	% Health Promotion Material in Braille and Audiotape.	10%	10%	See Narrative	50%
	% Qualifying beneficiaries for "free health services" identified.	0	20%	Research Commenced [133]	70%
	Number of awareness programmes conducted in Districts.	11	11	11 [134]	11
	Number of Service level agreements with external support organisations approved and operational.	3	3	7	7
HEALTH PROMOTION					
1. To facilitate the implementation of health promotion and healthy lifestyle interventions.	Number of Districts receiving Health Promotion (HP) Technical support.	11	11	11	11
	Number of schools participating in the Schools Essay Competition.	132	132	171 [135]	132
	Number of promotion initiatives launched.	8	23	Included in all health events	60

[131] Trained in use of International Classification of Disabilities – pilot conducted in Umzinyathi District before roll-out to other districts
[132] Lack of funding for training
[133] Indicator ill defined. Research commenced to determine demand and supply of free services
[134] See narrative for details
[135] Topic: 'How can I assist my school to become a Health Promoting School'

Measurable Objective	Indicator	2004/05 (Actual)	2005/06 (Actual)	2007/08 (Actual)	2007/08 (Target)
2. To promote health literacy by facilitating the development of, production, mobilization and education strategies, materials, messages and resources.	Information, Education and Communication (IEC) materials developed and % Districts receiving the materials timeously.	60%	80%	Available material distributed	100%
	Number of talk shows held.	80	80	57 [136]	95
	Number of health events held by Districts in accordance with the Health Calendar.	24	24	217 Till December 2007	30
	Number of Districts with Resource Centres established.	5	6	6 [137]	11
3. To build capacity in health promotion.	Number of Districts with Health Promotion Forums established.	10	11	11	11
	Number of District Health Promotion Assessment Teams established.	10		11	11
	Number of development programmes developed and implemented.	22	24	No Data	44
ORAL HEALTH					
1. To facilitate the development of integrated District Oral Health Plans.	Number of Districts with Plans.	3	5	3	9
2. To upgrade dental equipment in all Districts.	% of Districts with standardised package of dental equipment.	20%	30%	7/ 11 (63%)	75%
3. To strengthen Clinical Audit and Review Committees including Infection Control Measures.	% of Districts with Clinical Audit Review Committees functional.	20%	30%	70% [138]	75%
4. To decrease the number of extractions and increase the number of restorations.	Ratio of the number of teeth restored to the number extracted.	35:1	30:1	25:1	20:1

[136] 57 Radio talk shows till December 2007 while all other events had aspects of health promotion included (standard requirements)
[137] See Resource Centres in narrative
[138] Partake in existing committees currently. Will establish own committees in MTEF 2008/09

Measurable Objective	Indicator	2004/05 (Actual)	2005/06 (Actual)	2007/08 (Actual)	2007/08 (Target)
MENTAL HEALTH					
1. To operationalise the imperatives set by the Mental Health Act, 2002.	% Hospitals providing designated package of service.	50%	75%	100% [139]	100%
	% District Hospitals providing 72 hour assessment service.	60%	85%	100%	100%
	% of planned forensic and juvenile services operational.	30%	60%	Forensic: 100% Child & Adolescent: 50% [140]	90%
	Number of formal development programmes developed and implemented.	6	6	Not Available	6
2. To ensure integration of mental health service delivery into the DHS.	% PHC Nurses trained in mental health protocols.	70%	80%	No Database to monitor	100%
	Number of Mental Health Teams operational at various levels of mental health care.	6	8	11 – 1 per District	12
3. To reduce instances of substance abuse and the effects thereof on the health status of patients.	Number of institutions providing detoxifying services.	11	22	64 [141]	45
	% Professional Nurses trained on Substance Abuse Prevention and Management.	40%	60%	No Database to monitor	60%
	% Districts with community initiatives for the prevention and management of substance abuse.	–	25%	100% [142]	40%
	Number of campaigns initiated by Districts to focus on the youth.		25	Integrated Campaigns	40
	% Institutions with guidelines on prevention of Substance Abuse.	10%	30%	100%	75%
4. To improve the quality of care for acute, chronic and decanted patients.	Number of facilities upgraded to comply with minimum infrastructure norms and standards.	–	6	6 [143]	10
	Number of subsidised NGO Institutions operational.	–	35	33 [144]	45
	Number of Support Groups per District.	–	15	No Data	24
	% Mental Health Professionals placed in the various level of care.	–	25%	No Data	45%

[139] Quality is compromised due to HR and skills shortages – especially levels 2 & 3 services
[140] Fully operational out-patient services – in-patient services non-operational
[141] All Hospitals are able to provide the service
[142] Local Drug Action Committee established in 4 districts
[143] See narrative
[144] See breakdown in narrative

Measurable Objective	Indicator	2004/05 (Actual)	2005/06 (Actual)	2007/08 (Actual)	2007/08 (Target)
5. To decrease the incidence of violence against women and children.	% Institutions trained on Guidelines for Violence Prevention.	–	–	No Database	35%
	Number of preventative programmes launched.	–	4	Not Available	8
	% increase in the number of persons referred to Crisis Centres.	–	25%	No Data	40%
6. To promote strategies for reduction of suicide.	% Institutions implementing Guidelines to reduce suicide.	–	15%	No Data	35%
7. To improve access to mental health facilities.	Commissioning of a Child and Adolescent Unit.	–	–	Child & Adolescent Units 50% functional	Unit commissioned
	Upgrading of forensic care service to accommodate juveniles.	–	10%	Forensic Unit 100% functional	40%
ENVIRONMENTAL HEALTH					
1. To strengthen the capacity in health and hygiene education in all Districts.	Number of staff trained in PHAST Methodology.	10	100	52	10
2. To establish mechanisms for the development of the Hazardous Substances Control Programme.	A finalised strategy document for the development of the Programme	20%	50%	100%	100%
3. To reduce the incidence of Malaria.	Incidence of Malaria 1:1000 of population in affected Districts.	7/ 1,000	3/ 1,000	1/ 1,000	2 /1,000
4. To develop and maintain an environmental health management information system.	A finalised Environmental Health (EH) Management Information System (MIS).	20%	50%	Submitted for approval	70%
5. To strengthen and develop full capacity for Port Health Services.	Number of designated ports of entry with comprehensive service.	3	4	5	5

Notes

Programme 3

Emergency Medical Rescue Services

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PROGRAMME DESCRIPTION

Provide emergency, medical, rescue & non-emergency (elective) transport and health disaster management services in the Province

PROGRAMME STRUCTURE

Sub-Programme 3.1
Emergency Patient Transport (EPT)

Provide emergency response (including stabilisation of patients) and transport to all patients involved in trauma, medical, maternal, and other emergencies through the utilisation of specialised vehicles, equipment and skilled Emergency Care Practitioners (ECP)

Sub-Programme 3.2
Planned Patient Transport (PPT)

Provide transport services for non-emergency referrals between hospitals, and from PHC Clinics to Community Health Centres and Hospitals for indigent persons with no other means of transport

Sub-Programme 3.3
Disaster Management

Mass casualty incident management. Conduct surveillance and facilitate action in response to Early Warning Systems for the Department and activate effective response protocols in line with the provisions of the Disaster Management Act, 2002

1. EMERGENCY MEDICAL RESCUE SERVICES (EMRS)

National Priority 5:
Strengthen PHC, Emergency Medical Rescue Services and Hospital Service delivery systems.

Provincial Strategic Goal 2:
Strengthen PHC and provide caring, responsive and quality health care services at all levels.

Strategic Priority 4:
Improve quality of care.

↓

EMRS Priorities – 2007/08

1. Implement preparedness plans towards the 2010 Soccer World Cup.
2. Strengthening of Planned Patient Transport (PPT).
3. Improve the functioning of the Call Centres.
4. Implement marketing and awareness campaign via community-based programmes.
5. Revitalisation of basic infrastructure in collaboration with Facility Management.
6. Training of mid-level workers through the Durban University of Technology for the College of Emergency Care.
7. Obtain Sector Education and Training Association (SETA) accreditation to provide the National Certificate: Incident Management Systems.

Priority 1

- During 2007/08, the Department procured a total of 193 ambulances of which 114 were received during the reporting period. Aero Medical Services were not extended in the reporting period.

Table 1: Ambulances per 10,000 population – 2007/08

District	Population	Emergency Service Vehicles (ESV's)	Ratio ESV: Population
Amajuba	725,198	19	1: 38,168
eThekwini	3,500,000	48	1: 72,916
Ilembe	772,692	16	1: 48,293
Sisonke	492,002	19	1: 25,894
Ugu	705,562	18	1: 39,197
Umgungundlovu	995,030	18	1: 55,279
Umkhanyakude	600,000	18	1: 33,333
Umzinyathi	495,600	17	1: 29,152
Uthukela	770,000	19	1: 40,526
Uthungulu	902,820	25	1: 36,112
Zululand	872,856	24	1: 36,369
Total	**10,831,760**	**241**	**1: 44,945**

- The Provincial Department of Health World Cup Committee submitted the 2010 Business Plan to the Chief Financial Officer in 2007/08 and is awaiting a response. The committee meets monthly to monitor progress towards the 2010 targets.
- EMRS received R29m from the National Department of Health towards 2010 preparedness including:
  - R15m for the procurement of ambulances. Ambulances procured as per 2007/08 Business and Procurement Plan.
  - R8.3m for Emergency Care Technicians training. 25 Students were trained in 2007/08.
  - R5.3m to upgrade the eThekwini Communication Centre – planned for 2008/09.
  - R880,000 for the 2010 World Cup Office.

Priority 2

- A total of 717,849 patients were transported by the Planned Patient Transport (PPT) Service during 2007/08.
- EMRS achieved a hospital-to-hospital PPT coverage of 100% and 55% clinic-to-hospital coverage. The 55% clinic-to-hospital coverage represents the percentage of the total number of clinics in the Province that are being serviced by PPT.
- EMRS complied with the provincial referral system and transferred patients to hospitals and established Community Health Centres as per referral guidelines.

EMRS Case Profile – 2007/08:

Medical cases:	61%
Motor vehicle collisions:	8%
Assault cases:	14%
Domestic & industrial accidents:	12%
Other:	5%

Priority 3 and 5

- Upgrading of the four identified Communication Centres has been a slow process. Three centres in Ilembe, Ugu and Uthukela Districts were completed in 2007/08.
- Infrastructure Development prioritised the upgrading of centres and an additional 4 Communication Centres are targeted for upgrading in 2008/09 i.e. eThekwini District, Umzinyathi District, Uthungulu District and Zululand District. Upgrading will include fully computerised software systems which will help to overcome the current constraints relating to the information management system and call taking dispatch.
- Experienced staff, trained specifically in Emergency Medical Dispatch, will be employed in the control centres and able-bodied Emergency Care Practitioners in the control centres will return to the operational component.
- Employment of people with disabilities in the control centres is planned in order to comply with employment equity requirements.

Priority 4

- EMRS embarked on community awareness campaigns and marketing programmes to address ambulance abuse, hoax calls and hijacking of ambulances.

Priority 6 & 7

- Due to accommodation challenges, the Department could not initiate the Mid-Level Worker course as planned for 2007/08.
- The College of Emergency Care is currently running the Intermediate Life Support course to supplement the current Basic Life Support course that will improve patient management.

1.1. Quality Assurance

- The Advanced Life Support (ALS) and Principal Medical Officers (PMO's) analyse patient report forms to identify training gaps and needs, and arrange in-service training and quality improvement plans accordingly.
- Supervisory structures were reviewed in 2007/08 to improve supervision and quality assurance. These now comprise of Shift Supervisors (for each shift), Zonal Officers supervising Shift Supervisors and District Operations Managers who are in charge of district operations. Development programmes are planned to enable Supervisors to manage disciplinary issues effectively.
- The current Standard Operating Procedures have been revised in 2007/08 and are being implemented. It is anticipated that this will address the culture of poor discipline, as performance will be measured against the procedures.

Challenge

- Insufficient PMO's and ALS to analyse records – compromising quality.

1.2. Human Resources

- 338 Emergency Care Practitioners were recruited during 2007/08.
- The Department of Health Legal Services finalised the Service Level Agreement with the Durban University of Technology in 2007/08 and submitted it to the Durban University of Technology Management for signature.
- Five districts have appointed Principal Medical Officers who will monitor improved patient care through quality assurance. A Principal Technical Advisor: EMRS Monitoring and Evaluation was appointed in Head Office to give technical assistance to districts and monitor general compliance to quality standards.

2. DISASTER MANAGEMENT

Disaster Management Priorities – 2007/08

1. Establish capacity to deal with health related disaster management issues.
2. Conduct disaster risk assessments.
3. Integrate guidelines for disaster management into service delivery plans.
4. Provide early warning systems and emergency preparedness.

Priority 1

- The effective functioning of disaster management relies on the availability of budget and employment of staff to develop and implement disaster management programmes. There are currently no organisational structures and allocated budget for disaster management for both provincial and district management, seriously hindering the implementation of disaster management. Budget constraints impact negatively on the procurement of disaster equipment as well as other related campaigns intended for risk reduction and mitigation.

Priority 2

- Due to shortage of staff, no disaster risk assessments were conducted during 2007/08 however the disaster risk assessment matrix is readily available for use.

Priority 3 & 4

- The Policy on the Comprehensive Integrated Management of Public Health Disasters has been finalised and submitted for approval. The policy will address disaster planning, early warning, emergency preparedness and response and recovery.

Table 2: Performance Indicators for Emergency Medical Rescue Services and Planned Patient Transport [1]

Indicator	2004/05 (Actual)	2005/06 (Actual)	2006/07 (Actual)	2007/08 (Actual)	2007/08 (Target)
Input					
1. Rostered ambulances per 1,000 people.	0.0964	0.0890	0.06	0.02	0.07
2. Hospitals with patient transporters. (%)	79%	100%	100%	100%	100%
Process					
3. Kilometres traveled per ambulance (per annum). (number)	143,404	145,320	–	257,183	–
4. Locally based staff with training in Basic Life Support (BLS) (BAA). (%)	53.7%	69%	75%	72%	70%
5. Locally based staff with training in Intermediate Life Support (ILS) (AEA). (%)	50.7%	26%	20%	25%	25%
6. Locally based staff with training in Advanced Life Support (ALS) (Paramedics). (%)	5.6%	5%	5%	2.10%	5%
Quality					
7. Calls with a response of < 15 minutes in urban areas. (%)	40.50%	40.75%	50%	41%	55%
8. Calls with a response of < 40 minutes in rural areas. (%)	38.75%	39.25%	50%	45%	55%
9. Operational rostered ambulances with single person crews. (%)	–	–	–	–	–
Efficiency					
10. Ambulance journeys used for hospital transfers. (%)	3.53%	3.20%	0%	3.42%	0%
11. Green code patients transported by ambulance. (%)	33%	20.25%	20%	33%	15%
12. Cost per patient transported by ambulance (Not actual cost but tariff changed in terms of the model used to calculate fee for "paying" patients). (R)	R 507	R 558	–	R770	–
13. Number of Ambulances with less than 500,000 km on the odometer. (Number)	380	526	595	253	796
Output					
14. Number of Patients transported by Patient Transport System (PTS) per 1,000 separations. (Number)	55	60	Not yet planned	66.3 (9,402)	Not yet planned

[1] 2004/05, 2005/06, 2006/07, 2007/08 target: 2007/08 APP, Page 186, Table 46

Table 3: Provincial Objectives and Performance Indicators for Emergency Medical Rescue Services and Planned Patient Transport [2]

Measurable Objectives	Indicators	2004/05 (Actual)	2005/06 (Actual)	2006/07 (Actual)	2007/08 (Actual)	2007/08 (Targets)
PRIORITY 1 : IMPROVING ACCESS TO SERVICES						
1. To improve access to services.	% of staff trained in Emergency Medical Dispatch (EMD).	50%	103%	80%	80%	100%
	Improve Response Times.	Urban 40.5% Rural 38.7%	Urban 40.75% Rural 38.15%	Urban 36.2% Rural 30.46%	Urban: 41% Rural:45%	75% Urban and Rural
	isiZulu proficient staff.	No data	86%	70%	95%	90%
	Number of computerised Communication Centres.	4	4	4	3	12
2. To strengthen implementation of PPT.	% coverage inter–hospital.	60%	100%	–	100%	100%
	% of clinic–to–hospital coverage.	No data available	34%	40%	55%	100%
	% decrease in use of operational ESV's for non–emergency transportation.	60%	100%	–	80%	100%
3. Implement norms and standards for EMRS.	% realisation of norm ESV: Population (1:10,000).	25%	19%	–	22%	89%
	% realisation of norm ESV: Staff.	25%	28%	–	22%	89%
4. To increase awareness of EMRS.	Number of Public Relation Officers (PRO's) in each District.	Posts did not exist	Could not fill posts	–	0	11
	Number of awareness and public education programmes.	Minimum 4 per district	20	–	22	33
	Number of special operations conducted (Easter and Summer holidays).	2	2	–	2	2
5. To have Performance Contracts in place.	% Performance Contracts in place	Did not exist	10%	–	100%	100%
	Regular performance assessments of staff.	–	–	–	100%	100%
6. To develop and implement a Monitoring and Evaluation System.	% compliance with provincial strategic objectives.	–	60%	–	100%	100%

[2] 2004/05, 2005/06, 2007/08 target: 2007/08 APP, Page 193, Table 48; 2006/07: 2006/07 AR, Page 79, Table 20

Measurable Objectives	Indicators	2004/05 (Actual)	2005/06 (Actual)	2006/07 (Actual)	2007/08 (Actual)	2007/08 (Targets)
PRIORITY 2: IMPROVING QUALITY OF CARE: IMPROVE QUALITY OF EMRS IN THE PROVINCE						
1. To reduction of mortality and morbidity.	Number of Medicual Intensive Care Units (MICU) and Neo–Natal Intensive Care Units (NICU) vehicles in Districts.	–	11	–	6 – MICU 1 – NICU	22 – MICU 11 – NICU
	Number of ALS in the Province.	–	61	–	49	680
	% ESV equipped up to ILS level.	–	30%	–	51%	70%
	PMO'S per district.	–	1	–	5	1
2. To implement rescue units.	Number of rescue units fully equipped per district.	–	1	–	1	4
3. To implement a quality improvement plan.	Plan in place with Monitoring and Evaluation tool implemented.	–	Draft	–	Not implemented	Monitor
4. To reinforce Batho Pele Principles and Patients Rights Charter.	Number of workshops conducted / awareness created in Batho Pele and Patients Rights Charter.	–	0		1 per quarter	1 per quarter
	% of patients transported providing feedback.	–	New Indicator		9%	20%
	% decrease in the number of negative responses.	–	New Indicator		New indicator	10%
PRIORITY 3: STRENGTHENING HUMAN RESOURCES Capacity Building and Development						
1. To increase Human Resource Capacity.	Increase number of personnel to achieve equity and optimal status.	–	650	–	1,280	3,170
2. To implement training programmes.	Have an agreement in place with identified tertiary institutions.	–	0	–	1	2
	Human capacity development for all non–managerial and supervisory staff members.	–	100%	–	100%	100%
3. To implement a Human Resources Plan.	Revised plan in place.	–	Nil	–	Reviewed & monitored	Review, implement and monitor
PRIORITY 4: REVITALISATION OF BASIC INFRASTRUCTURE CAPACITY BUILDING AND DEVELOPMENT						
1. To make residential accommodation available for staff.	Number of Districts providing staff accommodation.	–	0	–	3	4
2. To make appropriate office accommodation available for District Service and Bases.	Number of Districts with appropriate office accommodation.	–	4	–	4	10

Measurable Objectives	Indicators	2004/05 (Actual)	2005/06 (Actual)	2006/07 (Actual)	2007/08 (Actual)	2007/08 (Targets)
3. To improve infrastructure for EMRS bases.	Number of customised–built bases as per multi–year plan.	–	N/A	–	0	11
4. To upgrade Communication Centres.	Number of Communication Centres upgraded.	–	0	–	3	10
5. To increase the fleet provision.	Number of vehicles purchased per year.	–	200 ESV's 128 Support	–	180 ESV's 39 Support	393 ESV's 64 Support 33 PPT
PRIORITY 5: HEALTH PROGRAMMES POVERTY ALLEVIATION						
1. To make a contribution to job creation.	Number of entry grade posts filled per year.	–	–	–	412	2,530
	Number of locally based matriculates entered into the EMRS recruitment and training programme.	–	46	–	94	200
	% of budget spent on tenders awarded to Broad Based Black Economic Empowerment (BBBEE) / Small Medium and Micro Enterprises (SMME's) / Women Owned Enterprises (WOE).	–	9%	–	N/A	15%
2. To implement HIV awareness in the Workplace, Employee Assistance Programme (EAP) and Occupational Health and Safety Measures,	% targets set in the Human Resource Management Plan met.	–	New	–	30%	100%

Table 4: Provincial Objectives and Performance Indicators for Health Disaster Management [3]

Measurable Objectives	Indicators	2004/05 (Actual)	2005/2006 (Actual)	2006/07 (Actual)	2007/08 (Actual)	2007/08 (Target)
1. To establish functional teams at Head Office, District, Institutional and at community levels.	Appointment of staff :					
	– Province. (% posts filled)	37%	0	80%	100%	100%
	– District. (% posts filled)	50%	0	100%	72%	100%
	Specialised response teams fully operational for any eventuality:	40%	0	60%	0%	80%
	– Province.	0	0	60%	0%	70%
	– District.	0	0	70%	0%	80%
	– Institutions.					
	Community-based disaster committees fully functional.	0	0	60%	0%	70%
2. To have and update an accessible database in place to effectively manage health related disasters.	– Updated database in control centres based on:	60%	60%	80%	80%	100%
	– Annual review at Province. (%)	40%	40%	60%	0%	80%
	– Quarterly reviews at districts and institutions. (%)					
3. To establish an effective reporting system for health related disaster incidence.	Effective communication at all levels: (%)					
	– Province.	0	50%	50%	50%	70%
	– Districts.	0	50%	70%	80%	80%
	– Institutions.	0	50%	70%	80%	80%
4. To improve understanding between all role players involved in health disaster risk management continuum.	– Number of Monthly meetings with Provincial Disaster Management Centre.	4	12	12	4	12
	– Number of Quarterly meetings of the Medical Rescue Coordinating Committee.	3	3	4	0	4
DISASTER PREPAREDNESS AND EMERGENCY PLANNING						
1. To conduct a vulnerability assessment and risk analysis.	Identification of the most vulnerable areas in the Province. (%)	0	0	60%	60%	70%
2. To develop a generic Contingency Plan for disaster response and recovery.	% of targets set in the Plan implemented by Institutions.	0	0	70%	70%	85%

[3] 2004/05, 2005/06, 2007/08 target: 2007/08 APP, Page 198, Table 49; 2006/07

Measurable Objectives	Indicators	2004/05 (Actual)	2005/2006 (Actual)	2006/07 (Actual)	2007/08 (Actual)	2007/08 (Target)
3. To provide guidelines for preparing Disaster Management Plans.	% Institutions with a Disaster Management Plan.	0	0	80%	70%	100%
4. To improve community participation in the rendering of the service.	% Planned workshops conducted with stakeholders.	0	0	70%	50%	80%
5. To ensure functionality of communication systems in all Health Facilities.	% Communication Systems audited at least twice a year.	50%	50%	100%	60%	100%
DISASTER RESPONSE AND RECOVERY						
1. To establish emergency preparedness and early warning systems.	% Health Institutions with Evacuation Plans and Procedures in place.	0	0	100%	100%	100%
	Number of Guidelines on disaster assessment, the classification of disasters and the declaration of status of disasters.	0	0	Developed	Implemented	Implemented
	Contingency Plan template for special land mass casualty events in place.	Only in EMRS	Same	All institutions	60%	All institutions
MONITORING, EVALUATION AND IMPROVEMENT						
1. To establish guidelines for conducting rehearsals, simulations, exercises and drills.	Number of disaster preparedness drills per year.	0	0	1	0	2
2. To regularly report on the performance of the function.	Annual Provincial Report.	1	1	1	1	1
	Quarterly District Reports.	0	0	4	4	4

Notes

Programme 4

Provincial Hospital Services

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PROGRAMME DESCRIPTION

Deliver accessible, appropriate, effective and efficient General Specialist Hospital Services

PROGRAMME STRUCTURE

Sub-Programme 4.1

Render Regional Hospital Services at specialist level

Sub-Programme 4.2

Render Hospital services for TB, including Multi-Drug Resistant TB

Sub-Programme 4.3

Render Hospital services for Mental Health

Sub-Programme 4.4

Render comprehensive Dental Health services and provide training for Oral Health personnel

Sub-Programme 4.5

Render Step-Down and Rehabilitation services to the Chronically Ill

National Priority 3:
Contribute towards human dignity by improving quality of care.

National Priority 5:
Strengthen PHC, Emergency Medical Rescue Services and Hospital service delivery systems.

Provincial Strategic Goal 2:
Strengthen PHC and provide caring, responsive and quality health care services at all levels.

Strategic Priority 4:
Improve quality of care.

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Provincial Hospital Priorities – 2007/08

1. Implement systems for monitoring & evaluation to enhance quality of care.
2. Improve quality and rationalisation of services.
3. Implementation of package of services.
4. Development of clinical protocols and guidelines.

1. PROVINCIAL/ REGIONAL HOSPITALS

1.1 Preparation for the 2010 Soccer World Cup

- Provincial Hospital services benefited from the implementation of the 2010 Soccer World Cup Hospital Preparedness Plan that has been completed in 2007/08. Progress:
  - Finalised standard equipment and medication lists for hospitals.
  - Identified and assessed isolation facilities in collaboration with the Communicable Diseases Control Directorate, and developed a Hospital Improvement Plan in consultation with the Infrastructure Development Unit.
  - Compiled an updated database of accident and emergency facilities.
  - Assessed the training requirements (based on needs) of hospital personnel which will inform the training and development plan.
  - Established an integrated working group with Military Health Services who will train hospital and EMRS personnel on the handling of chemical and biological warfare.
  - Private Hospitals will assist and participate with the planning and implementation of 2010 hospital preparedness.

Priority 1

- A pilot project to improve clinical audits commenced in 7 Tertiary and Provincial Hospitals in 2007/08 and will be rolled out to other hospitals commencing in 2008/09.
- The International Code for Disease (ICD-10) Master Industry Table is available on the health intranet, assisting practitioners to access ICD-10 codes.
  - This will ensure compliance with billing requirements of medical aids and make a significant contribution towards the collection of revenue.
  - The use of the international disease coding system will also enable the Department to determine the burden of disease, thereby informing decision-making and planning.

Priority 3

- Significant progress has been made in 2007/08 in establishing a modern, specialised Accident and Emergency Unit in Stanger Hospital.

Priority 4

- A draft Hospital Governance Policy has been completed and submitted for approval in 2007/08. The objective of the Policy being to strengthen governance activities within institutions and to strengthen the functioning of hospital boards. The draft Policy has been presented to three Hospital Boards and has met with their approval and support. The Draft is currently being piloted in a Regional Hospital.
- A comprehensive framework for clinical governance for all levels of care has been finalised in 2007/08.
- A Draft Policy to regulate buying of Intensive Care Unit (ICU) beds from Private Hospitals has been completed in 2007/08 and will improve control and reduce expenditure.

Challenges

- Recruitment and retention of health professionals remained a significant challenge during 2007/08 despite the introduction of Occupational Specific Dispensation (OSD).

  Infection Control Managers that have not benefited from OSD returned to clinical specialities increasing the skills gap in hospitals.

- Waiting times improved after implementation of appointment systems, although the transfer of patients to and from referral hospitals remained a problem in 2007/08. A task team will be established in 2008/09 to develop a policy that will formalise referral between facilities.

2. PRIVATE HOSPITALS

- In 2007/08 the Department received 9 applications for private facilities. Four applications were approved in accordance with the requirements laid out in Regulation 158.
- Annual inspections were conducted on all the private facilities (40) in 2007/08. One institution was found non-compliant to standards and corrective steps have been implemented to improve compliance. Relevant reports have been submitted.

Challenge

- The development of norms for awarding private licenses is overdue due to a lack of capacity to develop norms and standards.

3. STEP DOWN FACILITIES

- In 2007/08, the Department received 5 applications from the Private Sector to establish Step Down facilities in the Province. Two applications were approved and 2 were unsuccessful. One application, containing 9 separate sites, is still under consideration.

4. TB DECENTRALISED SITES

- The overall capacity to manage TB patients appropriately, including initiation of treatment, was improved in 2007/08 through increased service points and bed space.
- Two new decentralised MDR TB sites i.e. Murchison Hospital (40 beds) in the Ugu District and Thulasizwe Hospital (40 beds) in the Zululand District were opened in 2007/08, increasing the MDR TB beds to 415 as compared to 240 beds when the programme started in 2006.
- Following the WHO/ NTCP training for doctors and nurses in November – December 2007, three of the recently developed decentralised sites (M3 Greytown Hospital in Umzinyathi District, Thulasizwe Hospital in Zululand District and Murchison Hospital in Ugu District) initiated treatment and management of MDR TB.

5. PSYCHIATRIC UNITS

5.1 Adolescent Psychiatric Unit

- Townhill Hospital is completed except for a few infrastructural adjustments that need to be made in accordance with standard specifications. The hospital allocated 10 beds (5 male and 5 female) to accommodate adolescents, and although there are no in-patients yet, the out-patient and outreach service is fully operational. A Child Psychiatrist was appointed and nursing staff posts advertised in 2007/08.
- A pilot 'Dual Diagnosis Unit' at Townhill Hospital commenced in 2007/08 and will continue in 2008/09.
- King George V Hospital is completed (with 6 male beds) with keys handed over in 2007/08. The facility is due to open formally in July 2008. A Child Psychiatrist was appointed.

5.2 Forensic Unit

- The Forensic Unit at Fort Napier Hospital, with 30 beds, can only admit 20 patients due to a shortage of qualified nursing personnel. The service is very labour intensive due to the need for close observation of the accused. This has resulted in a long waiting list of accused in Correctional Services with waiting periods of up to 6 months before observation.

5.3 Improvement of Infrastructure

- Phase 1 of the King George V Hospital upgrading is complete (55 beds).
- The hospital revitalisation programme, targeting Townhill and Fort Napier Hospitals, is completed.

Challenges

- Due to severe budgetary constraints, building of seclusion facilities in institutions is compromised. This was identified as a Provincial priority in 2007/08 and will be prioritised in 2008/09.

Table 1: Performance Indicators for Provincial/ Regional & Specialised Hospitals [1]

Indicator	2004/05 (Actual)	2005/06 (Actual)	2006/07 (Actual)	2007/08 (Actual)	2007/08 (Target)	National Target 2007/08
GENERAL (REGIONAL) HOSPITALS						
Input						
1. Expenditure on staff as % of Regional Hospital expenditure.	68.4%	66.46%	67%	68.84%	66.90%	66%
2. Expenditure on drugs for Hospital use as % of Regional Hospital expenditure.	8.09%	7.32%	7.30%	6.80%	7.40%	12%
3. Expenditure by Regional Hospitals per uninsured person.	R 226.20	R 255.27	R 273.32	R328.55	R 282.52	–
TUBERCULOSIS HOSPITALS						
Input						
1. Expenditure on staff as % of Tuberculosis Hospital expenditure.	52.15%	55.17%	50.00%	64.54%	51%	–
2. Expenditure on drugs for hospital use as % of Tuberculosis Hospital expenditure.	6.80%	6.86%	7%	5.55%	7.50%	–
3. Expenditure by Tuberculosis Hospitals per uninsured person.	R 28.15	R 26.57	R 39.43	R54.76	R 57.58	–
PSYCHIATRIC HOSPITALS						
Input						
1. Expenditure staff as % of Psychiatric Hospital expenditure.	69.92%	65.68%	66%	78.95%	66.50%	–
2. Expenditure on drugs for hospital use as % of Psychiatric Hospital expenditure.	1.36%	3.23%	3.50%	4.62%	3.51%	–
3. Expenditure by Psychiatric Hospitals per uninsured person.	R 31.00	R 34.11	R 35.73	R46.55	R 47.92	–

[1] 2004/05 & 2005/06 & 2006/07 & 2007/08 target: APP 2007/08, Page 215, Table 58

Table 2: Performance indicators for Provincial/ Regional Hospitals [2]

Indicator	2004/05 (Actual)	2005/06 (Actual)	2006/07 (Actual)	2007/08 (Actual)	2007/08 (Target)	National Target
Efficiency						
1. Average length of stay in Regional Hospitals.	8 Days	5 Days	4 Days	4.8 Days	4 Days	4.1 Days
2. Bed utilisation rate (based on usable beds) in Regional Hospitals.	62%	67%	70%	66%	72%	75%
3. Expenditure per patient day equivalent in Regional Hospitals.	R 754.00	R 884.00	R 700.00	R 1,118.00	R 750.00	R 1,128.00
Outcome						
4. Case fatality rate in Regional Hospitals for surgery separations.	N/A	5%	4%	5.8%	3%	2%
Process						
5. Regional Hospitals with operational Hospital Board.	87%	87%	100%	100%	100%	100%
6. Regional Hospitals with appointed (not acting) CEO in post.	100%	100%	100%	90%	100%	100%
7. Facility data timeliness rate for Regional Hospitals.	100%	100%	100%	100%	100%	100%
Output						
8. Caesarean section rate for Regional Hospitals.	34%	35%	25%	32%	25%	18%

[2] 2004/05 & 2005/06 & 2006/07 & 2007/08 Target: APP 2007/08, Page 217, Table 59

Table 3: Provincial Objectives & Performance Indicators for Provincial/ Regional & Specialised Hospitals [3]

Objective	Indicator	2004/05 (Actual)	2005/06 (Actual)	2006/07 (Actual)	2007/08 (Actual)	2007/08 (Target)
1. To improve quality of care.	% of Hospitals with effective infection control programmes.	25%	25%	45%	80%	65%
	% of Hospitals utilising quality measurement systems.	25%	25%	45%	60%	65%
	% of Hospital compliant with set norms and standards.	40%	40%	45%	60%	65%
2. To ensure adequate governance of hospitals	% of Hospitals with complete management team.	–	Not monitored	95%	100%	100%
	% of Hospitals with minutes of the meeting of Hospital Boards.	–	Not monitored	100%	100%	100%
3. To ensure effective referral system (only applicable to Regional Hospitals)	% of Hospitals with referral pathway implemented.	Not Monitored	Not Monitored	70%	100%	100%
	Hospital departments with forum to establish referral pathway.	Not Monitored	Not Monitored	50%	70%	70%

[3] 2004/05 & 2005/06: APP 2007/08, Page 214, Table 57; 2006/07: AR 2006/07, Page 87, Table 22

Programme 5

Central Hospital Services

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PROGRAMME DESCRIPTION

Rendering Quaternary and other Tertiary Health Services

PROGRAMME STRUCTURE

Sub-Programme 5.1

Rendering of Central and Quaternary Hospital Services

Sub-Programme 5.2

Rendering Tertiary Hospital services

National Priority 3:
Contribute towards human dignity by improving quality of care.

National Priority 5:
Strengthen PHC, Emergency Medical Rescue Services and Hospital service delivery systems.

Provincial Strategic Goal 2:
Strengthen PHC and provide caring, responsive and quality health care services at all levels.

Strategic Priority 4:
Improve quality of care.

↓

Tertiary/ Central Hospital Service Priorities – 2007/08

1. Recruitment and retention of appropriately skilled staff.
2. Enforcing compliance to established referral patterns.
3. Improve Hospital Governance.
4. Monitoring and evaluation, including data management.
5. Strengthening of the Medical and Radiation Oncology services at Grey's Hospital.

Tertiary/ Central Hospital services provide specialist and sub-specialist health care as defined for level 3 health care services.

- Inkosi Albert Luthuli Central Hospital (IALCH) is a Central Hospital with 100% Tertiary services; Grey's Hospital provides 80% Tertiary and 20% Regional services; and Ngwelezana Hospital 40% Tertiary, 40% Regional and 20% District services. Lower Umfolozi District War Memorial Hospital provides specialised Mother and Child services.

Challenges

- Layered service delivery poses unique management and monitoring challenges including human resource allocation, norms and standards, workload, etc.
- The current reporting system (DHIS and Patient Throughput Service System (PTSS) does not make provision for the break down of service delivery indicators. Interpretation of specific service delivery indicators by level of care, analysis of trends, etc. is therefore compromised sometimes to the disadvantage of the institution.

Reporting systems should be reviewed to ensure a more appropriate and realistic analysis of service delivery indicators against National and Provincial norms and targets.

1. HOSPITAL REVITALISATION PROGRAMME

- Ngwelezane and Lower Umfolozi District War Memorial Hospitals are in the revitalisation programme.

Priority 1

- The recruitment and retention of appropriately skilled professional staff remains a critical challenge. Grey's Hospital had a 36.48%[1] vacancy rate of Professional Nurses in 2007/08, which impacted negatively on elective surgery and waiting time. The institution has had to utilise Recruitment Agencies, grant overtime and reduce leave allocation. This had considerable cost implications and impacted negatively on general staff wellness.
- Ngwelezane Hospital reported rapid and recurrent staff attrition, emigration of highly trained professionals, and movement of professional staff to urban areas in 2007/08. *The hospital has developed a new exit questionnaire to identify and address staff attrition in 2008/09.*

[1] PERSAL report – Posts 499; Filled 313 (62.72%); Vacant 182 (36.48)

- The impact of OSD on recruitment and retention of staff in hospital services is unclear however Infection Control Managers (who did not benefit from OSD) prefer to return to their respective clinical specialities.

Priority 2

- The Departmental referral patterns are strictly adhered to and cases are discussed with consultants prior to referral, hence ensuring compliance.
- Referrals from Eastern Cape, and Private/ Medical Aid patients only access IALCH through the official referral system and no direct referrals are received from the private sector. The percentage of referrals from the Eastern Cape is not quantifiable.
- Entry and exit criteria are strictly adhered to and monitored through the booking and appointment system, as well as regular service reviews. Bed occupancy rates and average length of stay are directly related to clinical pathology and is not impacted upon by compliance to the entry and exit criteria.

Priority 3

- The draft Hospital Governance Policy was submitted for approval in 2007/08, and piloted in 3 Provincial Hospitals. Implementation of the draft policy has led to improvements in the systems of financial reporting and the analysis and utilisation of management information at Grey's Hospital. The lessons learnt will be rolled out to other institutions in 2008/09.
- In 2007/08, a strategy and operational plan (including budget allocation for the appointment of specialists) to strengthen local capacity and improve availability, access and utilisation of provincial and district services was finalised. These outreach programmes, from tertiary hospitals to the periphery, will include ward rounds conducted by Specialists with local Clinicians, capacity development sessions based on identified needs of local personnel and attending to patients referred to specialist clinics.

Priority 4

- Monitoring and evaluation is done through Quarterly Peer Reviews and self-assessments. Hospitals remained compliant to service standards during all audits that were undertaken in 2007/08.
- Lower Umfolozi District War Memorial Hospital adhered to Neonatal and Maternity Care Guidelines. Protocols are designed (within National & Provincial Frameworks) and displayed in wards to ensure compliance to standard management of common conditions such as Pregnancy Induced Hypertension and Post Partum Haemorrhage. Protocols were reviewed and updated in 2007/08.
- A system is in place for weekly monitoring of indicators and clinical audits, including maternal and peri-natal deaths, HIV tests, CD4 retrieval, number of low and high risk cases, etc. Audits on the quality of patient care were also undertaken on a regular basis in 2007/08.
- All departments continuously review institutional policies to ensure evidence-based practice. Quality Assurance Managers coordinate, distribute, file and discuss new policies during hospital quality improvement meetings. In 2007/08:
  - Monthly quality audits were done by quality teams and results disseminated to management for appropriate action.
  - Documentation audits were done every 2 weeks by audit committees and results disseminated.
  - All wards did 5 documentation audits per month to monitor compliance to prescripts.
  - Public Relations Officers monitored complaints and compliments to ensure compliance to Batho Pele Principles.

2. INFECTION CONTROL

- Lower Umfolozi District War Memorial Hospital (Tertiary Obstetrics & Gynaecology) had no outbreaks of infection in 2007/08.
- Greys Hospital had a single outbreak of *Klebsiella Pneumoniae* infection in the Neonatal Intensive Care Unit in 2007/08. This was investigated by the Infection Control Team and the following measures taken:
  - All babies in the Neonatal Intensive Care Unit are now screened for colonisation with *K. Pneumonia* by submitting a stool specimen for culture. If the virus is found to be colonised, babies are isolated until they have cleared the organism before being discharged to other wards / hospitals.
  - All mothers, but especially mothers of babies in the unit are educated on infection control measures.
  - The above actions are monitored through regular audits.

3. QUALITY IMPROVEMENT

- The COHSASA accreditation of IALCH expired in 2007. The hospital however sustained standards and criteria through implementation of Quality Improvement programmes.
- Lower Umfolozi District War Memorial Hospital is fully accredited and implemented a COHSASA maintenance programme.
- Grey's Hospital is fully accredited and maintained the programme.
- Ngwelezane Hospital is not fully accredited but received a certificate of improvement. Quality assurance and improvement programmes are implemented.

Challenges

- Physical infrastructure: Structural deficits jeopardise COHSASA accreditation due to difficulty obtaining 'Fire Clearance Certificates'.
- Staff rotation impacts on sustained monitoring of COHSASA process and progress.

- Suggestion boxes are opened quarterly and information obtained is used for staff awards functions. Feedback is given to all departments and quality improvement programmes undertaken.

4. STAFF SATISFACTION SURVEYS

- Staff Satisfaction Surveys are conducted annually after which Management address service elements and problems. Responses are given to the PRO's.

Priority 5

- Greys Hospital renders Medical and Radiation Oncology services and follows the entry and exit criteria for these services. The service is funded by the National Tertiary Services Grant.
- Grey's Hospital has replaced old equipment with modern and upgraded equipment in 2007/08 which impacted positively on service delivery. The asset team separated equipment into a 'replacement' and a 'new' list, with priority given to replacement.
- The commissioning of an Emergency Unit at Ngwelezane Hospital in 2007/08 has provided a platform for the development of a Department of Emergency Medicine and a more conducive atmosphere for delivering a quality regional emergency service. Outstanding acquired equipment include:
  - 15 Multi-Parameter Monitors
  - 14 Pulse Oxymeters
  - 8 ECG Machines
  - 10 Suction Pumps
  - A Screening Unit in the Radiology Department. The current X-Ray machines are old and outdated and create service disruptions.

5. HEALTH PROMOTING HOSPITALS

- The Health Promoting Hospital Programme has assisted in improving the quality of care:
  - IALC Hospital's membership as a WHO Health Promoting Hospital has been maintained. The hospital sustained compliance to standards & criteria as determined through annual self assessments. Health awareness days and campaigns were observed in 2007/08.
  - Grey's Hospital sustained several programmes i.e. Home Based Tracheotomy Programme in PICU; Psychology in maternity and a Pain Project in the surgical wards.
  - The programmes were monitored and sustained through monthly surveys and quality audits.
  - Events committees have planned all the health events for 2007/08.
  - Ngwelezane Hospital has noted a significant improvement in history taking from patients that includes generic risks e.g. alcohol, smoking, etc. It has assisted the institution to focus on relevant Health Promotion for patients, staff, and the public. The promotion of health education through awareness increased; and a preventative approach on tertiary conditions such as arthritis and renal conditions has been implemented in 2007/08.

Specific institutional costs are reflected in tables.

Table 1: Performance indicators for Ngwelezana and Lower Umfolozi War Memorial Hospitals [2]

Indicator	2004/05 (Actual)	2005/06 (Actual)	2006/07 (Actual)	2007/08 (Actual)	2007/08 (Target)	National Target 2007/08
Input						
NGWELEZANA HOSPITAL						
1. Expenditure on hospital staff as % of hospital expenditure.	–	–	76.87%	54.05%	68.42%	70%
2. Expenditure on drugs for hospital use as % of hospital expenditure.	–	–	3.75%	–	7.02%	13%
Service Volumes						
3. Separations	15,538	18,607	19,966	18,213	–	–
4. OPD headcounts	82,227	69,618	129,453	126,827	–	–
5. Day cases (=1 separation = 1/2 IPD)	172	39	3	61	–	–
6. Casualty headcount	9,698	7,382	11,983	12,245	–	–
7. PDE's	98,969	118,037	166,818	116,992	–	
LOWER UMFOLOZI WAR MEMORIAL HOSPITAL						
8. Expenditure on hospital staff as % of hospital expenditure.	–	–	59.20%	47.08%	59.50%	70%
9. Expenditure on drugs for hospital use as % of hospital expenditure.	–	–	11.00%	8.62%	11.50%	13%
Process						
10. Operational hospital board.	Yes	Yes	Yes	Yes	Yes	Yes
11. Appointed (not acting) CEO in place.	Yes	Yes	Yes	Yes	Yes	Yes
12. Individual hospital data timeliness rate.	100%	100%	100%	100%	100%	
Output						
13. Caesarean section rate.	32%	38%	35%	34%	30%	25%
Quality						
14. Patient satisfaction survey completed.	Yes	Yes	Yes	Yes	Yes	Yes
15. Clinical audit meetings.	Yes	Yes	Yes	Yes	Yes	Yes

[2] 2004/05, 2005/06, 2006/07, 2007/08 Target: APP 2007/08, Page 225, Table 64

Indicator	2004/05 (Actual)	2005/06 (Actual)	2006/07 (Actual)	2007/08 (Actual)	2007/08 (Target)	National Target 2007/08
Efficiency						
16. Average length of stay.	7.18 Days	7.3 Days	6.5 Days	5.7 Days	6.5 Days	5.3 Days
17. Bed utilisation rate.	63.1%	66.5%	68%	80%	68.5%	75%
18. Expenditure per patient day equivalent.	–	–	R 148[3]	R1,851.13	R 121.00[4]	R 1 877.00
Outcome						
19. Case fatality rate for surgery separations.	6.3%	6.1%	5.8%	6.3%	5.5%	3.0%
Service Volumes						
20. Separations	18,335	18,929	21,237	21,018	–	–
21. OPD headcounts	52,486	43,485	38,923	35,747	–	–
22. Day cases (1 separation = 1/2 IPD)	810	100	3,291	1,884	–	–
23. Casualty headcount	1,488	1,335	2,084	1,991	–	–
24. PDE's	79,676	79,372	88,623	85,325	–	

[3] Data incorrect
[4] Data incorrect

Table 2: Performance Indicators for Grey's Hospital [5]

Indicator	2004/05 (Actual)	2005/06 (Actual)	2006/07 (Actual)	2007/08 (Actual)	2007/08 (Target)	National Target 2007/08
Input						
1. Expenditure on hospital staff as % of hospital expenditure.	54.20%	64.96%	60.22%	58.91%	61.20%	70%
2. Expenditure on drugs for hospital use as % of hospital expenditure.	16.16%	9.21%	9.36%	7.98%	9.69%	13%
Process						
3. Operational Hospital Board.	–	Yes	Yes	Yes	Yes	Yes
4. Appointed (not acting) CEO in place.	–	Yes	Yes	Yes	Yes	Yes
5. Individual hospital data timeliness rate.	100%	100%	100%	100%	100%	100%
Output						
6. Caesarean section rate.	61.5%	73%	61.5%	61%	60%	25%
Quality						
7. Patient satisfaction survey completed.	–	Yes	Yes	Yes	Yes	Yes
8. Clinical audit (Morbidity & Mortality) meetings.	–	Quarterly	Quarterly	Quarterly	Quarterly	Monthly
Efficiency						
9. Average length of stay.	7.7 Days	6.53 Days	6 Days	10 Days	5.5 Days	5.3 Days
10. Bed utilisation rate.	70.4%	77%	80%	76%	80%	75%
11. Expenditure per patient day equivalent.	No data	R 1,273.00	R 1,101.00	R1,877.25	R 975.00	R 1,877.00
Outcome						
12. Case fatality rate for surgery separations.	5.9%	No data	7.7%	6.6%	7%	3%
Service volumes						
13. Separations	15,496	15,751	12,485	12,249	–	–
14. OPD headcounts	199,287	178,493	181,595	196,857	–	–
15. Day cases (=1 separation = 1/2 IPD)	340	265	210	233	–	–
16. Casualty headcount	23,367	14,587	181,595 [6]	8 756	–	–
17. PDE's	60,999	139,220	185,898	193,913	–	–

[5] 2004/05, 2005/06, 2006/07, 2007/08 Target: 2007/08 APP, Page 226, Table 65
[6] Questionable data – as translated from previous Annual Performance Plan

Table 3: Performance Indicators for Inkosi Albert Luthuli Central Hospital [7]

Indicator	2004/05 (Actual)	2005/06 (Actual)	2006/07 (Actual)	2007/08 (Actual)	2007/08 (Target)	National Target 2007/08
Input						
1. Expenditure on hospital staff as % of hospital expenditure.	27.73%	27.93%	27.82%	35.33%	27.80%	70%
2. Expenditure on drugs for hospital use as % of hospital expenditure.	3.58%	3.86%	4.20%	6.81%	4.21%	13%
Process						
3. Operational Hospital Board.	No	Yes	Yes	Yes	Yes	Yes
4. Appointed (not acting) CEO in place.	No	No	Yes	Yes	Yes	Yes
5. Individual hospital data timeliness rate.	Yes	Yes	Yes	100%	Yes	100%
Output						
6. Caesarean section rate.	5%	74%	72%	78%	70%	25%
Quality						
7. Patient satisfaction survey completed.	Yes	Yes	Yes	Yes	Yes	Yes
8. Clinical audit (M and M) meetings.	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly	Monthly
Efficiency						
9. Average length of stay.	3 Days	10 Days	10 Days	9.5 Days	9 Days	5.3 Days
10. Bed utilisation rate.	66%	61%	73%	42%	75%	75%
11. Expenditure per patient day equivalent.	R 2,494.00	R 3,855.00	R 3,430.00	R5,299.59	R 3,865.00	R 1,877.00
Outcome						
12. Case fatality rate for surgery separations.	No data	6%	7%	4.5%	6%	3%
Service volumes						
13. Separations	18,020	14,902	17,522	14,405	–	–
14. OPD headcounts	148,202	145,768	154,749	159,459	–	–
15. Day cases (=1 separation = 1/2 IPD)	606	589	677	552	–	–
16. Casualty headcount	1,448	2,572	3,002	3,390	–	–
17. PDE's	187,720	144,250	206,036	190,245	–	–

[7] 2004/05, 2005/06, 2006/07, 2007/08 Target: 2007/08 APP, Page 227, Table 66

Table 4: Performance Indicators for all Central/ Tertiary Hospitals [8]

Indicator	2004/05 (Actual)	2005/06 (Actual)	2006/07 (Actual)	2007/08 (Actual)	2007/08 (Target)	National Target 2007/08
Input						
INKOSI ALBERT LUTHULI CENTRAL HOSPITAL						
1. Expenditure on hospital staff as % of hospital expenditure.	27.73%	27.93%	27.82%	35.33%	27.80%	70%
2. Expenditure on drugs for hospital use as % of hospital expenditure.	3.58%	3.86%	4.20%	6.81%	4.21%	13%
GREY'S HOSPITAL						
3. Expenditure on hospital staff as % of hospital expenditure.	54.2%	64.96%	60.22%	58.91%	61.20%	70%
4. Expenditure on drugs for hospital use as % of hospital expenditure.	16.16%	9.21%	9.36%	7.98%	9.69%	13%
NGWLEZANE HOSPITAL						
5. Expenditure on hospital staff as % of hospital expenditure.	–	–	76.87%	54.05%	68.42%	70%
6. Expenditure on drugs for hospital use as % of hospital expenditure.	–	–	3.75%	–	7.02%	13%
LOWER UMFOLOZI WAR MEMORIAL HOSPITAL						
7. Expenditure on hospital staff as % of hospital expenditure.	–	–	59.20%	47.08%	59.50%	70%
8. Expenditure on drugs for hospital use as % of hospital expenditure.	–	–	11%	8.62%	11.50%	13%

[8] 2004/05, 2005/06, 2006/07, 2007/08 Target: 2007/08 APP, Page 228, Table 67

Table 5: Performance against Targets from the 2004/05 Strategic Plan for the Central Hospital Services Programme [9]

Measurable Objective	Indicator	2004/05 (Actual)	2005/06 (Actual)	2006/07 (Actual)	2007/08 (Actual)	2007/08 (Target)
1. To improve management capacity at Tertiary Hospitals.	% Middle Managers completed management training pack.	–	50%	70%	100%	100%
2. To make progress with the commissioning of the Central/ Tertiary services.	% Tertiary Hospitals with fully commissioned services.	10%	30%	40%	45%	50%
3. To implement the structures and posts provisioning for the Tertiary Hospitals as per the imperatives set in the STP.	% Structure and Post provisioning completed.	10%	40%	60%	60%	70%
4. To ensure that Tertiary Hospitals provide quality care.	% Hospitals that have infection control policies and procedures in place.	20%	50%	70%	100%	80%
	% Compliance with infection control policies.	20%	40%	70%	80%	80%
	% Adverse event monitoring systems in place.	0%	40%	70%	80%	80%
	% of Hospitals implementing services in line with set service standards.	30%	50%	70%	80%	80%
	% Implementation of ICD–10 coding in all Hospitals.	0%	50%	60%	50%	70%
	% Clinical audit systems in place by department per Hospital.	30%	60%	100%	100%	100%
	% Client Satisfaction Survey conducted on an annual basis.	30%	60%	100%	100%	100%
5. To strengthen the use of health information systems.	% Hospitals with itemised billing systems in place.	0%	70%	100%	100%	100%
6. To increase the number of Central and Tertiary Hospitals on the COHSASA Programme.	Number of Hospitals with 100% COHSASA accreditation.	1	1	2	Accredited: 2 Certificates: 1	2

[9] 2004/05, 2005/06, 2006/07, 2007/08 Target: 2007/08 APP, Page 223, Table 63

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Programme 7

Health Care Support Services

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PROGRAMME DESCRIPTION

Render support services as required by the Department of Health

PROGRAMME STRUCTURE

Sub-Programme 7.1

Medicine Trading Account

Pharmacy Priorities – 2007/08

1. Ensure compliance with the registration requirements of the South African Pharmacy Council for a Pharmaceutical Warehouse Facility.
2. Improve operational efficiency through implementation of an electronic warehouse management system to replace manual systems.
3. Develop mechanisms, within the limitations set by the Standard Stock Account to develop a 'buffer stock' capacity for critical pharmaceutical items.
4. Streamline requisition processes and practices.
5. Conclude tender processes for the provisioning of courier services.

1. PROVINCIAL MEDICAL SUPPLY CENTRE

- The Provincial Medical Supply Centre (PMSC) is responsible for the bulk procurement, storage and distribution of medicines to Public Health facilities, and the pre-packing of patient-ready medication packs.

Challenges

- The Pharmaceutical Depot does not comply with the registration requirements of the South African Pharmacy Council for Pharmaceutical Warehouse Facilities, because the ambient temperature cannot be kept below 25 degrees Centigrade. As a result the Medicines Control Council did not grant the Depot a licence to operate as a Pharmaceutical Warehouse. Infrastructure Development is currently busy with plans to acquire or construct alternative premises which will comply with legislative requirements – pending availability of funds.
- The current entrance facility at PMSC (for deliveries of goods) is inadequate and trucks are sometimes kept waiting, or have to deliver stocks the following day.

Challenges (continued)

- Due to inadequate space, stock is being stored incorrectly and it therefore becomes difficult to relocate it when necessary. Emergency exit passages are blocked with stock due to a shortage of storage space.
- Staff shortages cannot be dealt with at the moment because of a lack of accommodation for existing staff.

- The new Drug Supply Management System to replace MEDSAS is still being piloted in the Gauteng Province, after which it will be rolled out to other provinces. Implementation in the province will be determined by relocation to new suitable premises.
- 100 % of hospitals are now able to order medicines electronically through the Remote Demander's Module. As a result of inadequate training PHC clinics are still ordering medicines manually although computers have been installed at all facilities.
- Approval for establishing a separate Standard Stock Account for ARV's has been obtained from the Acting Head of Department and the Chief Financial Officer. Treasury approval is still awaited. Efficiency of the Provincial Pharmaceutical Supply Depot (PPSD) will be improved as more capacity will be created for buffer stock to cater for contingencies.
- The availability of tracer medicines has remained consistently high and improved marginally from 97% in 2006/07 to 98% in 2007/08. This indicator currently refers to PHC clinics only, although the Unit commenced with the process of including CHC's and hospitals in order to monitor EDL availability more effectively.
- The vacancy rate for pharmacists is still unacceptably high at 78%, although all pharmacies are supervised by a pharmacist. The demands of an ever expanding health service put a lot of pressure on existing staff due to staff shortages.
- Only 57 Community Service Pharmacists were appointed during 2007/08 – a total of 420 graduates nationally.
- PMSC is currently supplying medicines to a total of 1,905 clients at 800 supply points. This is inclusive of Municipal clinics and a number of accredited NGO's.
- Also supply ARV's to a total of 146,537 patients at 84 ART sites. This has been accomplished by astute procurement procedures and innovative re-organising of the store area to cope with the added volumes of stock. No ART stock-outs were reported for the reporting period.

Table 1: Provincial Objectives and Performance Indicators for Support Services [1]

Objective	Indicator	2004/05 (Actual)	2005/06 (Actual)	2006/07 (Actual)	2007/08 (Actual)	2007/08 (Target)
1. To increase the "buffer stock" for critical mechanisms.	Value of "buffer stock"	R 51,000,000	R 58,600,000	R 88,160,000	R45,000,000	R 100,809,000
2. To limit "out of stock" situations.	% of stock-outs	7%	5%	3%	5%	2%

[1] 2004/05, 2005/06, 2006/07, 2007/08 Target: 2007/08 APP, Page 234, Table 69

Programme 8

Facilities Management

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PROGRAMME DESCRIPTION

To provide new health facilities, upgrade and maintain existing health facilities, including the management of the Hospital Revitalisation Programme and concomitant Conditional Grant.

PROGRAMME STRUCTURE

Sub-Programme 8.1

Community Health Services including Primary Health Care (PHC) Clinics and Community Health Centres (CHC's)

Sub-Programme 8.2

District Hospitals

Sub-Programme 8.3

Emergency Medical Rescue Services

Sub-Programme 8.4

Provincial Hospital Services

Sub-Programme 8.5

Tertiary and Central Hospital Services

Sub-Programme 8.6

Other Facilities

1. INFRASTRUCTURE DEVELOPMENT

- The Infrastructure Development Component has developed policies on the design of electrical, mechanical and structural installations. These policies will eliminate the provision of non-standard installations and will ensure high quality of infrastructure. Service delivery will improve as installations will comply with the required standards and unnecessary breakdowns will be prevented. The standardisation of installations will also ensure comprehensive cover of services for patient treatment. Policies are published on both the intranet and the internet for utilisation by internal and external users.
- The Department has developed strategies to reduce maintenance backlogs, including the implementation of the standard pre-ambles to all trades which specify minimum standards when calling for tenders. Initiated the use of the period contract ZNT 7198 which speeds up the procurement processes and shortens repair times.
- All Institutions are implementing the above strategy which encourages the involvement of BEE companies and facilitates easier and standardised development of specifications. This is a decentralised process within the procurement delegations and involves contracts such as bricklaying, carpentry, painting, plumbing and electrical works.
- With the introduction of VCT and PMTCT programmes, steps have been taken to supply mobile homes as interim facilities. Allocation was based on client uptake figures plus clinic statistics. The following mobile clinics were supplied in 2007/08:

District	2 Consulting Room Parkhome	4 Consulting Room Parkhome	Fixed VCT Facility	Fixed PMTCT Facility
Ugu	5	1	2	0
Umgungundlovu	9	3	4	0
Uthukela	4	0	2	1
Umzinyathi	5	0	3	1
Amajuba	4	4	3	2
Zululand	11	0	0	1
Umkhanyakude	6	0	4	2
Uthungulu	11	1	4	1
Ilembe	4	0	3	1
Sisonke	1	0	0	0
eThekwini	1	10	3	1
TOTALS	**61**	**19**	**28**	**10**

- To date, 118 facilities have adequate counseling facilities, whilst 263 clinics have no counselling facilities.
- There are currently plans in place to provide 5 fixed VCT facilities in clinics in Zululand, after which the park homes will be relocated within districts.

- Comprehensive compliance reports have been prepared (in line with statutory obligations) and a work programme developed, dictated by the available budget.
  - Most pharmacies have to be upgraded to conform to the Pharmacy Act of 2003 and the Regulations issued in terms of a Pharmaceutical Warehouse Facility. The time frame cannot be stipulated in terms of reaching this level of compliance as upgrades are undertaken as part of routine upgrades of a facility, as no specific budget was provided for pharmacy upgrades.
  - A survey to list Pharmacy upgrade requirements (in compliance with the Pharmacy Act, 2003) is complete. Based on the survey results, a multi million Rand budget is required for Pharmacy upgrades. With no ring-fenced budget, the upgrades are incorporated into the multi year plan developments.
  - A Business Plan has been developed in respect of Mortuaries, and is funded from a Conditional Grant.
- All Infrastructure Plans are aligned with the Service Transformation Plan.
- The Department has developed an initiative to outsource contracts in order to alleviate capacity constraints at the Department of Works. Progress has been made with Service Level Agreements (SLA's) with Ithala and IDT for outsourcing of work normally undertaken by the Department of Public Works – this will improve service delivery.

Challenge

- Ithala no longer meet targets as per SLA. Monitoring has been improved to monitor SLA's and deliverables. Approximately 40 projects were rolled out as a result of this initiative.

- Revitalisation Projects were moved to Construction Management to improve delivery. This decision has since been reviewed due to challenges identified, and replaced by a more comprehensive in-house project management process.
- Edendale and Kind Edward VIII Hospitals have submitted their Business Plans, and Edendale Hospital's Plan was approved in December 2007. Approval of both projects is still outstanding.
  - To improve interaction with the Local Municipality the Department submitted courtesy plans to all Local Authorities to ensure provision of basic services.
- The Infrastructure Development Improvement Plan is designed to assess the order of magnitude to facilitate sourcing of additional funding. The plan is due for completion in March 2008. Progress is dependent on sourcing additional funding and improving the capacity of implementing agents.

2. HOSPITAL REVITALISATION GRANT

- The Hospital Revitalisation Grant for 2007/08 was R268,4m, excluding the roll over amount of R91.75m approved by Treasury, bringing the total amount received to R360,16m. The total expenditure for 2007/08 was R333,5m.
- Under-expenditure against original plans/ budget was incurred by infrastructure and procurement of health equipment and furniture.
  - King George V District Hospital contributed R55m towards under–expenditure. This was incurred by delays on the part of the contractor. The King George TB Surgical Wards and Mortuary were delayed during the award of the tender, with site handover only occurring in April of 2008. This delay resulted in an under-expenditure of R15,8m.
  - Due to restrictions in the Supply Chain Management (SCM) processes, only R9,8m was spent on health equipment against an original planned budget of R35,5m.
  - The Department was informed of the approval of the roll-over of R92,1m in November 2007, and immediately put plans in place to accelerate expenditure through implementation of upgraded Information Technology infrastructure, networks for future digital radiography systems and a Hospital Information System (HIS) at the five Revitalisation Hospitals i.e. Ngwelezane, Lower Umfolozi District War Memorial, Hlabisa, Rietvlei, and King George V.
- The Revitalisation Programme is subjected to an annual audit for compliance with the DORA, PFMA and other relevant legislation. In 2006/07 this audit was unqualified and the same result is expected for the 2007/08 audit.

Table 1: Performance Indicators for Health Facilities Management

Indicator	Type	2005/06 Actual	2006/07 Actual	2007/08 [1] Actual	2007/08 Target
1. Equitable share capital programme as % of total health expenditure.	%	44%	41%	41%	46%
2. Hospitals funded on revitalisation programme as % of total health expenditure.	%	27%	35%	35%	25%
3. Expenditure on facility maintenance as % of total health expenditure.	%	29%	25%	25%	25%
4. Expenditure on medical equipment maintenance as % of total health expenditure.	%	–	–	–	–
5. Hospitals with up to date asset register	%	45%	55%	55%	65%
6. Health districts with up to date PHC asset register (excl. hospitals)	%	65%	70%	70%	75%
7. Fixed PHC facilities with access to piped water.	%	97%	97%	97%	97%
8. Fixed PHC facilities with access to mains electricity.	%	100%	100%	100%	100%
9. Fixed PHC facilities with access to fixed line telephone.	%	99%	100%	100%	100%
10. Average backlog of service platform in fixed PHC facilities. (R'000,000)	R	No data	No data	No data	–
11. Average backlog of service platform in District Hospitals. (R'000,000)	R	No data	No data	No data	–
12. Average backlog of service platform in Regional Hospitals.(R'000,000)	R	No data	No data	No data	–
13. Average backlog of service platform in Specialised Hospitals. (R'000,000)	R	No data	No data	No data	–
14. Average backlog of service platform in Tertiary and Central Hospitals. (R'000,000)	R	No data	No data	No data	–
15. Average backlog of service platform in Provincially Aided Hospitals.	R	No data	No data	No data	–
16. Projects completed on time.	%	No data	No data	No data	–
17. Project budget over run.	%	No data	No data	No data	–
18. Level 1 beds per 10,000 uninsured population.	No	No data	No data	No data	–
19. Level 2 beds per 10,000 uninsured population.	No	No data	No data	No data	–

[1] Updated data not received at time of going to press

Notes

PART C

Human Resource Management

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National Priority 7:
Human Resource Planning, Development and Management.

Provincial Strategic Goal 4:
Strengthen Human Resource Management and other Support Services for optimal Public Health services.

Provincial Strategic Priority 2:
Strengthening Human Resources.

↓

HR Priorities – 2007/08

1. Strengthening the capacity of HRD Components attached to District Offices & Institutions.
2. Implementation of the Employee Performance Management and Development System (EPMDS).
3. Addressing the unintended implications of rural & scares skills allowances.

Priority 1

- District Office structures, aligned to the Service Transformation Plan (STP) and Human Resources Plan (HRP) were finalised and approved in May 2007 after extensive consultation with District Management teams. The structures were effected on PERSAL in November 2007.
- Institutional structures were not signed off due to the relocation of the Organisational Improvement Service (OIS) function to the Human Resource Unit, extending the anticipated finalisation date to June 2008.
- The Job Evaluation Service for OIS is aligned with the Office of the Premier to ensure seamless service delivery and improved turn-around times for job evaluations. As a result, approximately 50 cases are presented at the monthly provincial job evaluation meetings and statistics are readily available to the Office of the Premier. In addition, the OIS filing system is being updated to ensure that information is readily available to assist institutions. The system should be completely updated in 2008/09.

Priority 2

- The Department issued a policy document (Human Resource Management Circular No. 78 of 2007) to effect the implementation of the Employee Performance Management and Development System (EPMDS). Training programmes commenced in 2007/08 to ensure decentralised cascading of skills, including validation of assessments to Intermediate Review Committee members in preparation of assessments that will commence in 2008/09.
- An EPMDS monitoring tool was developed and disseminated for implementation with effect from 1 April 2007. Institutions and Districts must submit quarterly reports to monitor the number of performance agreements, work-plans and reviews that have been completed.
- The effectiveness of EPMDS has not been determined yet and an audit will be conducted in 2008/09 (pending adequate resources) to evaluate implementation and outcome.

Challenges

- Inadequate capacity at Head Office and institutions to monitor the effective implementation, evaluation and sustainability of EPMDS.
- All Job Descriptions and norms and standards (per occupational category) are not yet updated.

- The People Development Component at Head Office provided ongoing technical guidance, support and development to service providers through participation in the Health and Education Training Development Committees (HETDC). Development includes policy implementation, utilisation of the skills budget and analysis of expenditure trends to strengthen decentralised services.

Priority 3

- OSD for nursing personnel commenced on the 1st July 2007, and Phases 1 and 2 for all nursing categories had been completed on the 31st March 2008. The Department will monitor the impact of OSD on the retention and recruitment of nursing personnel in 2008/09.
- The Department received R237 million from the National Department of Health for the implementation of OSD, however the total cost for the implementation of Phases 1 and 2 amounted to R640 million – a total over-expenditure of R403 million.
- The OSD for Medical Officers, Medical Specialists, Dentists, Dental Specialists, Pharmacists and Emergency Care Practitioners will commence in 2008/09.

Recruitment & Retention Policy

- The Department drafted a Recruitment Policy for Scarce Skills Categories of staff, and is currently facilitating consultation with stakeholders. Finalisation is anticipated in 2008/09. The policy propagates the use of private recruiting agencies, vigorous marketing of departmental opportunities at universities and advertising of salaries for scarce skills categories above the minimum salary notch to attract skilled applicants.
- The existing 'Retention of Scarce Skills Categories Policy' is implemented and will be reviewed during 2008/09.
- The Department is actively implementing the 'Counter Offer Policy' addressing the retention of scarce skills categories within institutions and the Public Service.
- A directive from the Department of Public Service Administration (DPSA) makes it compulsory for Senior Management Service (SMS) members to undergo Competency Assessments with effect from 1 April 2008. DPSA identified 10 service providers that will assist with the roll-out of this project during 2008/09.

1. SERVICE DELIVERY

All departments are required to develop a Service Delivery Improvement (SDI) Plan. The following tables reflect the components of the SDI plan as well as progress made in the implementation of the plans.

Table 1: Main Services Provided and Standards

Main services	Actual Customers	Potential Customers	Standard of Service	Actual achievement against standards
Creation of posts	Line function and support personnel of the Department	Members of the population attracted to work in the Department	Efficient workforce	The organogram was rationalised and aligned with Departmental imperatives and needs.
Human Resource Development	All employees of the Department	Students in Tertiary Institutions	Efficient employees	Training and development programmes were implemented to enhance personnel competencies in line with requirements in job descriptions and work plans.
Human Resource Provisioning	All employees of the Department	New applicants	Number of appointments	Appropriately placed personnel and decentralised functions.
Labour Relations	All employees of the Department	None	Knowledge of Conditions of Service and Labour Relations prescripts	Competencies developed at District/ Institutional levels to manage labour relations cases.
Evaluation of posts	All employees of the Department	None	Appropriate level of posts determined	Appropriate skills mix and competence identified to compliment the Department's organogram and service delivery responsibilities.

Table 2: Consultation Arrangements with Customers

Type of Arrangement	Actual Customers	Potential Customers	Actual Achievements
Institutional Management and Labour Committees	Employees, Organised Labour and Management	None	Institutional Committees provide first level intervention on transversal issues.
Bargaining Chamber	Employees, Organised Labour and Management	None	Chamber provides an appropriate forum to resolve disputes emanating from Institutional Management and Labour Committees (IMLC's) and to reach agreement on sector specific conditions.
Human Resource Management Forum	Human Resource Managers, employees and Head Office Management	Organised Labour	Allows for first level contact with Districts and sharing of best practices amongst institutions.

Table 3: Service Delivery Access Strategies

Access Strategy	Actual Achievements
Batho Pele Principles	Employees and patients have been capacitated in terms of awareness of their rights. Quality assurance and monitoring are conducted in an effort to redress shortcomings.
Patients' Rights Charter	

Table 4: Service Information Tools

Types of information tools	Actual achievements
Information Kiosks	Information is disseminated through the relevant mechanisms to build capacity and raise awareness of both staff and customers.
Departmental Website	
Telemedicine	
Teleconferencing	

Table 5: Complaints Mechanism

Complaints Mechanism	Actual achievements
Grievance procedure	Fully operational
Dispute resolution mechanism	Fully operational

2. EXPENDITURE

The Departments' budget in terms of clearly defined Programmes – the following tables summarise the final audited expenditure by Programme (Table 6) and salary bands (Table 7). It provides an indication of the amount spent on personnel costs in terms of each of the programmes or salary bands within the Department.

Table 6: Personnel Costs by Programme – 2007/08

Programme	Total Voted Expenditure (R'000)	Compensation of Employees Expenditure (R'000)	Training Expenditure (R'000)	Professional and Special Services (R'000)	Compensation of Employees as percent of Total Expenditure	Average Compensation of Employees Cost per Employee (R'000)	Employment
(P1) Administration	282,933	145,445	0	0	51.4	2	
(P2) District Health Services	7,108,087	4,475,648	0	0	63	67	
(P3) Emergency Medical Service	548,637	341,265	0	0	62.2	5	
(P4) Provincial Hospital Services	3,920,843	2,702,899	0	0	68.9	40	
(P5) Central Hospital	1,406,948	574,719	0	0	40.8	9	
(P6) Health Sciences & Training	524,170	409,744	0	0	78.2	6	
(P7) Health Care Support	12,649	0	0	0	0	0	
(P8) Health Facilities Management	1,091,570	920	0	0	0.1	0	
Donor funds	-71	-1	0	0	1.4	0	
PERSAL agencies	695	695	0	0	100	0	
Theft and losses	58	0	0	0	0	0	
Total as on Financial Systems (BAS)	**14,896,519**	**8,651,334**	**0**	**0**	**58.1**	**129**	**67,213**

Table 7: Personnel Costs by Salary Bands – 2007/08

Salary Bands	Compensation of Employees Cost (R'000)	Percentage of Total Personnel Cost for Department	Average Compensation Cost per Employee (R)	Total Personnel Cost for Department including Goods and Transfers (R'000)	Number of Employees
Lower Skilled (Levels 1-2)	702,797	8.1	71,699	8,694,473	9,802
Skilled (Levels 3-5)	2,646,005	30.4	80,524	8,694,473	32,860
Highly Skilled Production (Levels 6-8)	2,723,479	31.3	215,312	8,694,473	12,649
Highly Skilled Supervision (Levels 9-12)	2,295,579	26.4	197,045	8,694,473	11,650
Senior Management (Levels 13-16)	171,304	2	679,778	8,694,473	252
Other	8,195	0.1	0	8,694,473	0

Salary Bands	Compensation of Employees Cost (R'000)	Percentage of Total Personnel Cost for Department	Average Compensation Cost per Employee (R)	Total Personnel Cost for Department including Goods and Transfers (R'000)	Number of Employees
Periodical Remuneration	22,832	0.3	18,502	8,694,473	1,234
Abnormal Appointment	27,239	0.3	28,673	8,694,473	950
TOTAL	**8,597,430**	**98.9**	**123,888**	**8,694,473**	**69,397**

The following table provides a summary per Programme (Table 8) of expenditure incurred as a result of salaries, overtime, home owners allowance and medical assistance. In each case, the table provides an indication of the percentage of the personnel budget that was used for these items.

Table 8: Salaries, Overtime, Home Owners Allowance (HOA) and Medical Assistance by Programme – 2007/08

Programme	Salaries (R'000)	Salaries as % of Personnel Cost	Overtime (R'000)	Overtime as % of Personnel Cost	HOA (R'000)	HOA as % of Personnel Cost	Medical Ass. (R'000)	Medical Ass. as % of Personnel Cost	Total Personnel Cost per Programme (R'000)
(P1) Administration	96,456	63.9	1,495	1	2,902	1.9	5,864	3.9	150,869
(P2) District Health Services	3,091,007	67.7	147,681	3.2	156,658	3.4	190,117	4.2	4,564,376
(P3) Emergency Medical Service	206,411	62.2	44,254	13.3	11,560	3.5	17,678	5.3	332,088
(P4) Provincial Hospital Services	1,734,108	65.8	149,955	5.7	76,346	2.9	108,156	4.1	2,635,748
(P5) Central Hospital	375,327	66.2	42,292	7.5	12,888	2.3	21,968	3.9	567,161
(P6) Health Sciences & Training	281,794	67.4	29,754	7.1	14,185	3.4	13,582	3.2	418,050
(P8) Health Facilities Management	1,107	68.8	0	0	8	0.5	12	0.7	1,608
Donor funds	80	2.1	0	0	0	0	0	0	3,898
PERSAL agencies	2,221	61.3	361	10	44	1.2	115	3.2	3,625
Trading accounts	10,471	61.4	1,254	7.4	567	3.3	834	4.9	17,051
TOTAL	**5,798,982**	**66.7**	**417,046**	**4.8**	**275,158**	**3.2**	**358,326**	**4.1**	**8,694,474**

3. EMPLOYMENT AND VACANCIES

The following tables summarise the number of posts on the establishment, the number of employees, the vacancy rate, and whether there are any staff that are additional to the establishment. This information is presented in terms of three key variables namely Programme (Table 9), Salary Band (Table 10) and Critical Occupations (Table 11). Departments have identified critical occupations that need to be monitored. Table 3.3 provides establishment and vacancy information for the key critical occupations of the department. The vacancy rate reflects the percentage of posts that are not filled.

Table 9: Employment and Vacancies by Programme – 31 March 2008

Programme	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
(P1) Administration	1,069	713	33.3	13
(P2) District Health Services	54,756	36,648	33.1	3
(P3) Emergency Medical Service	3,836	3,044	20.6	0
(P4) Provincial Hospital Services	27,366	18,817	31.2	1
(P5) Central Hospital	5,000	3,650	27	0
(P6) Health Sciences & Training	5,744	4,191	27	0
(P8) Health Facilities Management	7	6	14.3	0
Donor funds	1	1	0	0
PERSAL agencies	26	11	57.7	1
Trading Accounts	136	132	2.9	0
TOTAL	**97,941**	**67,213**	**31.4**	**18**

Table 10: Employment and Vacancies by Salary Bands – 31 March 2008

Salary Band	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Lower Skilled (Levels 1-2)	14,765	9,987	32.4	0
Skilled (Levels 3-5)	42,898	33,125	22.8	1
Highly Skilled Production (Levels 6-8)	24,279	12,165	49.9	9
Highly Skilled Supervision (Levels 9-12)	15,526	11,676	24.8	7
Senior Management (Levels 13-16)	458	245	46.5	1
Contract (Levels 13-16)	8	8	0	0
Other	7	7	0	0
TOTAL	**97,941**	**67,213**	**31.4**	**18**

Table 11: Employment and Vacancies by Critical Occupation – 31 March 2008

Critical Occupations	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Ambulance and related workers	3,717	2,882	22.5	0
Chiropodists and other related workers	2	1	50	0
Community development workers	2	1	50	0
Dental Practitioners	109	71	34.9	0
Dental Specialists	8	5	37.5	0
Dental Technicians	1	0	100	0
Dental Therapy	70	29	58.6	0
Dieticians and Nutritionists	365	87	76.2	0
Emergency services related	36	23	36.1	0
Environmental Health	276	184	33.3	0
Health Sciences related	1,338	964	28	2
Life Sciences professionals	5	5	0	0
Life Sciences related	11	4	63.6	0
Medical Practitioners	4,610	2,987	35.2	0
Medical Research and related professionals	24	14	41.7	0
Medical Specialists	1,412	624	55.8	0
Medical Technicians/ Technologists	156	90	42.3	0
Nursing Assistants	8,661	6,827	21.2	0
Occupational Therapy	310	129	58.4	0
Optometrists and Opticians	34	13	61.8	0
Oral Hygiene	53	25	52.8	0
Pharmaceutical Assistants	1,048	683	34.8	0
Pharmacists	1,689	443	73.8	0
Pharmacologists Pathologists & related professionals	1	0	100	0
Physicists	10	4	60	0

Critical Occupations	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Physiotherapy	554	257	53.6	0
Professional Nurse	19,771	11,945	39.6	0
Psychologists and Vocational Counsellors	165	69	58.2	0
Radiography	886	484	45.4	0
Assistant Manager Nursing (specialty unit)	1	1	0	0
Clinical Nurse Practitioner (primary health care)	1	1	0	0
Lecturer	14	13	7.1	2
Operational Manager Nursing (general)	1	1	0	0
Social Sciences related	5	3	40	0
Social Sciences supplementary workers	10	6	40	0
Social Work and related professionals	500	215	57	0
Speech Therapy and Audiology	129	84	34.9	0
Staff Nurses and Pupil Nurses	12,364	9,814	20.6	0
Student Nurse	2,529	1,959	22.5	0
Supplementary Diagnostic Radiographers	18	15	16.7	0
TOTAL	**60,896**	**40,962**	**32.7**	**4**

4. JOB EVALUATION[1]

The Public Service Regulations, 1999 introduced job evaluation as a way of ensuring that work of equal value is remunerated equally. Within a nationally determined framework, executing authorities may evaluate or re-evaluate any job in his or her organisation. In terms of the Regulations all vacancies on salary levels 9 and higher must be evaluated before they are filled. This was complemented by a decision by the Minister for the Public Service and Administration that all SMS jobs must be evaluated before 31 December 2002.

The following table (Table 12) summarises the number of jobs that were evaluated during the year under review. The table also provides statistics on the number of posts that were upgraded or downgraded.

Table 12: Job Evaluation – 1 April 2007 to 31 March 2008

Salary Band	Number of Posts	Number of Jobs Evaluated	% of Posts Evaluated	Number of Posts Upgraded	% of Upgraded Posts Evaluated	Number of Posts Downgraded	% of Downgraded Posts Evaluated
Lower skilled (Levels 1-2)	14,765	22	0.1	0	0	0	0
Skilled (Levels 3-5)	42,898	1,171	2.7	4	0.3	1	0.1
Highly skilled production (Levels 6-8)	24,279	613	2.5	4	0.7	0	0
Highly skilled Supervision (Levels 9-12)	15,526	146	0.9	3	2.1	3	2.1
Senior Management Service Band A	377	3	0.8	0	0	0	0
Senior Management Service Band B	85	0	0	0	0	0	0
Senior Management Service Band C	3	0	0	0	0	0	0
Senior Management Service Band D	1	0	0	0	0	0	0
Other	7	0	0	0	0	0	0
TOTAL	**97,941**	**1,955**	**2**	**11**	**0.6**	**4**	**0.2**

1 The information in each case reflects the situation as on 31 March 2008. For an indication of changes in staffing patterns over the year, refer to Section 5 of the report

The following table provides a summary of the number of employees whose salary positions were upgraded due to their posts being upgraded. The number of employees might differ from the number of posts upgraded since not all employees are automatically absorbed into the new posts and some of the posts upgraded could also be vacant.

Table 13: Profile of Employees whose Salary Positions were upgraded due to their Posts being Upgraded – 1 April 2007 to 31 March 2008

Beneficiaries	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
Total	0	0	0	0	0
Employees with a Disability	0	0	0	0	0

Table 14 summarises the beneficiaries of the above in terms of race, gender, and disability.

Table 14: Profile of Employees whose Salary Level exceeds the Grade determined by Job Evaluation – 1 April 2007 to 31 March 2008 (in terms of PSR 1.V.C.3)

Beneficiaries	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
Total	0	0	0	0	0
Employees with a Disability	0	0	0	0	0
Total Number of Employees whose salaries exceeded the grades determined by job evaluation in 2007/ 08					Nil

5. EMPLOYMENT CHANGES

This section provides information on changes in employment over the financial year. Turnover rates provide an indication of trends in the employment profile of the department. The following tables provide a summary of turnover rates by Salary Band (Table 15) and by Critical Occupations (Table 16). (These "critical occupations" should be the same as those listed in Table 11).

Table 15: Annual turnover rates by Salary Band for the Period 1 April 2007 to 31 March 2008

Salary Band	Employment at Beginning of Period (April 2006)	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover Rate
Lower skilled (Levels 1-2)	11,109	2,361	512	4.6
Skilled (Levels 3-5)	27,675	4,259	1,293	4.7
Highly skilled production (Levels 6-8)	17,854	2,060	1,435	8
Highly skilled Supervision (Levels 9-12)	3,944	596	585	14.8
Senior Management Service Band A	171	10	25	14.6
Senior Management Service Band B	67	1	2	3
Senior Management Service Band C	4	0	0	0
Senior Management Service Band D	2	0	0	0
Other	102	27	17	16.7
TOTAL	**60,928**	**9,314**	**3,869**	**6.4**

Table 16: Annual turnover rates by Critical Occupation for the Period 1 April 2007 to 31 March 2008

Occupation	Employment at Beginning of Period (April 2007)	Appointments and Transfers into the Department	Terminations and Transfers out of the Department	Turnover Rate
Ambulance and related workers	2,757	300	116	4.2
Chiropodists and other related workers	1	0	0	0
Community Development Workers	2	0	0	0
Dental Practitioners	59	27	15	25.4
Dental Specialists	6	1	3	50
Dental Therapy	30	5	2	6.7
Dieticians and Nutritionists	74	31	22	29.7
Emergency Services related	41	8	1	2.4
Environmental Health	208	67	66	31.7

Occupation	Employment at Beginning of Period (April 2007)	Appointments and Transfers into the Department	Terminations and Transfers out of the Department	Turnover Rate
Health Sciences related	671	125	26	3.9
Life Sciences related	11	6	0	0
Medical Practitioners	2,642	1,088	607	23
Medical Research and related professionals	9	0	0	0
Medical Specialists	556	71	89	16
Medical Technicians/ Technologists	96	12	15	15.6
Nursing Assistants	6,151	970	235	3.8
Occupational therapy	110	73	40	36.4
Optometrists and Opticians	13	5	4	30.8
Oral Hygiene	23	3	0	0
Pharmaceutical Assistants	507	95	21	4.1
Pharmacists	436	139	113	25.9
Pharmacologists Pathologists & related professionals	1	0	0	0
Physicists	5	1	0	0
Physiotherapy	218	98	55	25.2
Professional Nurse	10,617	762	678	6.4
Psychologists and Vocational Counsellors	64	26	23	35.9
Radiography	451	111	84	18.6
Social Sciences related	5	0	0	0
Social Sciences supplementary workers	5	0	0	0
Social Work and related professionals	166	33	8	4.8
Speech Therapy and Audiology	71	35	22	31
Staff Nurses and Pupil Nurses	8,488	1,046	387	4.6
Student Nurse	2,154	566	94	4.4
Supplementary Diagnostic Radiographers	17	1	0	0
TOTAL	**36,665**	**5,705**	**2,726**	**7.4**

Table 17 identifies the major reasons why staff left the department.

Table 17: Reasons why Staff are leaving the Department

Termination Type	Number	Percentage of Total Resignations	Percentage of Total Employment	Total	Total Employment
Death	700	18.1	1.1	3,869	60,928
Resignation	2,055	53.1	3.4	3,869	60,928
Expiry of contract	419	10.8	0.7	3,869	60,928
Dismissal-operational changes	1	0	0	3,869	60,928
Discharged due to ill health	25	0.6	0	3,869	60,928
Dismissal-misconduct	108	2.8	0.2	3,869	60,928
Retirement	508	13.1	0.8	3,869	60,928
Other	53	1.4	0.1	3,869	60,928
TOTAL	**3,869**	**0**	**0**	**0**	**0**

Resignations as % of Employment
6.4

Table 18: Promotions by Critical Occupation

Occupation	Employment at beginning of Period (April 2007)	Promotions to another Salary Level	Salary Level Promotions as a % of Employment	Progressions to another Notch within Salary Level	Notch Progressions as a % of Employment
Ambulance and related workers	2,757	46	1.7	1,130	41
Chiropodists and other related workers	1	0	0	0	0
Community Development Workers	2	0	0	1	50
Dental Practitioners	59	1	1.7	8	13.6
Dental Specialists	6	1	16.7	2	33.3
Dental Therapy	30	4	13.3	8	26.7
Dieticians and Nutritionists	74	16	21.6	5	6.8
Emergency Services related	41	0	0	2	4.9
Environmental Health	208	3	1.4	45	21.6
Health Sciences related	671	101	15.1	405	60.4
Life Sciences related	11	4	36.4	0	0

Occupation	Employment at beginning of Period (April 2007)	Promotions to another Salary Level	Salary Level Promotions as a % of Employment	Progressions to another Notch within Salary Level	Notch Progressions as a % of Employment
Medical Practitioners	2,642	381	14.4	188	7.1
Medical Research and related professionals	9	6	66.7	2	22.2
Medical Specialists	556	89	16	32	5.8
Medical Technicians/ Technologists	96	2	2.1	24	25
Nursing Assistants	6,151	469	7.6	5,277	85.8
Occupational Therapy	110	21	19.1	14	12.7
Optometrists and Opticians	13	0	0	2	15.4
Oral Hygiene	23	0	0	3	13
Pharmaceutical Assistants	507	19	3.7	156	30.8
Pharmacists	436	88	20.2	95	21.8
Pharmacologists Pathologists & related professionals	1	0	0	0	0
Physicists	5	2	40	1	20
Physiotherapy	218	56	25.7	22	10.1
Professional Nurse	10,617	1,054	9.9	5,405	50.9
Psychologists and Vocational Counsellors	64	11	17.2	13	20.3
Radiography	451	116	25.7	55	12.2
Social Sciences related	5	0	0	3	60
Social Sciences supplementary workers	5	1	20	0	0
Social Work and related professionals	166	32	19.3	19	11.4
Speech Therapy and Audiology	71	8	11.3	9	12.7
Staff Nurses and Pupil Nurses	8,488	165	1.9	6,266	73.8
Student Nurse	2,154	7	0.3	815	37.8
Supplementary Diagnostic Radiographers	17	1	5.9	5	29.4
TOTAL	**36,665**	**2,704**	**7.4**	**20,012**	**54.6**

Table 19: Promotions by Salary Band

Salary Band	Employment at beginning of Period (April 2007)	Promotions to another Salary Level	Salary Level Promotions as a % of Employment	Progressions to another Notch within Salary Level	Notch progressions as a % of Employment
Lower skilled (Levels 1-2)	11,109	33	0.3	1,679	15.1
Skilled (Levels 3-5)	27,675	848	3.1	16,969	61.3
Highly skilled production (Levels 6-8)	17,854	1,660	9.3	6,150	34.4
Highly skilled Supervision (Levels 9-12)	3,944	1,071	27.2	1,778	45.1
Senior Management (Levels 13-16)	244	31	12.7	0	0
Other	102	0	0	0	0
TOTAL	**60,928**	**3,643**	**6**	**26,576**	**43.6**

6. EMPLOYMENT EQUITY

The tables in this section are based on the formats prescribed by the Employment Equity Act, 55 of 1998.

Table 20: Total number of employees (including Employees with Disabilities) in each of the following Occupational Categories as on 31 March 2008

Occupational Categories	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Legislators, Senior Officials and Managers	41	0	8	49	8	31	4	4	39	9	105
Professionals	4,078	95	1,384	5,557	648	16,052	497	2,841	19,390	1,022	26,617
Clerks	1,844	44	483	2,371	44	3,118	149	494	3,761	237	6,413
Service and Sales Workers	4,755	55	603	5,413	41	14,263	297	703	15,263	183	20,900
Craft and related Trades Workers	262	40	93	395	125	19	1	1	21	0	541
Plant and Machine Operators and Assemblers	780	16	110	906	2	124	4	7	135	2	1,045
Elementary occupations	3,306	43	364	3,713	42	7,157	125	339	7,621	102	11,478
Other	28	1	1	30	0	76	2	4	82	2	114
TOTAL	**15,094**	**294**	**3,046**	**18,434**	**910**	**40,840**	**1,079**	**4,393**	**46,312**	**1,557**	**67,213**
Employees with Disabilities	61	8	23	92	1	44	0	7	51	5	149

Table 21: Total number of employees (including Employees with Disabilities) in each of the following Occupational Bands as on 31 March 2008

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Top Management	2	0	0	2	0	1	0	0	1	0	3
Senior Management	49	1	72	122	53	24	4	24	52	22	249
Professionally qualified and experienced Specialists and Mid-Management	1,205	38	747	1,990	384	7,165	224	1,340	8,729	539	11,642
Skilled technical and academically qualified workers, Junior Management, Supervisors, Foremen	2,002	95	849	2,946	312	6,970	283	1,463	8,716	652	12,626
Semi-skilled and discretionary decision making	8,538	125	1,105	9,768	117	20,740	491	1,359	22,590	304	32,779
Unskilled and defined decision making	3,298	35	273	3,606	44	5,940	77	207	6,224	40	9,914
TOTAL	**15,094**	**294**	**3,046**	**18,434**	**910**	**40,840**	**1,079**	**4,393**	**46,312**	**1,557**	**67,213**

Table 22: Recruitment for the Period 1 April 2007 to 31 March 2008

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Senior Management	2	0	2	4	4	1	0	1	2	1	11
Professionally qualified and experienced Specialists and Mid-Management	174	4	82	260	69	126	7	82	215	52	596
Skilled technical and academically qualified workers, Junior Management, Supervisors, Foremen	293	11	109	413	72	1,008	55	302	1,365	210	2,060
Semi-skilled and discretionary decision making	1,120	9	64	1,193	27	2,800	41	176	3,017	22	4,259
Unskilled and defined decision making	455	7	40	502	6	1,783	22	43	1,848	5	2,361
Not Available	14	0	8	22	2	1	0	2	3	0	27
TOTAL	**2,058**	**31**	**305**	**2,394**	**180**	**5,719**	**125**	**606**	**6,450**	**290**	**9,314**
Employees with disabilities	12	0	2	14	0	4	0	0	4	1	19

Table 23: Promotions for the Period 1 April 2007 to 31 March 2008

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Senior Management	3	0	14	17	8	1	0	3	4	2	31
Professionally qualified and experienced Specialists and Mid-Management	350	16	253	619	109	1,540	62	368	1,970	164	2,862
Skilled technical and academically qualified workers, Junior Management, Supervisors, Foremen	780	40	225	1,045	82	5,526	206	782	6,514	220	7,861
Semi-skilled and discretionary decision making	3,465	71	669	4,205	49	12,115	398	859	13,372	268	17,894
Unskilled and defined decision making	695	7	65	767	5	875	16	44	935	7	1,714
TOTAL	**5,293**	**134**	**1,226**	**6,653**	**253**	**20,057**	**682**	**2,056**	**22,795**	**661**	**30,362**
Employees with disabilities	11	4	9	24	1	23	0	2	25	2	52

Table 24: Terminations for the Period 1 April 2007 to 31 March 2008

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Senior Management	4	2	6	12	10	2	0	1	3	2	27
Professionally qualified and experienced Specialists and Mid-Management	91	3	73	167	66	179	11	88	278	74	585
Skilled technical and academically qualified workers, Junior Management, Supervisors, Foremen	208	15	115	338	41	647	42	200	889	167	1,435
Semi-skilled and discretionary decision making	353	14	82	449	21	692	24	69	785	38	1,293
Unskilled and defined decision making	214	5	20	239	6	241	9	13	263	4	512
Not Available	5	0	3	8	4	2	0	2	4	1	17
TOTAL	**875**	**39**	**299**	**1,213**	**148**	**1,763**	**86**	**373**	**2,222**	**286**	**3,869**
Employees with disabilities	3	0	2	5	0	0	0	0	0	1	6

Table 25: Disciplinary Action for the Period 1 April 2007 to 31 March 2008

Disciplinary action	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Dismissal	1	0	0	1	0	0	0	0	0	0	1
Final written warning	0	0	1	1	0	0	0	0	0	0	1
No outcome	1	0	1	2	0	1	0	1	2	0	4
Suspended without payment	1	0	0	1	0	0	0	0	0	0	1
TOTAL	**3**	**0**	**2**	**5**	**0**	**1**	**0**	**1**	**2**	**0**	**7**

7. SKILLS DEVELOPMENT for the Period 1 April 2007 to 31 March 2008

Table 26: Training needs identified

Occupational Categories	Gender	Employment	Learnerships	Skills Programmes & other short courses	Other forms of training	Total of Skills Programmes & other short courses
Legislators, senior officials and managers	Female	1,012	0	422	0	422
	Male	513	0	334	0	334
Professionals	Female	12,250	0	3,684	0	3,684
	Male	3,447	0	988	0	988
Technicians and associate professionals	Female	327	0	236	0	236
	Male	711	0	302	0	302
Clerks	Female	3,953	0	1,129	0	1,129
	Male	2,520	0	859	0	859
Service and sales workers	Female	15,472	0	2,495	0	2,495
	Male	6,328	0	1,409	0	1,409
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	42	0	64	0	64
	Male	618	0	170	0	170
Elementary occupations [2]	Female	7,170	0	1,453	0	1,453
	Male	4,053	0	1,084	0	1,084
Gender sub totals	Female	40,226	0	9,483	0	9,483
	Male	18,190	0	5,146	0	5,146
Total		**58,416**	**0**	**14,629**	**0**	**14,629**

2 Craft and related trades workers are categorised in Elementary occupations

Table 27: Training Provided

Occupational Categories	Gender	Employment	Learnerships	Skills Programmes & other short courses	Other forms of training	Total of Skills Programmes & other short courses
Legislators, senior officials and managers	Female	1,012	0	646	0	646
	Male	513	0	319	0	319
Professionals	Female	12,250	0	4,727	0	4,727
	Male	3,447	0	1,175	0	1,175
Technicians and associate professionals	Female	327	0	446	0	446
	Male	711	0	447	0	447
Clerks	Female	3,953	0	1,921	0	1,921
	Male	2,520	0	1,309	0	1,309
Service and sales workers	Female	15,472	0	3,828	0	3,828
	Male	6,328	0	1,475	0	1,475
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	42	0	47	0	47
	Male	618	0	118	0	118
Elementary occupations	Female	7,170	0	2,136	0	2,136
	Male	4,053	0	1,193	0	1,193
Gender sub totals	Female	40,226	0	13,751	0	13,751
	Male	18,190	0	6,036	0	6,036
Total		**58,416**	**0**	**19,787**	**0**	**19,787**

8. PERFORMANCE REWARDS

To encourage good performance, the Department has granted the following performance rewards during the year under review. The information is presented in terms of race, gender, and disability (Table 28), salary bands (Table 29) and critical occupations (Table 30).

Table 28: Performance Rewards by Race, Gender and Disability – 1 April 2007 to 31 March 2008

Demographics	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)
African, Female	28,620	40,796	70.2	59,339	2,073
African, Male	10,321	15,033	68.7	18,265	1,770
Asian, Female	3,313	4,386	75.5	9,067	2,737
Asian, Male	2,344	3,023	77.5	6,741	2,876
Coloured, Female	898	1,079	83.2	2,098	2,336
Coloured, Male	234	286	81.8	553	2,363
Total Blacks, Female	32,831	46,261	71	70,504	2,147
Total Blacks, Male	12,899	18,342	70.3	25,559	1,981
White, Female	1,170	1,552	75.4	3,832	3,275
White, Male	568	909	62.5	2,633	4,636
Employees with a disability	96	149	64.4	197	2,047
TOTAL	**47,564**	**67,213**	**70.8**	**102,725**	**2,160**

Table 29: Performance Rewards by Salary Bands for Personnel below Senior Management Service – 1 April 2007 to 31 March 2008

Salary Band	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)
Lower skilled (Levels 1-2)	5,824	9,802	59.4	6,945	1,192
Skilled (Levels 3-5)	21,930	32,860	66.7	31,780	1,449
Highly skilled production (Levels 6-8)	9,895	12,649	78.2	25,070	2,534
Highly skilled supervision (Levels 9-12)	9,730	11,650	83.5	37,332	3,837
Periodical Remuneration	0	1,234	0	0	0
Abnormal Appointment	6	950	0.6	14	2,333
TOTAL	**47,385**	**69,145**	**68.5**	**101,141**	**2,134**

Table 30: Performance Rewards by Critical Occupations – 1 April 2007 to 31 March 2008

Critical Occupations	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)
Ambulance and related workers	2,248	2,836	79.3	3,713	1,652
Chiropodists and other related workers	0	1	0	0	0
Community Development Workers	1	1	100	3	3,000
Dental Practitioners	31	69	44.9	171	5,516
Dental Specialists	3	5	60	7	2,333
Dental Therapy	25	32	78.1	78	3,120
Dieticians and Nutritionists	30	79	38	78	2,600
Emergency Services related	10	48	20.8	45	4,500
Environmental Health	110	186	59.1	361	3,282
Health Sciences related	712	871	81.7	3,436	4,826
Life Sciences related	7	14	50	27	3,857
Medical Practitioners	1,170	3,057	38.3	5,906	5,048
Medical Research and related professionals	9	13	69.2	47	5,222
Medical Specialists	282	553	51	2,040	7,234
Medical Technicians/ Technologists	65	87	74.7	192	2,954
Nursing Assistants	4,464	6,786	65.8	6,369	1,427
Occupational Therapy	47	132	35.6	118	2,511
Optometrists and Opticians	6	13	46.2	17	2,833
Oral Hygiene	20	26	76.9	59	2,950
Pharmaceutical Assistants	402	616	65.3	717	1,784
Pharmacists	253	441	57.4	980	3,874
Physicists	4	4	100	16	4,000
Physiotherapy	119	259	45.9	316	2,655
Professional Nurse	10,632	11,934	89.1	31,745	2,986
Psychologists and Vocational Counsellors	28	68	41.2	120	4,286
Radiography	347	488	71.1	1,097	3,161
Social Sciences related	5	6	83.3	32	6,400
Social Sciences supplementary workers	3	5	60	9	3,000

Critical Occupations	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)
Social Work and related professionals	103	213	48.4	362	3,515
Speech Therapy and Audiology	28	82	34.1	65	2,321
Staff Nurses and Pupil Nurses	7,484	9,720	77	12,809	1,712
Student Nurse	1,019	2,119	48.1	1,106	1,085
Supplementary Diagnostic Radiographers	11	17	64.7	25	2,273
TOTAL	**29,678**	**40,781**	**72.8**	**72,066**	**2,428**

Table 31: Performance Related Rewards (Cash Bonus), by Salary Band for Senior Management Service

SMS Band	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)	% of SMS Wage Bill	Personnel Cost SMS (R'000)
Band A	151	207	72.9	1,295	858	0.9	136,462
Band B	28	42	66.7	289	1,032	0.8	36,830
Band C	0	1	0	0	0	0	0
Band D	0	2	0	0	0	0	0
TOTAL	**179**	**252**	**71**	**1,584**	**8,849**	**0.9**	**173,292**

9. FOREIGN WORKERS

The tables below summarise the employment of foreign nationals in the department in terms of salary bands and by major occupation. The tables also summarise changes in the total number of foreign workers in each salary band and by each major occupation.

Table 32: Foreign Workers – 1 April 2007 to 31 March 2008 (by Salary Band)

Salary Band	Employment at Beginning Period	% of Total	Employment at End of Period	% of Total	Change in Employment	% of Total	Total Employment at Beginning of Period	Total Employment at End of Period	Total Change in Employment
Lower skilled (Levels 1-2)	3	0.7	3	0.5	0	0	438	560	122
Skilled (Levels 3-5)	15	3.4	17	3	2	1.6	438	560	122
Highly skilled production (Levels 6-8)	73	16.7	82	14.6	9	7.4	438	560	122
Highly skilled supervision (Levels 9-12)	320	73.1	429	76.6	109	89.3	438	560	122
Senior Management (Levels 13-16)	22	5	25	4.5	3	2.5	438	560	122
Other	3	0.7	0	0	–3	–2.5	438	560	122
Periodical Remuneration	1	0.2	3	0.5	2	1.6	438	560	122
Abnormal Appointment	1	0.2	1	0.2	0	0	438	560	122
TOTAL	438	100	560	100	122	100	–	–	–

Table 33: Foreign Worker – 1 April 2007 to 31 March 2008 (By Major Occupation)

Major Occupation	Employment at Beginning Period	% of Total	Employment at End of Period	Percentage of Total	Change in Employment	% of Total	Total Employment at Beginning of Period	Total Employment at End of Period	Total Change in Employment
Administrative office workers	3	0.7	3	0.5	0	0	438	560	122
Craft and related trades workers	1	0.2	1	0.2	0	0	438	560	122
Drivers operators and ships crew	1	0.2	1	0.2	0	0	438	560	122
Elementary occupations	3	0.7	4	0.7	1	0.8	438	560	122
Professionals and Managers	424	96.8	546	97.5	122	100	438	560	122
Social natural technical and medical sciences + support	4	0.9	3	0.5	–1	–0.8	438	560	122
Technicians and associated professionals	2	0.5	2	0.4	0	0	438	560	122
TOTAL	438	100	560	100	122	100	–	–	–

10. LEAVE UTILISATION for the Period 1 January 2007 to 31 December 2007

The Public Service Commission identified the need for careful monitoring of sick leave within the public service. The following tables provide an indication of the use of sick leave (Table 34) and disability leave (Table 35). In both cases, the estimated cost of the leave is also provided.

Table 34: Sick leave – 1 January 2007 to 31 December 2007

Salary Band	Total Days	% Days with Medical Certification	Number of Employees using Sick Leave	% of Total Employees using Sick Leave	Average Days per Employee	Estimated Cost (R'000)	Total number of Employees using Sick Leave	Total number of days with medical certification
Lower skilled (Levels 1-2)	4,312.5	91.1	4,563	11.8	9	6,897	38,508	37,625
Skilled (Levels 3-5)	160,627	89	19,062	49.5	8	34,297	38,508	142,892
Highly skilled production (Levels 6-8)	70,273	86.4	8,246	21.4	9	26,133	38,508	60,739
Highly skilled supervision (Levels 9-12)	49,238.5	87.3	6,555	17	8	27,738	38,508	42,963
Senior management (Levels 13-16)	570.5	82	79	0.2	7	1,142	38,508	468
Not Available	81	44.4	3	0	27	29	38,508	36
TOTAL	**322,102.5**	**88.4**	**38,508**	**100**	**8**	**96,236**	**–**	**284,723**

Table 35: Disability Leave (Temporary and Permanent) – 1 January 2007 to 31 December 2007

Salary Band	Total Days	% Days with Medical Certification	Number of Employees using Disability Leave	% of Total Employees using Disability Leave	Average Days per Employee	Estimated Cost (R'000)	Total number of days with medical certification	Total number of Employees using Disability Leave
Lower skilled (Levels 1-2)	2,368	100	58	15.1	41	408	2,367	383
Skilled (Levels 3-5)	6,976	100	171	44.6	41	1,563	6,975	383
Highly skilled production (Levels 6-8)	4,432	100	101	26.4	44	1,635	4,431	383
Highly skilled supervision (Levels 9-12)	2,035	100	52	13.6	39	1,247	2,035	383
Senior management (Levels 13-16)	50	100	1	0.3	50	113	50	383
TOTAL	**15,861**	**100**	**383**	**100**	**41**	**4,966**	**15,858**	**–**

Table 36 summarises the utilisation of annual leave. The wage agreement concluded with trade unions in the Public Service Co-ordinating Bargaining Council (PSCBC) in 2000 requires management of annual leave to prevent high levels of accrued leave being paid at the time of termination of service.

Table 36: Annual Leave – 1 January 2007 to 31 December 2007

Salary Band	Total Days Taken	Average days per Employee	Number of Employees who took leave
Lower skilled (Levels 1-2)	128,108.88	19	6,621
Skilled (Levels 3-5)	541,480.18	21	25,232
Highly skilled production (Levels 6-8)	258,758.63	24	10,828
Highly skilled supervision (Levels 9-12)	248,028.3	25	9,990
Senior Management (Levels 13-16)	4,026.84	20	206
Not Available	18.56	9	2
TOTAL	**1,180,421.39**	**22**	**52,879**

Table 37: Capped Leave – 1 January 2007 to 31 December 2007

Salary Band	Total days of capped leave taken	Average number of days taken per employee	Average capped leave per employee as at 31 December 2007	Number of Employees who took Capped leave	Total number of capped leave available at 31 December 2007	Number of Employees as at 31 December 2007
Lower skilled (Levels 1-2)	1,103	4	40	258	160,893	4,014
Skilled (Levels 3-5)	4,695	6	55	818	551,080	10,031
Highly skilled production (Levels 6-8)	3,723	7	144	515	449,684	6,298
Highly skilled supervision (Levels 9-12)	3,079	6	120	495	444,716	6,162
Senior Management (Levels 13-16)	106	10	66	11	10,680	161
TOTAL	**12,706**	**6**	**61**	**2,097**	**1,617,053**	**26,666**

The following table summarises payments made to employees as a result of leave that was not taken.

Table 38: Leave Payouts for the Period 1 April 2007 to 31 March 2008

Reason	Total Amount (R'000)	Number of Employees	Average Payment per Employee (R)
Leave payout for 2007/08 due to non-utilisation of leave for the previous cycle	1,266	270	4,689
Capped leave payouts on termination of service for 2007/08	8,443	2,001	4,219
Current leave payout on termination of service for 2007/08	2,306	523	4,409
TOTAL	**12,015**	**2,794**	**4,300**

11. HIV, AIDS & HEALTH PROMOTION PROGRAMMES

Table 39: Steps taken to reduce the risk of Occupational Exposure

Units/categories of employees identified to be at high risk of contracting HIV and related diseases (if any)	Key steps taken to reduce the risk
Medical Officers	Protocols in place highlighting risk-reducing procedures.
Nurses	Training and raised awareness regarding protocols and procedures.
General Assistants	Universal precautions provided and used.
Laundry personnel	Proper disposal of sharps, contaminated instruments, all body and post mortem specimens.
Grounds personnel	Provision of safety equipment e.g. gloves, goggles, etc.
Laboratory personnel	Protocols in place highlighting risk-reducing procedures.
EMRS personnel	Protocols in place highlighting risk-reducing procedures.

Table 40: Details of Health Promotion and HIV and AIDS Programmes

Question	Yes	No	Details, if yes
1. Has the Department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/ his name and position.	Yes		• The appointed employee is not part of the SMS but is a Principal Human Resource Management Practitioner (SR 12) for EAP. Details are: Mrs. K Naidoo: Principal Human Resource Management Practitioner: EAP
2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and well being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	Yes		• The complete structure for the wellness component at Head Office level has not been approved at this stage. The Department currently has one appointed Occupational Health Nurse and a Safety Officer at Head Office level who offers the following services: – HIV and AIDS – EAP – Occupational Health – Occupational and Employee Health and Safety • At institutional level there are Employee Assistance Practitioners; Safety Officers and Occupational Health Nurses appointed that offer the above services as well. • The Unit does not have a dedicated budget for this purpose however funding is sourced from the budget of the Corporate Services component.

Question	Yes	No	Details, if yes
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/ services of this Programme.	Yes		• Available at Head Office and at Institutional Level. • To play an effective and meaningful role in helping both the organisation and employees , the EAP provides a programme that: – Facilitates lifestyle change and wellness promotion in the context of improved productivity and performance – Provides simple, quick access to help and information – Attracts, motivates and retains the best people – Incorporates assistance on a broad range of issues – Meeting the specific changes facing the organisation, country and the economy – Evaluates itself and add value to the organisation • At Head Office level an Employee Health and Wellness Committee comprising of representatives from units has been established. The purpose of the committee is to: – Ensure all components to join forces so as not to work in silos; – To share information; – Address concerns and policy issues and – To market and evaluate all programmes.
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.		No	
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/ practices so reviewed.	Yes		• The HIV status of prospective employees is not requested at any stage of the recruitment process.
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	Yes		• HIV results are confidential. Employees have access to VCT and PEP for occupational exposure.
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have you achieved.	Yes		• Results are confidential.
8. Has the department developed measures/ indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.		No.	

12. LABOUR RELATIONS

The following collective agreements were entered into with trade unions within the department.

Table 41: Collective Agreements – 1 April 2007 to 31 March 2008

Subject Matter	Date
Absorption procedure	September 2007
Subsistence and Travel	May 2007
Sabbatical Leave	March 2008
Overtime	March 2008
Total collective agreements	**4**

The following table summarises the outcome of disciplinary hearings conducted within the department for the year under review.

Table 42: Misconduct and Disciplinary Hearings finalised – 1 April 2007 to 31 March 2008

Outcomes of disciplinary hearings	Number	Percentage of Total	Total
Dismissal	7	3.1	229
Final written warning	165	72.1	229
No outcome	0	0	229
Suspended without payment	57	24.9	229
TOTAL	**229**	**100**	**–**

Table 43: Types of Misconduct addressed at Disciplinary Hearings

Type of misconduct	Number	Percentage of Total	Total
Absent from work without reason or permission	14	6.1	229
Endangers lives by disregarding safety rules	1	0.4	229
Fails to carry out order or instruction	4	1.7	229
Fails to comply with or contravenes an act	1	0.4	229
Falsifies records or any documents	203	88.6	229
Steals bribes or commits fraud	6	2.6	229
Wilfully or negligently mismanages finances	0	0	229
TOTAL	**229**	**100**	**–**

Table 44: Grievances lodged for the Period 1 April 2007 to 31 March 2008

Number of grievances addressed	Number	Percentage of Total	Total
Not resolved	17	35.4	48
Resolved	31	64.6	48
TOTAL	**48**	**100**	**–**

Table 45: Disputes Lodged with Councils for the Period 1 April 2007 to 31 March 2008

Number of disputes addressed	**Number**	**% of total**
Upheld	1	1.4
Dismissed	73	98.6
Total	**74**	**–**

Table 46: Strike Actions for the Period 1 April 2007 to 31 March 2008

Strike Actions	**Total**
Total number of person working days lost	79,000
Total cost (R'000) of working days lost	12,000
Amount (R'000) recovered as a result of no work no pay	4,200

Table 47: Precautionary suspensions for the period 1 April 2007 to 31 March 2008

Precautionary Suspensions	**Total**
Number of people suspended	4
Number of people whose suspension exceeded 30 days	4
Average number of days suspended	90
Cost (R'000) of suspensions	420

13. SKILLS DEVELOPMENT

Table 48: Training needs identified 1 April 2007 to 31 March 2008

Occupational Categories	Gender	Employment	Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, Senior Officials and Managers	Female	1,012	0	422	0	422
	Male	513	0	334	0	334
Professionals	Female	12,250	0	3,684	0	3,684
	Male	3,447	0	988	0	988
Technicians and Associate Professionals	Female	327	0	236	0	236
	Male	711	0	302	0	302
Clerks	Female	3,953	0	1,129	0	1,129
	Male	2,520	0	859	0	859
Service and Sales Workers	Female	15,472	0	2,495	0	2,495
	Male	6,328	0	1,409	0	1,409
Skilled Agriculture and Fishery Workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related Trades Workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and Machine Operators and Assemblers	Female	42	0	64	0	64
	Male	618	0	170	0	170
Elementary Occupations	Female	7,170	0	1,453	0	1,453
	Male	4,053	0	1,084	0	1,084
Gender sub totals	Female	40,226	0	9,483	0	9,483
	Male	18,190	0	5,146	0	5,146
Total		**58,416**	**0**	**14,629**	**0**	**14,629**

Table 49: Training Provided 1 April 2007 to 31 March 2008

Occupational Categories	Gender	Employment	Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, Senior Officials and Managers	Female	1,012	0	646	0	646
	Male	513	0	319	0	319
Professionals	Female	12,250	0	4,727	0	4,727
	Male	3,447	0	1,175	0	1,175
Technicians and Associate Professionals	Female	327	0	446	0	446
	Male	711	0	447	0	447
Clerks	Female	3,953	0	1,921	0	1,921
	Male	2,520	0	1,309	0	1,309
Service and Sales Workers	Female	15,472	0	3,828	0	3,828
	Male	6,328	0	1,475	0	1,475
Skilled Agriculture and Fishery Workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related Trades Workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and Machine Operators and Assemblers	Female	42	0	47	0	47
	Male	618	0	118	0	118
Elementary Occupations	Female	7,170	0	2,136	0	2,136
	Male	4,053	0	1,193	0	1,193
Gender sub totals	Female	40,226	0	13,751	0	13,751
	Male	18,190	0	6,036	0	6,036
Total		**58,416**	**0**	**19,787**	**0**	**19,787**

14. INJURED-ON-DUTY

The following tables provide basic information on injury on duty.

Table 50: Injured On Duty: 1 April 2007 to 31 March 2008

Nature of injury on duty	Number	% of total
Required basic medical attention only	29	93.54
Temporary Total Disablement	0	0
Permanent Disablement	1	3.23
Fatal	1	3.23
TOTAL	**31**	**100**

PART D

Annual Financial Statements

TABLE OF CONTENTS

Annexures

Annual Financial Statements for the Provincial Medical Supply Centre

REPORT BY THE ACCOUNTING OFFICER
for the year ended 31 March 2008

Report by the Accounting Officer to the Executive Authority and the Provincial Legislature of the Province of Kwazulu-Natal

1. GENERAL REVIEW OF THE STATE OF FINANCIAL AFFAIRS

The Department was allocated a budget of R13.412 billion, which was adjusted to R13.925 billion. The budget allocated was informed by the health care priorities identified during the planning process for the 2007/08 financial year prior to the beginning of the financial year. These priorities included strengthening service delivery, fighting poverty and protecting vulnerable groups in society, implementing a comprehensive provincial response to HIV and AIDS and other priority health focus areas; developing human capacity sustainable economic development; and job creation and investment in infrastructure.

The allocated resources were prioritised to ensure that optimal results were achieved from the allocated resources. The resource allocation plan also focussed on addressing disparities in service provision amongst the eleven districts within the province with the view to ensuring that the move towards equitable provisioning of health care services is achieved. The process was also informed by the prevailing burden of disease, with priority being given to those areas that required significant interventions due to the extent to which the underlying diseases were affecting the lives of our communities.

The Department has set a target of having 81,614 patients on Anti-retroviral treatment by 31 March 2008, with the actual number coming in at 146,537. The acceleration of the number of people on ART treatment had a significant impact on the overall budget of the Department, with the budgets for compensation of employees and goods and services being affected the most. Furthermore, significant improvements were made in the implementation of the TB Crisis Management Plan, with a total of 55,991 patients having undergone treatment by 31 March 2008, the TB cure rate increasing from 35% to 49% and the TB default rate reducing from 14% to 13%.

We have also managed to open new clinics and other facilities, thereby enhancing access to health care services. Our drive towards improving primary health care continued, within the available resources.

The Department has achieved the above results during a year which saw expenditure accelerate ahead of the available budget as a result mainly of areas not within its control. These circumstances included the nurses' strike which took place during the early part of the financial year, the implementation of ART Programme, implementation of TB Crisis Management Plan, the Public Sector strike, the implementation of the Occupational Specific Dispensation and the implementation for the new wage agreement for staff in terms of Resolution 1 of 2007. These events contributed significantly to the overspending by the department, which amounted to R1.034 billion by 31 March 2008.

The health budget is also sensitive to price changes as a result of changes in commodity prices, changes to interest rates, changes to construction costs, and those of medical equipment and changes to exchange rates. The petrol price increase by an annualised 8.4% between January 2008 and March 2008 as a result of changes in the oil price, the food prices increased by an annualised 20% between January 2008 and March 2008 and the price of medicines increased substantially. Medicine prices increased mainly as a result of increases in the rate of exchange against other major currencies. The budget allocations does not adequately provide for the unexpected shifts in prices as a result of movement in currency rate, commodity prices and foreign currency exchange rates.

The Department has put in place measures to soften the impact of the changes and the impact thereof on service delivery. These measures will also assist in ensuring that a balanced budget is achieved by the end of the 2007/08 financial year. Notwithstanding the current challenges it is our intention to continue working towards ensuring equitable access by all citizens of the province to quality health care services.

Owing to the nature of the events that led to the budget overrun District Health Services, Provincial Hospital Services and Central Hospital Services contained the bulk of the overspending, as the majority of the staff who benefited from salary adjustments under the wage increase and the Occupational Specific Dispensation for nurses are located mainly under these programmes. Furthermore, the patients on treatment under the ART programme are handled mainly under Programme 2 while the patients on TB treatment are handled mainly under programme 4. Central and Tertiary Services under Programme 5 have also seen an increase in patient loads as a result of the implementation of the ART programme and the Provincial TB Crisis Management Plan.

REPORT BY THE ACCOUNTING OFFICER
for the year ended 31 March 2008

PROGRAMME	FINAL ALLOCATION R'000	ACTUAL EXPENDITURE R'000	UNDER/(OVER) EXPENDITURE R'000
1. Administration	280,763	279,689	1,74
2. District Health Services	6,375,856	7,209,609	(833,753)
3. Emergency Medical Services	554,863	548,796	6,067
4. Provincial Hospital Services	3,614,550	3,883,814	(269,264)
5. Central Health Services	1,285,717	1,407,703	(121,986)
6. Health Sciences and Training	522,634	524,333	(1,699)
7. Health Care Support Services	12,649	12,649	-
8. Health Facilities Management	1,278,396	1,092,807	185,589
TOTAL	**13,925,428**	**14,959,441**	**(1,034,013)**

Factors which led to material variances from amounts voted, after considering the virement of funds.

Programme 1: Administration

Spending on this programme was according to budget. However the Department had to delay certain activities to achieve this owing to the impact of the salary increases on the overall budget of the programme.

Programme 2: District Health Services

A total of R6, 375,856,000 was allocated to the programme, R7,209,609,000 was spent, resulting in overspending of R833, 753,000. Overspending in Community Health Centres was mainly as a result of the implementation of OSD and increase in input costs (including the cost of medicines); overspending in the HIV and AIDS programme was due to the number of patients on treatment increasing to 146,537 against a target of 66,554 by 31 March 2008. Overspending in Nutrition was mainly as a result of increase in patients on treatment for HIV and AIDS and MDR/ XDR TB who were provided nutritional support and the overspending in District Hospitals was mainly as a result of the implementation of the Occupational Specific Dispensation and the rising costs of inputs due to rising food prices, medicines costs and petrol prices.

Programme 3: Emergency Medical Services

The programme experienced a slight under spending of R6,067,000. However, it continues to face under re-sourcing, which have a direct impact on the delivery of ambulance services and planned patient transport. The unit requires additional ambulances and response teams that will provide the capacity necessary to achieve the national norms for response times and for the achievement of the national norm of 1 ambulance for every 10,000 members of the community.

Programme 4: Provincial Hospital Services

A total budget of R3,614,550,000 was allocated, an amount of R3,883,814,000 was spent resulting in overspending of R269,264,000. The over expenditure was mainly as a result of the implementation of the Occupations Specific Dispensation for nurses, the implementation of salary increases, the continuation of the implementation of the TB Crisis Management Plan and the acceleration in input costs.

Programme 5: Central Hospital Services

A total budget of R1,285,717 was allocated an amount to R1,407,703 was spent resulting in overspending of R121,986. The over expenditure was mainly as a result of the implementation of the Occupations Specific Dispensation for nurses, the implementation of salary increases, the continuation of the implementation of the TB Crisis Management Plan and the acceleration in input costs.

Programme 6: Health Sciences And Training

Spending on this programme was slightly ahead of target, with overspending at R1, 699,000.

Programme 7: Healthcare Support Services

Spending on this programme was as approved.

REPORT BY THE ACCOUNTING OFFICER
for the year ended 31 March 2008

Programme 8: Health Facilities Management

The programme was under spent by R185, 589,000 mainly as a result of under-spending in the Forensic Pathology Services Grant as a result of delays in the construction of mortuaries brought about by lack of suitable land. Spending on the Revitalisation Grant improved substantially with unspent funds decreasing from R91,761 million in 2006/07 to R28,9 million in 2007/08. The delays in the construction of facilities impacted on the acquisition of equipment for the facilities resulting in under-spending in machinery and equipment.

2. SERVICES RENDERED BY THE DEPARTMENT

The main purpose for the existence of the Department of Health is to develop and implement a sustainable, coordinated, integrated and comprehensive health system through the primary health care approach which is based on accessibility, equity, community participation, use of appropriate technology and inter-sectoral collaboration. The organisational configuration of the Department forms an important basis for effective and efficient health service delivery in pursuance of the objectives set in the Strategic Plan, the Service Transformation Plan and the Annual Performance Plan of the Department. Restructuring will continue with the aim of providing a blue print for successful decentralisation of services to ensure effective service delivery and to strengthen the management of health services, especially at the primary healthy care level. The role of Head Office should be policy making, planning, systems development, procedural design, setting of norms and standards, as well as monitoring and evaluation. The District Offices will be responsible for developing, coordinating and facilitating the implementation of an effective, efficient, sustainable and integrated health system. Part of the strategy is to ensure that there is sufficient capacity and readiness in Districts to assume responsibility and accountability for decentralised functions and delegations. Four main categories of services are provided by the Department, namely:

Primary Health Care Services

This category focuses on the prevention of illness and the provision of basic curative health services. These services include immunisation, health promotion, HIV and AIDS awareness, nutrition services, mother and child health services, communicable disease control, environmental health, oral and dental health, rehabilitation support, occupational health and chronic disease support.

Hospital Services

District hospitals cater for those patients who require admission to hospital for treatment at general practitioner level, while provincial hospitals cater for patients requiring admission to hospital for treatment at specialist level. Tuberculosis hospitals, psychiatric hospitals and chronic medical hospitals (long-term) provide hospitalisation for patients suffering from tuberculosis, mental illnesses and those patients requiring long-term nursing care. Central and tertiary hospitals provide facilities and expertise needed for sophisticated medical procedures.

Forensic Pathology Services

These services are directed at ensuring integrity of forensic evidence and providing Inspector of Anatomy Services.

Emergency Medical Services

The aim of this category is to provide emergency care and transport for victims of trauma, road traffic accidents, emergency medical and obstetric conditions. Planned patient transport is provided for inter-hospital transfer whilst indigent patients are transported between clinics and hospitals.

Tariff policy

The main source of revenue for the Department, over and above its voted amount, is patient fees which are based on the Uniform Patient Fees Schedule as prescribed by the National Department of Health. This fee structure was updated during the year to conform to adjustments at National level. Joint committees comprising the National and Provincial of Health complete these adjustments.

Free Services

Free services are provided in accordance with National policies to certain categories of patients, viz. pregnant women, children under six, certain communicable diseases, the aged, the poor and persons with disabilities. There are no other free services rendered by the Department.

Had patients been charged, an approximate amount of R27.6 million would have been collected, this estimation is based on monthly stats received from the health institutions.

REPORT BY THE ACCOUNTING OFFICER
for the year ended 31 March 2008

Inventories

The total inventory on hand as at 31 March 2008 amounted R2.082 billion. This amount consists of consumables of R364 million, pharmaceuticals of R262 million and equipment of R1.457 billion. This amount excludes immovable properties, which are disclosed under the Department of Works.

3. CAPACITY CONSTRAINTS

The delivery of health services is dependent on the availability of all the necessary resources at the right quantity and the right mix to maximise the service delivery impact. The Department continues to strive to ensure that all the necessary resources are in place to enhance service delivery. However, the Department continues to face challenges due to shortage of skilled professional staff, inadequate health information systems, backlog in fixed infrastructure, inadequate machinery and equipment, increasing burden of disease and co-morbidities, together with the gap in funding of healthcare needs in the province. As a response to these challenges, the Department has embarked on the following initiatives, which see capacity for service delivery being strengthened:

- Maintaining in place service delivery agreements with the Department of Public Works, Ithala Bank and Independent Development Trust with a view to enhancing the capacity for infrastructure roll out;
- Expansion of Emergency Medical Services through increases in the vehicle fleet and personnel;
- Development of the Human Resource Plan to focus effort on developing and recruiting staff to meet the service delivery needs of the Department;
- Offering bursaries for study in various healthcare disciplines;
- Integration of closely related programmes through capacity building programmes where staff are trained in the relevant areas and by creation of multi-purpose staff posts (e.g. HIV and AIDS, STI's and TB, or PMTCT and Maternal, Child and Women's Health);
- Conclusion of contracts with NGOs to supplement capacity for the delivery of healthcare services throughout the province;
- Strengthening of inter-sectoral collaboration to ensure that optimal service delivery is achieved through the pooling of resources; and
- Enhancement of Primary Healthcare services, especially at Community Health Clinics and Community Health Centres to avoid overcrowding at Hospitals and improve access to services.

4. UTILISATION OF DONOR FUNDS

Donations received in Cash

During this financial year an amount of R34.388 million in respect of local and foreign donor funds was received by the Department. In addition an amount of R1.704 million was brought forward from the previous financial year giving a total of R36.090 million for the year. Of this amount, R14.480 million was spent leaving a balance of R21.610 million, which will be carried forward into the 2008/09 financial year.

A number of small donations were received during the financial year, as well as three larger donations comprising an amount of R3.984 million for the treatment and care of TB patients received from the TB Global Fund, an amount of R21.500 million for continuation of the projects for the Partnership for the Delivery of Primary Health Care and R5.150 million for the purchase of Emergency Medical Services vehicles in Sisonke.

The funding for Emergency Medical Services was provided by the Department of Local Government and Traditional Affairs in order to assist with the incorporation of the Umzimkulu Municipality into KwaZulu-Natal and the establishment of an efficient and effective Emergency Medical Services system in Sisonke District.

Donations in Kind

Italian Funding to the value of R2.091 million was provided and spent on multi-sectoral management support for Primary Health Care. These funds are managed by the Italian Consulate and not by the Department.

The Geneva Global Fund for HIV, AIDS, TB and Malaria received an additional R109.025 during this financial year. A total of R82.651 million was spent in accordance with the objectives of the fund. A separate set of books as well as a separate bank account is maintained under the management of a dedicated project manager. These funds are managed independently from the funding allocated to the Department of Health.

Spending on donor funds is managed according to the agreements concluded with the various donors.

REPORT BY THE ACCOUNTING OFFICER
for the year ended 31 March 2008

5. TRADING ENTITIES AND PUBLIC ENTITIES

The only trading activity for the Department of Health is the Provincial Medical Supply Centre. This entity purchases pharmaceuticals from the suppliers and these are then distributed to the various institutions as requested. The pharmaceuticals are charged at actual cost plus a mark-up of 4% to 12% to cover the administrative costs. A surplus of R17.680 million will be surrendered to Treasury in the 2007/08 financial year.

6. ORGANISATIONS TO WHOM TRANSFER PAYMENTS HAVE BEEN MADE

Transfer payments are made to the following organizations in order to assist the Department in providing health care services to the population of Kwazulu-Natal:

- Local Municipalities, which provide primary health care services as well as environmental health services, and
- NGO's, which provide HIV and AIDS, Clinic, Mental Health and Hospital Services.

In addition, transfer payments also include the payment of bursaries, claims against the State, leave gratuities, the skills levy, and a provision for the augmentation of the Medicine Trading Account.

The detail of the above transfer payments is reflected in Annexure 1 of this report.

Accounting Arrangements

Where applicable, service level agreements are entered into between the relevant organisations and the Department. These govern the management of the finances and the services provided.

Transfer payments to the local municipalities are made based on the submission of claims.

7. PUBLIC PRIVATE PARTNERSHIPS (PPP)

The Department has in place a public private partnership agreement with Cowslip Investments (Pty) Ltd and Impilo Consortium for the delivery of non-clinical services to the Inkosi Albert Luthuli Central Hospital. The Department is satisfied that the performance of the PPP partners was adequately monitored in terms of the provisions of the agreement. Details of the PPP and the transactions relating thereto are disclosed under note 35 of the financial statements.

8. CORPORATE GOVERNANCE ARRANGEMENTS

The Departments Audit and Risk Management component has performed a transversal function across the Department in that it dealt with audit matters affecting all health institutions and ensured that risks were identified and mitigated through the implementation of internal control measures.

The Department has adopted a common and integrated approach to the management of risks thus ensuring that knowledge and experience is shared and risk management becomes embedded in the daily activities and the way officials work. This approach has been aimed at reducing uncertainty and giving confidence in the reduction of potential threats and the pursuance of opportunities thus enabling officials in the Department to be more decisive in pursuing the Vision, Mission and Goals, while taking into account the risk appetite of the Department.

The risk management strategy of the Departments is aimed at:

- Aligning its strategy, work processes, people, technology and knowledge.
- Promoting risk awareness amongst all managers and employees and officials thus improving risk transparency to its stakeholders.
- Creation, protection and enhancement of shareholder value by pro-actively managing risks that may impact on the achievement of the Departments objectives.
- Continually monitoring and evaluating progress/ actions/mitigation strategies against risk management action plans.
- Support the Department's strategy and continuously monitor and effectively manage the risks inherent in the Department.
- Ensure that management and officials in the Department understand and accept responsibility for managing any risks that may impact on their key performance areas or the achievement of the objectives.

The risk management activities have been driven through a process of assessments with the use of checklists/toolkits. These mechanisms have been utilised to identify, evaluate, rate communicate and mitigate identified and potential risks prevalent in the Department.

REPORT BY THE ACCOUNTING OFFICER
for the year ended 31 March 2008

Further, the Department had also embarked and finalised various risk management initiatives as part of its strategy to combat fraud and corruption. In this regard, fraud awareness workshops were conducted with the target audience being all officials falling within the management cadre/echelon. The campaign included *inter alia* workshops on the fundamentals of Risk Management, its effectiveness and analysis of the processes involved in mitigating potential risks; Fraud Prevention, which included the roll-out of the Department's Fraud Prevention Plan as part of its Anti-Corruption Strategy in reducing the incidents of fraud and corruption as well as presentations on Corporate Governance, which incorporated a module on ethics in the workplace and the relevant sections of the Public Finance Management Act.

The Department has with the assistance of the Internal Audit Unit of the Provincial Treasury, undertaken a Strategic Risk Assessment, with the objective of reviewing key business objectives, the risks impacting on the achievement of these objectives and the internal controls that will need to be designed to manage these risks.

9. DISCONTINUED ACTIVITIES

No activities were discontinued during the year under review.

10. NEW ACTIVITIES

The Department commenced with the operation of a number of new clinics and other facilities during the year under review, as part of its drive towards expanding access to services by the Communities of the Province.

11. ASSET MANAGEMENT

The Department has asset registers in place. The Department has established asset management units at Head Office, District Offices and at Health Institutions. During the 2007/08 financial year, capacity for Asset Management was enhanced through the filling of vacant Asset Management posts. The Department has put in place systems, policies and procedures to ensure compliance with the Asset Management policy framework. Furthermore, the Department is in the process of awarding a bid for the roll-out of an electronic asset register.

Further improvements were made during the year under review with a view to enhancing compliance with the Asset Management Framework. These included ensuring that a unique numbering system was in place at all institutions and that regular reconciliations of assets were completed.

12. IMMOVABLE ASSETS

The Provincial Treasury's interim measure to deal with the treatment of immovable assets remains in place. Immovable assets are reflected under the Department of Works in line with this directive. However it is important to raise an issue that the Health Department has full use of these assets as the the custodianship of these assets has been vested in the Department of Works.

13. EVENTS AFTER THE REPORTING DATE

A request for rollover of unspent funds was submitted to the Provincial Treasury to secure funding for commitments incurred during the 2007/08 financial year. The measure will assist in avoiding the impact of such expenditure on the 2008/09 budget.

14. PERFORMANCE INFORMATION

During the 2007/08 financial year a process was undertaken by the National Department of Health and National Treasury, which resulted in the development of standardised performance targets. The Department was required to utilise these targets for quarterly and annual reporting of performance reports to Treasury based on the agreed upon targets. The information included in the reports is collected mainly from districts and institutions through a mix of electronic and manual systems. The Department has in place components at the different levels who are responsible for collecting information and for quality control. The Department is planning for the implementation of Integrated Information Systems to further enhance the quality of data collected. Detailed performance information is contained in the performance report.

REPORT BY THE ACCOUNTING OFFICER
for the year ended 31 March 2008

15. PRIOR MODIFICATIONS TO AUDIT REPORTS

The resolution of matters reported upon by the Auditor-General is undertaken immediately upon the completion of the audit. Detailed action plans are developed, which identifies the issue, the actions required, the action date and the person responsible. Workshops are conducted by the Audit and Risk Unit to discuss the action plan with the responsible officials. Follow up reviews are conducted by the unit to ensure that required actions are implemented. Further reviews are completed before year end as part of the audit readiness process.

16. EXEMPTIONS AND DEVIATIONS RECEIVED FROM THE NATIONAL TREASURY

No exemptions were requested from the National Treasury. The following exemptions have been obtained from the Provincial Treasury:

- BAS/Persal reconciliation

  The Provincial Treasury had approved a practice note on the compilation of the reconciliation. Due to the size of the Department, the reconciliation according to the practice note proved impractical. The Department was thereafter given approval to deviate from the practice note and utilise the original approach, which had been accepted by the Auditor-General.

- Disclosure of immovable assets

  The disclosure of immovable assets is included under the Annual Financial Statements of the Department of Works in accordance with a Provincial Treasury directive.

17. SCOPA RESOLUTIONS

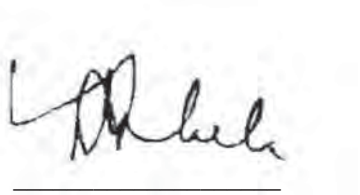
On 29 February 2008 the Department attended the Provincial Public Accounts Standing Committee hearing in respect of the report of the Auditor-General on the financial statements of the Department for the 2006/07 financial year. In this regard, all matters raised in terms of the report were responded to by the Department.

Approval

The Annual Financial Statements set out on pages 198 to 270 are hereby approved by the Chief Financial Officer: Department of Health: KwaZulu-Natal.

Mr. A.S.S. Buthelezi
Chief Financial Officer
31 May 2008

The Annual Financial Statements set out on pages 198 to 270 are hereby approved by the Acting Accounting Officer of the Department of Health: KwaZulu-Natal.



Dr. Y. L. Mbele
Acting Accounting Officer
31 May 2008

REPORT OF THE AUDITOR-GENERAL
for the year ended 31 March 2008

Report of the Auditor-General to the Kwazulu-Natal Provincial Legislature on the Financial Statements and Performance Information of Vote No. 7: Department of Health for the year ended 31 March 2008

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the accompanying financial statements of the KwaZulu-Natal Department of Health (department), which comprise the appropriation statement, statement of financial position as at 31 March 2008, statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 228 to 233.

Responsibility of the accounting officer for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting determined by the National Treasury, as set out in the statement of accounting policies note 1.1 and in the manner required by the Public Finance Management Act, 1999 (Act No. 1 of 1999) (PFMA) and the Division of Revenue Act, 2007 (Act No. 1 of 2007) (DoRA). This responsibility includes:

   - designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error
   - selecting and applying appropriate accounting policies
   - making accounting estimates that are reasonable in the circumstances.

Responsibility of the Auditor-General

3. As required by section 188 of the Constitution of the Republic of South Africa, 1996 read with section 4 of the Public Audit Act, 2004 (Act No. 25 of 2004) (PAA), my responsibility is to express an opinion on these financial statements based on my audit.

4. I conducted my audit in accordance with the International Standards on Auditing and *General Notice 616 of 2008*, issued in *Government Gazette No. 31057 of 15 May 2008*. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance on whether the financial statements are free from material misstatement.

5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the departments preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

6. An audit also includes evaluating the:

   - appropriateness of accounting policies used
   - reasonableness of accounting estimates made by management
   - overall presentation of the financial statements.

7. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

REPORT OF THE AUDITOR-GENERAL
for the year ended 31 March 2008

Basis of accounting

8. The department's policy is to prepare financial statements on the modified cash basis of accounting determined by the National Treasury, as set out in the statement of accounting policies note 1.1.

Opinion

9. In my opinion the financial statements present fairly, in all material respects, the financial position of the Department of Health as at 31 March 2008 and its financial performance and cash flows for the year then ended, in accordance with the modified cash basis of accounting determined by the National Treasury, as set out in the accounting policy note 1.1 and in the manner required by the PFMA and DoRA.

Emphasis of matter

Without qualifying my audit opinion, I draw attention to the following matters:

Amendments to the applicable basis of accounting

10. As disclosed in note 37 to the financial statements the department has recognised certain immovable assets which may require to be recognised by the Department of Works. However, this has not been done due to the approval by the National Treasury on 16 May 2008 of a deviation from the basis of accounting applicable to departments regarding this matter.

Unauthorised expenditure

11. As disclosed in note 11 to the annual financial statements, the department had exceeded its authorised expenditure budget of R13,9 billion by R1,2 billion.

OTHER MATTERS

Without qualifying my audit opinion, I draw attention to the following matter that relates to my responsibilities in the audit of the financial statements:

Non-compliance with applicable legislation

Public Finance Management Act

12. Supply chain management

    Legislative procedures embodied in the Treasury Regulations had not been adhered to in respect of the awarding of tenders to service providers, due to certain tenders being considered as emergency/urgent cases when they did not meet the definition of such.

Matters of governance

13. The PFMA tasks the accounting officer with a number of responsibilities concerning financial and risk management and internal control. Fundamental to achieving this is the implementation of certain key governance responsibilities, which I have assessed as follows:

REPORT OF THE AUDITOR-GENERAL
for the year ended 31 March 2008

Matter of governance	Yes	No
Audit committee		
• The department had an audit committee in operation throughout the financial year.	✓	
• The audit committee operates in accordance with approved, written terms of reference.	✓	
• The audit committee substantially fulfilled its responsibilities for the year, as set out in section 77 of the PFMA and Treasury Regulation 3.1.10.	✓	
Internal audit		
• The department had an internal audit function in operation throughout the financial year.	✓	
• The internal audit function operates in terms of an approved internal audit plan.	✓	
• The internal audit function substantially fulfilled its responsibilities for the year, as set out in Treasury Regulation 3.2.	✓	
Other matters of governance		
The annual financial statements were submitted for auditing as per the legislated deadlines (section 40 of the PFMA).	✓	
The financial statements submitted for auditing were not subject to any material amendments resulting from the audit.		✓
No significant difficulties were experienced during the audit concerning delays or the unavailability of expected information and/or the unavailability of senior management.	✓	
The prior year's external audit recommendations have been substantially implemented.	✓	
SCOPA resolutions have been substantially implemented.	✓	

Unaudited supplementary schedules

14. Annexure 1F, Statement of conditional grants paid to municipalities, includes a column of amounts spent by the municipality. I have not audited this amount and accordingly I do not express an opinion thereon.

15. The schedule of immovable assets, land and sub-soil assets set out on page 270 does not form part of the financial statements and is presented as additional information. I have not audited this schedule and accordingly I do not express an opinion thereon.

OTHER REPORTING RESPONSIBILITIES

REPORT ON PERFORMANCE INFORMATION

16. I have reviewed the performance information as set out on pages 202 to 227.

Responsibility of the accounting officer for the performance information

17. The accounting officer has additional responsibilities as required by section 40(3)(a) of the PFMA to ensure that the annual report and audited financial statements fairly present the performance against predetermined objectives of the department.

REPORT OF THE AUDITOR-GENERAL
for the year ended 31 March 2008

Responsibility of the Auditor-General

18. I conducted my engagement in accordance with section 13 of the PAA read with *General Notice 616 of 2008*, issued in *Government Gazette No. 31057 of 15 May 2008.*

19. In terms of the foregoing my engagement included performing procedures of an audit nature to obtain sufficient appropriate evidence about the performance information and related systems, processes and procedures. The procedures selected depend on the auditor's judgement.

20. I believe that the evidence I have obtained is sufficient and appropriate to provide a basis for the audit findings reported below.

Audit findings (performance information)

Measurable objectives not consistent

21. I draw attention to the fact that some of the measurable objectives reported in the annual report are materially inconsistent when compared with the predetermined objectives as per the strategic plan and budget.

OTHER REPORT

Investigation

22. An investigation is being conducted to probe the manner in which the procurement of goods and services was done under the provisions of the supply chain management policy. The investigation aims to establish whether it was in the best interests of the department.

APPRECIATION

23. The assistance rendered by the staff of the Department of Health during the audit is sincerely appreciated.

H. van Zyl for Auditor-General
Pietermaritzburg

30 July 2008

AUDITOR-GENERAL

APPROPRIATION STATEMENT
for the year ended 31 March 2008

Appropriation per programme

	2007/08							2006/07	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Administration									
Current payment	277,213	(1,000)	–	276,213	274,953	1,260	99.5%	213,332	216,925
Transfers and subsidies	611	1,000	–	1,611	1,713	(102)	106.3%	3,752	3,756
Payment for capital assets	2,939	–	–	2,939	3,023	(84)	102.9%	2,772	4,219
2. District Health Services									
Current payment	5,972,747	30,000	–	6,002,747	6,856,897	(854,150)	114.2%	5,103,416	5,085,383
Transfers and subsidies	276,127	(30,000)	–	246,127	236,702	9,425	96.2%	235,376	220,514
Payment for capital assets	126,982	–	–	126,982	116,010	10,972	91.4%	83,806	64,404
3. Emergency Medical Services									
Current payment	481,093	–	–	481,093	522,638	(41,545)	108.6%	397,414	415,873
Transfers and subsidies	687	–	–	687	572	115	83.3%	520	744
Payment for capital assets	73,083	–	–	73,083	25,586	47,497	35.0%	74,446	57,406
4. Provincial Hospital Services									
Current payment	3,533,702	–	–	3,533,702	3,793,242	(259,540)	107.3%	3,032,632	3,028,995
Transfers and subsidies	53,509	–	–	53,509	51,115	2,394	95.5%	78,332	76,308
Payment for capital assets	27,339	–	–	27,339	39,457	(12,118)	144.3%	32,365	33,642
5. Central Hospital Services									
Current payment	1,075,730	–	–	1,075,730	1,259,827	(184,097)	117.1%	971,709	1,013,067
Transfers and subsidies	3,062	–	–	3,062	627	2,435	20.5%	3,397	1,910
Payment for capital assets	206,925	–	–	206,925	147,249	59,676	71.2%	193,058	176,833

APPROPRIATION STATEMENT
for the year ended 31 March 2008

	2007/08							2006/07	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
6. Health Sciences and Training									
Current payment	455,915	14,000	–	469,915	478,758	(8,843)	101.9%	384,838	384,470
Transfers and subsidies	57,991	(14,000)	–	43,991	42,600	1,391	96.8%	33,641	33,450
Payment for capital assets	8,728	–	–	8,728	2,975	5,753	34.1%	4,740	3,149
7. Health Care Support Services									
Transfers and subsidies	12,649	–	–	12,649	12,649	–	100.0%	29,560	29,560
8. Health Facilities Management									
Current payment	335,529	–	–	335,529	356,171	(20,642)	106.2%	215,630	214,653
Payment for capital assets	942,867	–	–	942,867	736,636	206,231	78.1%	724,515	598,555
9. Special Funtions									
Current payment	–	–	–	–	41	(41)	0.0%	–	135
TOTAL	**13,925,428**	**–**	**–**	**13,925,428**	**14,959,441**	**(1,034,013)**	**107.4%**	**11,819,251**	**11,663,951**
Reconciliation with Statement of Financial Performance									
Add: Prior year unauthorised expenditure approved with funding				500,905				–	
Departmental revenue				148,544				121,289	
Local and foreign aid assistance				34,386				15,334	
Actual amounts per Statement of Financial Performance (Total Revenue)				14,609,263				11,955,874	
Add: Local and foreign aid assistance					14,480				16,817
Prior year unauthorised expenditure approved					500,905				–
Actual amounts per Statement of Financial Performance Expenditure (Total Expenditure)					15,474,826				11,680,768

APPROPRIATION STATEMENT
for the year ended 31 March 2008

Appropriation per economic classification

	2007/08							2006/07	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	7,913,564	–	–	7,931,564	8,643,767	(730,203)	109.2%	6,660,756	6,628,829
Goods and services	4,218,365	43,000	–	4,261,365	4,898,719	(637,354)	115.0%	3,658,215	3,730,540
Financial transactions in assets and liabilities	–	–	–	–	41	(41)	0.0%	–	132
Transfers & subsidies									
Provinces & municipalities	81,355	(15,000)	–	66,355	63,463	2,892	95.6%	81,488	76,148
Departmental agencies & accounts	17,119	–	–	17,119	17,119	–	100.0%	33,529	33,529
Universities & technikons	–	–	–	–	–	–	0.0%	100	100
Non–profit institutions	215,376	(15,000)	–	200,376	199,011	1,365	99.3%	200,597	190,624
Households	90,786	(13,000)	–	77,786	66,385	11,401	85.3%	68,864	65,841
Payment for capital assets									
Buildings & other fixed structures	841,123	–	–	841,123	623,762	217,361	74.2%	675,327	549,366
Machinery & equipment	547,624	–	–	547,624	429,978	117,646	78.5%	440,257	388,460
Software & other intangible assets	116	–	–	116	17,196	(17,080)	14824.1%	118	382
Land & subsoil assets	–	–	–	–	–	–	0.0%	–	–
Total	**13,925,428**	**–**	**–**	**13,925,428**	**14,959,441**	**(1,034,013)**	**107.4%**	**11,819,251**	**11,663,951**

APPROPRIATION STATEMENT
for the year ended 31 March 2008

Detail Per Programme 1 – Administration

Programme per subprogramme	2007/08							2006/07	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1.1 Office of the MEC									
Current payment	9,442	–	–	9,442	11,140	(1,698)	118.0%	8,415	8,233
Transfers and subsidies	14	–	–	14	2	12	14.3%	5	5
Payment for capital assets	360	–	–	360	756	(396)	210.0%	405	404
1.2 Management									
Current payment	267,771	(1,000)	–	266,771	263,813	2,958	98.9%	204,917	208,692
Transfers and subsidies	597	1,000	–	1,597	1,711	(114)	107.1%	3,747	3,751
Payment for capital assets	2,579	–	–	2,579	2,267	312	87.9%	2,367	3,815
TOTAL	**280,763**	**–**	**–**	**280,763**	**279,689**	**1,074**	**99.6%**	**219,856**	**224,900**

APPROPRIATION STATEMENT
for the year ended 31 March 2008

Detail Per Programme 1 – Administration

Economic classification	2007/08							2006/07	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	169,821	(27,000)	–	142,821	141,966	855	99.4%	115,572	114,693
Goods and services	107,392	26,000	–	133,392	132,987	405	99.7%	97,760	102,232
Transfers & subsidies									
Provinces & municipalities	11	–	–	11	12	(1)	109.1%	92	96
Universities & technikons	–	–	–	–	–	–	0.0%	100	100
Non–profit institutions	–	–	–	–	–	–	0.0%	100	100
Households	600	1,000	–	1,600	1,701	(101)	106.3%	3,460	3,460
Payments for capital assets									
Buildings & other fixed structures	–	–	–	–	–	–	0.0%	–	–
Machinery & equipment	2,883	–	–	2,883	3,011	(128)	104.4%	2,719	4,219
Software & other intangible assets	56	–	–	56	12	44	21.4%	53	–
Total	**280,763**	**–**	**–**	**280,763**	**279,689**	**1,074**	**99.6%**	**219,856**	**224,900**

APPROPRIATION STATEMENT
for the year ended 31 March 2008

Detail Per Programme 2 – District Health Services

Programme per subprogramme	2007/08							2006/07	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
2.1 District Management									
Current payment	126,060	–	–	126,060	133,942	(7,882)	106.3%	99,615	108,653
Transfers and subsidies	193	–	–	193	209	(16)	108.3%	358	228
Payment for capital assets	8,426	–	–	8,426	10,993	(2,567)	130.5%	7,522	4,715
2.2 Community Health Clinics									
Current payment	1,211,024	(17,000)	–	1,194,024	1,194,177	(153)	100.0%	912,533	916,075
Transfers and subsidies	110,489	(18,000)	–	92,489	88,288	4,201	95.5%	106,554	100,809
Payment for capital assets	34,304	(14,000)	–	20,304	12,516	7,788	61.6%	12,021	10,505
2.3 Community Health Centres									
Current payment	323,291	32,000	–	355,291	431,200	(75,909)	121.4%	277,791	281,191
Transfers and subsidies	1,186	–	–	1,186	583	603	49.2%	1,368	1,113
Payment for capital assets	3,711	–	–	3,711	4,114	(403)	110.9%	3,438	3,438
2.4 Community Based Services									
Current payment	117,668	(19,000)	–	98,668	103,108	(4,440)	104.5%	84,778	84,505
Transfers and subsidies	–	–	–	–	–	–	0.0%	3	–
Payment for capital assets	89	–	–	89	183	(94)	205.6%	89	–
2.5 Other Community Services									
Current payment	430,968	(33,000)	–	397,968	398,742	(774)	100.2%	369,083	367,271
Transfers and subsidies	2,824	–	–	2,824	664	2,160	23.5%	2,121	2,954
Payment for capital assets	8,849	–	–	8,849	12,146	(3,297)	137.3%	4,883	5,442

APPROPRIATION STATEMENT
for the year ended 31 March 2008

Detail Per Programme 2 – District Health Services

Programme per subprogramme	2007/08							2006/07	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
2.6 HIV and AIDS									
Current payment	953,174	12,000	–	965,174	1,016,807	(51,633)	105.3%	684,746	681,061
Transfers and subsidies	51,765	(12,000)	–	39,765	39,376	389	99.0%	27,541	18,531
Payment for capital assets	1,181	–	–	1,181	2,387	(1,206)	202.1%	4,378	4,378
2.7 Nutrition									
Current payment	33,113	–	–	33,113	84,616	(51,503)	255.5%	31,493	31,553
Transfers and subsidies	–	–	–	–	–	–	0.0%	3	1
Payment for capital assets	–	–	–	–	31	(31)	0.0%	40	40
2.8 Coroner Services									
Current payment	89,693	–	–	89,693	89,566	127	99.9%	76,058	43,729
Transfers and subsidies	–	–	–	–	13	(13)	0.0%	4	2
Payment for capital assets	29,323	–	–	29,323	17,597	11,726	60.0%	31,643	1,109
2.9 District Hospitals									
Current payment	2,687,756	55,000	–	2,742,756	3,404,739	(661,983)	124.1%	2,567,319	2,571,345
Transfers and subsidies	109,670	–	–	109,670	107,569	2,101	98.1%	97,424	96,876
Payment for capital assets	41,099	14,000	–	55,099	56,043	(944)	101.7%	19,792	34,777

APPROPRIATION STATEMENT
for the year ended 31 March 2008

Detail Per Programme 2 – District Health Services

Economic classification	2007/08							2006/07	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current									
Compensation of employees	3,979,577	13,000	–	3,992,577	4,473,898	(481,321)	112.1%	3,366,446	3,331,158
Goods and services	1,993,170	17,000	–	2,010,170	2,382,999	(372,829)	118.5%	1,736,970	1,754,225
Transfers & subsidies									
Provinces & municipalities	81,036	(15,000)	–	66,036	63,184	2,852	95.7%	79,303	73,793
Non–profit institutions	176,871	(15,000)	–	161,871	160,499	1,372	99.2%	135,121	125,148
Households	18,220	–	–	18,220	13,019	5,201	71.5%	20,952	21,573
Capital									
Buildings & other fixed structures	–	–	–	–	1,124	(1,124)	0.0%	–	–
Machinery & equipment	126,982	–	–	126,982	114,886	12,096	90.5%	83,741	64,022
Software & other intangible assets	–	–	–	–	–	–	0.0%	65	382
Total	**6,375,856**	**–**	**–**	**6,375,856**	**7,209,609**	**(833,753)**	**113.1%**	**5,422,598**	**5,370,301**

APPROPRIATION STATEMENT
for the year ended 31 March 2008

Detail Per Programme 3 – Emergency Medical Services

Programme per subprogramme	2007/08							2006/07	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
3.1 Emergency Transport									
Current payment	460,931	–	–	460,931	502,184	(41,253)	108.9%	379,382	397,564
Transfers and subsidies	687	–	–	687	465	222	67.7%	510	737
Payment for capital assets	61,621	–	–	61,621	25,536	36,085	41.4%	63,643	56,642
3.2 Planned Patient transport									
Current payment	20,162	–	–	20,162	20,454	(292)	101.4%	18,032	18,309
Transfers and subsidies	–	–	–	–	107	(107)	0.0%	10	7
Payment for capital assets	11,462	–	–	11,462	50	11,412	0.4%	10,803	764

APPROPRIATION STATEMENT
for the year ended 31 March 2008

Detail Per Programme 3 – Emergency Medical Services

Economic classification	2007/08							2006/07	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current									
Compensation of employees	341,360	–	–	341,360	341,040	320	99.9%	271,342	282,147
Goods and services	139,733	–	–	139,733	181,598	(41,865)	130.0%	126,072	133,726
Transfers & subsidies									
Provinces & municipalities	200	–	–	200	130	70	65.0%	197	205
Households	487	–	–	487	442	45	90.8%	323	539
Capital									
Buildings & other fixed structures	–	–	–	–	576	(576)	0.0%	–	–
Machinery & equipment	73,083	–	–	73,083	24,998	48,085	34.2%	74,446	57,406
Software & other intangible assets	–	–	–	–	12	(12)	0.0%	–	–
Total	**554,863**	**–**	**–**	**554,863**	**548,796**	**6,067**	**98.9%**	**472,380**	**474,023**

APPROPRIATION STATEMENT
for the year ended 31 March 2008

Detail Per Programme 4 – Provincial Hospital Services

Programme per subprogramme	2007/08							2006/07	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
4.1 General Hospitals									
Current payment	2,486,101	19,000	–	2,505,101	2,824,487	(319,386)	112.7%	2,347,639	2,354,044
Transfers and subsidies	29,520	–	–	29,520	31,319	(1,799)	106.1%	24,253	22,205
Payment for capital assets	20,459	–	–	20,459	34,558	(14,099)	168.9%	27,345	29,114
4.2 Tuberculosis Hospitals									
Current payment	526,439	–	–	526,439	464,998	61,441	88.3%	290,299	284,249
Transfers and subsidies	16,939	–	–	16,939	14,162	2,777	83.6%	28,490	28,040
Payment for capital assets	4,176	–	–	4,176	2,612	1,564	62.5%	3,886	2,162
4.3 Psychiatric Hospitals									
Current payment	425,008	(19,000)	–	406,008	406,084	(76)	100.0%	312,100	309,957
Transfers and subsidies	3,161	–	–	3,161	1,617	1,544	51.2%	21,880	22,488
Payment for capital assets	1,964	–	–	1,964	1,826	138	93.0%	–	2,107
4.4 Chronic Medical Hospitals									
Current payment	85,206	–	–	85,206	88,083	(2,877)	103.4%	72,780	72,361
Transfers and subsidies	3,847	–	–	3,847	3,820	27	99.3%	3,667	3,555
Payment for capital assets	694	–	–	694	461	233	66.4%	1,039	224
4.5 Dental Training hospitals									
Current payment	10,948	–	–	10,948	9,590	1,358	87.6%	9,814	8,384
Transfers and subsidies	42	–	–	42	197	(155)	469.0%	42	20
Payment for capital assets	46	–	–	46	–	46	0.0%	95	35

APPROPRIATION STATEMENT
for the year ended 31 March 2008

Detail Per Programme 4 – Provincial Hospital Services

Economic classification	2007/08							2006/07	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current									
Compensation of employees	2,540,592	–	–	2,540,592	2,703,673	(163,081)	106.4%	2,151,378	2,148,592
Goods and services	993,110	–	–	993,110	1,089,569	(96,459)	109.7%	881,254	880,403
Transfers & subsidies									
Provinces & municipalities	106	–	–	106	129	(23)	121.7%	1,400	1,572
Non–profit institutions	33,084	–	–	33,084	33,703	(619)	101.9%	60,818	60,818
Households	20,319	–	–	20,319	17,283	3,036	85.1%	16,114	13,918
Capital									
Buildings & other fixed structures	–	–	–	–	337	(337)	0.0%	–	–
Machinery & equipment	27,339	–	–	27,339	39,120	(11,781)	143.1%	32,365	33,642
Software & other intangible assets	–	–	–	–	–	–	0.0%	–	–
Total	**3,614,550**	**–**	**–**	**3,614,550**	**3,883,814**	**(269,264)**	**107.4%**	**3,143,329**	**3,138,945**

APPROPRIATION STATEMENT
for the year ended 31 March 2008

Detail Per Programme 5 – Central Hospital Services

Programme per subprogramme	2007/08							2006/07	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
5.1 Central Hospitals									
Current payment	298,647	–	–	298,647	336,117	(37,470)	112.5%	249,929	260,793
Transfers and subsidies	27	–	–	27	18	9	66.7%	246	100
Payment for capital assets	115,604	–	–	115,604	91,373	24,231	79.0%	116,463	107,215
5.2 Tertiary Hospitals									
Current payment	777,083	–	–	777,083	923,710	(146,627)	118.9%	721,780	752,274
Transfers and subsidies	3,035	–	–	3,035	609	2,426	20.1%	3,151	1,810
Payment for capital assets	91,321	–	–	91,321	55,876	35,445	61.2%	76,595	69,618

APPROPRIATION STATEMENT
for the year ended 31 March 2008

Detail Per Programme 5 – Central Hospital Services

Economic classification		2007/08						2006/07	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current									
Compensation of employees	494,916	–	–	494,916	572,218	(77,302)	115.6%	434,652	433,175
Goods and services	580,814	–	–	580,814	687,609	(106,795)	118.4%	537,057	579,892
Transfers & subsidies									
Provinces & municipalities	–	–	–	–	3	(3)	0.0%	277	291
Departmental agencies & accounts	–	–	–	–	–	–	0.0%	–	–
Households	3,062	–	–	3,062	624	2,438	20.4%	3,120	1,619
Capital									
Machinery & equipment	206,925	–	–	206,925	147,249	59,676	71.2%	193,058	176,833
Total	**1,285,717**	**–**	**–**	**1,285,717**	**1,407,703**	**(121,986)**	**109.5%**	**1,168,164**	**1,191,810**

APPROPRIATION STATEMENT
for the year ended 31 March 2008

Detail Per Programme 6 – Health Sciences And Training

Programme per subprogramme	2007/08							2006/07	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
6.1 Nursing Training Colleges									
Current payment	256,512	9,000	–	265,512	275,516	(10,004)	103.8%	227,173	224,278
Transfers and subsidies	1,559	–	–	1,559	1,746	(187)	112.0%	1,765	2,307
Payment for capital assets	3,414	–	–	3,414	1,537	1,877	45.0%	2,928	2,928
6.2 EMS Training Colleges									
Current payment	18,350	–	–	18,350	12,394	5,956	67.5%	11,825	11,052
Transfers and subsidies	62	–	–	62	–	62	0.0%	15	4
Payment for capital assets	4,215	–	–	4,215	1,058	3,157	25.1%	947	164
6.3 Bursaries									
Current payment	–	–	–	–	638	(638)	0.0%	–	737
Transfers and subsidies	47,248	(14,000)	–	33,248	32,935	313	99.1%	24,475	23,734
Payment for capital assets	–	–	–	–	–	–	0.0%	–	–
6.4 Primary Health Care Training									
Current payment	59,423	(9,000)	–	50,423	46,847	3,576	92.9%	40,854	39,816
Transfers and subsidies	782	–	–	782	5	777	0.6%	91	119
Payment for capital assets	595	–	–	595	40	555	6.7%	805	45
6.5 Training Other									
Current payment	121,630	14,000	–	135,630	143,363	(7,733)	105.7%	104,986	108,587
Transfers and subsidies	8,340	–	–	8,340	7,914	426	94.9%	7,295	7,286
Payment for capital assets	504	–	–	504	340	164	67.5%	60	12
Total	**522,634**	**–**	**–**	**522,634**	**524,333**	**(1,699)**	**100.3%**	**423,219**	**421,069**

APPROPRIATION STATEMENT
for the year ended 31 March 2008

Detail Per Programme 6 – Health Sciences And Training

Economic classification	2007/08							2006/07	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current									
Compensation of employees	384,491	14,000	–	398,491	409,832	(11,341)	102.8%	321,366	319,061
Goods and services	71,424	–	–	71,424	68,926	2,498	96.5%	63,472	65,409
Transfers & subsidies									
Provinces & municipalities	2	–	–	2	5	(3)	250.0%	219	191
Dept agencies & accounts	4,470	–	–	4,470	4,470	–	100.0%	3,969	3,969
Non–profit institutions	5,421	–	–	5,421	4,809	612	88.7%	4,558	4,558
Households	48,098	(14,000)	–	34,098	33,316	782	97.7%	24,895	24,732
Capital									
Buildings & other fixed structures	–	–	–	–	–	–	0.0%	–	–
Machinery & equipment	8,728	–	–	8,728	2,931	5,797	33.6%	4,740	3,149
Software & other intangible assets	–	–	–	–	44	(44)	0.0%	–	–
Total	**522,634**	**–**	**–**	**522,634**	**524,333**	**(1,699)**	**100.3%**	**423,219**	**421,069**

APPROPRIATION STATEMENT
for the year ended 31 March 2008

Detail Per Programme 7 – Health Care Support Services

Programme per subprogramme	2007/08							2006/07	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
7.1 Medicine Trading Account									
Transfers and subsidies	12,649	–	–	12,649	12,649	–	100.0%	29,560	29,560
TOTAL	**12,649**	**–**	**–**	**12,649**	**12,649**	**–**	**100.0%**	**29,560**	**29,560**

Detail Per Programme 7 – Health Care Support Services

Economic classification	2007/08							2006/07	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers & subsidies									
Departmental agencies & accounts	12,649	–	–	12,649	12,649	–	100.0%	29,560	29,560
Total	**12,649**	**–**	**–**	**12,649**	**12,649**	**–**	**100.0%**	**29,560**	**29,560**

APPROPRIATION STATEMENT
for the year ended 31 March 2008

Detail Per Programme 8 – Health Facilities Management

Programme per subprogramme	2007/08							2006/07	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
8.1 Community Health Services									
Current payment	46,304	–	–	46,304	32,113	14,191	69.4%	18,534	18,402
Payment for capital assets	324,665	–	–	324,655	207,916	116,739	64.0%	183,074	146,578
8.2 District Hospitals									
Current payment	180,286	–	–	180,286	187,262	(6,976)	103.9%	111,318	111,180
Payment for capital assets	376,449	–	–	376,449	333,974	42,475	88,7%	261,821	219,694
8.3 Emergency Medical Services									
Current payment	3,761	–	–	3,761	1,198	2,563	31.9%	590	530
Payment for capital assets	15,101	–	–	15,101	7,619	7,482	50.5%	7,766	7,766
8.4 Provincial Hospital Services									
Current payment	51,372	–	–	51,372	59,980	(8,608)	116.8%	52,426	51,863
Payment for capital assets	172,328	–	–	172,328	98,475	73,853	57.1%	254,905	198,473
8.5 Central Hospital Services									
Current payment	3,842	–	–	3,842	5,551	(1,709)	144.5%	–	20
Payment for capital assets	15,738	–	–	15,738	6,450	9,288	41.0%	8,492	17,590
8.6 Other Services									
Current payment	49,964	–	–	49,964	70,067	(20,103)	140.2%	32,762	32,658

APPROPRIATION STATEMENT
for the year ended 31 March 2008

Detail Per Programme 8 – Health Facilities Management

Economic classification	2007/08							2006/07	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current									
Compensation of employees	2,807	–	–	2,807	1,140	1,667	40.6%	–	–
Goods and services	332,722	–	–	332,722	355,031	(22,309)	106.7%	215,630	214,653
Capital									
Buildings & other fixed structures	841,123	–	–	841,123	621,725	219,398	73.9%	675,327	549,366
Machinery & equipment	101,684	–	–	101,684	97,783	3,901	96.2%	49,188	49,189
Software & other intangible assets	60	–	–	60	17,128	(17,068)	28546.7%	–	–
Land & subsoil assets	–	–	–	–	–	–	0.0%	–	–
Total	**1,278,396**	**–**	**–**	**1,278,396**	**1,092,807**	**185,589**	**85.5%**	**940,145**	**813,208**

APPROPRIATION STATEMENT
for the year ended 31 March 2008

Detail Per Programme 9 – Special Funtions

Programme per subprogramme	2007/08							2006/07	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
9.1 Special Functions									
Current payment	–	–	–	–	41	(41)	0.0%	–	135
Total	**–**	**–**	**–**	**–**	**41**	**(41)**	**0.0%**	**–**	**135**

Economic classification	2007/08							2006/07	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current									
Compensation of employees	–	–	–	–	–	–	0.0%	–	3
Financial transactions in assets and liabilities	–	–	–	–	41	(41)	0.0%	–	132
Total	**–**	**–**	**–**	**–**	**41**	**(41)**	**0.0%**	**–**	**135**

NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2008

1. DETAIL OF TRANSFERS AND SUBSIDIES AS PER APPROPRIATION ACT (AFTER VIREMENT):

Details of these transactions can be viewed in Note 7 (Transfers and Subsidies) and Annexure 1 (G) to the Annual Financial Statements.

2. DETAIL OF SPECIFICALLY AND EXCLUSIVELY APPROPRIATED AMOUNTS VOTED (AFTER VIREMENT):

Details of these transactions can be viewed in Note 1 (Annual Appropriation) to the Annual Financial Statements.

3. DETAIL ON FINANCIAL TRANSACTIONS IN ASSETS AND LIABILITIES

Details of these transactions per programme can be viewed in Note 6 (Details of Special Functions (theft and losses)) to the Annual Financial Statements.

4. EXPLANATIONS OF MATERIAL VARIANCES FROM AMOUNTS VOTED (AFTER VIREMENT):

4.1 Per Programme:

	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	
Administration	280,763	279,689	1,074	0.38%
The expenditure under this programme relates to the Head Office function. The under-expenditure relates mainly to forced saving being implemented, mainly through the non-filling of posts in an effort to remain within budget.				
District Health Services	6,375,856	7,209,609	-833,753	-13.08%
The over-expenditure on this programme relates mainly to the higher than anticipated uptake of HIV and AIDS patients on ARV Therapy, the increase in demand for health services, the Civil Servant strike action, as well as inflationary pressures, including the cost of medicines, blood products, medical services, fuel and the cost of foodstuffs, especially at District Hospital level. In addition, the introduction of the Occupational Specific Dispensation for nurses has far exceeded the budget allocation provided for this purpose.				
Emergency Medical Services	554,863	548,796	6,067	1.09%
The under-expenditure in this programme relates mainly to the delay in delivery of / payment for equipment, including transport equipment such as ambulances and support vehicles.				
Provincial Hospital Services	3,614,550	3,883,814	-269,264	-7.45%
The over-expenditure on this programme pertains mainly to the increased demand for health services as well as general inflationary pressures, including the cost of medicines, blood products, medical services, cost of living and the strike action in June 2008. In addition, the introduction of the Occupational Specific Dispensation for nurses has contributed significantly to this over-expenditure. A further contributing factor has been the decentralisation/transferring of services to the Districts.				
Central Hospital Services	1,285,717	1,407,703	-121,986	-9.49%
The over-expenditure of R121, 986m was caused mainly by general inflationary pressures including the cost of medicines, blood products, medical services and cost of living expenses. The Civil Servant strike action in June 2008 as well as the introduction of the Occupational Specific Dispensation for nurses also contributed significantly to this shortfall.				
Health Sciences and Training	522,634	524,333	-1,699	-0.33%

NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2008

	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	
After offsetting the under-expenditure within the programme, the over-expenditure of R1, 699m is mainly due to the extension of the medical interns programme.				
Health Care Support Services	12,649	12,649	0	0.00%
Expenditure on this programme is approved for this main division.				
Health Facilities Management	1,278,396	1,092,807	185,589	14.52%
The variance of R 185, 589m is mainly due to the implementation of forced savings in an effort to remain within budget.				
Special Function	–	41	(41)	–
The variance of R 185, 589m is mainly due to the implementation of forced savings in an effort to remain within budget.				

4.2 Per economic classification

	2007/08 R'000	2006/07 R'000
Current payment:		
Compensation of employees	7,913,564	6,660,756
Goods and services	4,261,365	3,658,215
Transfers and subsidies:		
Provinces and municipalities	66,355	81,488
Departmental agencies and accounts	17,119	33,529
Universities and Technikons	–	100
Non-profit institutions	200,376	200,597
Households	77,786	68,864
Payments for capital assets:		
Buildings and other fixed structures	841,123	675,327
Machinery and equipment	547,624	440,257
Software and other intangible assets	116	118
TOTAL	**13,925,428**	**11,819,251**

STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 March 2008

	Note	2007/08 R'000	2006/07 R'000
REVENUE			
Annual appropriation	*1.1*	13,925,428	11,819,251
Appropriation for unauthorised expenditure approved	*9.1*	500,905	-
Departmental revenue	*2.*	148,544	121,289
Local and foreign aid assistance	*3.1*	34,386	15,334
TOTAL REVENUE		**14,609,263**	**11,955,874**
EXPENDITURE			
Current expenditure			
Compensation of employees	*4.*	8,643,767	6,628,829
Goods and services	*5.*	4,898,719	3,730,540
Financial transactions in assets and liabilities	*6.1*	41	132
Local and foreign aid assistance	*3.1*	14,480	16,817
Unauthorised expenditure approved	*9.1*	500,905	-
Total current expenditure		**14,057,912**	**10,376,318**
Transfers and subsidies	*7.*	**345,978**	**366,242**
Expenditure for capital assets			
Buildings and other fixed structures	*8.*	623,762	549,366
Machinery and Equipment	*8.*	429,978	388,460
Software and other intangible assets	*8.*	17,196	382
Total expenditure for capital assets		**1,070,936**	**938,208**
TOTAL EXPENDITURE		**15,474,826**	**11,680,768**
SURPLUS/ (DEFICIT)		**(865,563)**	**275,106**
Add back unauthorised expenditure	*9.1.*	1,226,743	30,468
SURPLUS/ (DEFICIT) FOR THE YEAR		**361,180**	**305,574**
Reconciliation of Net Surplus/ (Deficit) for the year			
Voted Funds	*13.*	192,730	185,768
Department Revenue	*14.*	148,544	121,289
Local and foreign aid assistance	*3.*	19,906	(1,483)
SURPLUS / DEFICIT FOR THE YEAR		**361,180**	**305,574**

STATEMENT OF FINANCIAL POSITION
as at 31 March 2008

	Note	2007/08 R'000	2006/07 R'000
ASSETS			
Current assets		**1,866,260**	**1,116,651**
Unauthorised expenditure	*9.1*	1,772,641	1,046,803
Cash and Cash Equivalent	*10.*	326	1,196
Prepayments and advances	*11.*	395	328
Receivables	*12.*	92,898	59,769
Local and foreign aid assistance receivable	*3.*	–	600
Departmental revenue to be surrendered to the Revenue Fund	*14.*	–	7,955
TOTAL ASSETS		**1,866,260**	**1,116,651**
LIABILITIES			
Current Liabilities		**1,859,292**	**1,111,306**
Voted funds to be surrendered to the Revenue Fund	*13.*	149,335	279,580
Departmental revenue to be surrendered to the Revenue Fund	*14.*	(15,860)	-
Bank overdraft	*15.*	1,629,696	811,623
Payables	*16.*	74,511	17,799
Local and foreign aid assistance unutilised	*3.*	21,610	2,304
TOTAL LIABILITIES		**1,859,292**	**1,111,306**
NET ASSETS		**6,968**	**5,345**
Represented by:			
Recoverable revenue		6,968	5,345
TOTAL		**6,968**	**5,345**

STATEMENT OF CHANGES IN NET ASSETS
for the year ended 31 March 2008

	2007/08 R'000	2006/07 R'000
Recoverable revenue		
Opening balance	5,345	4,302
Debts raised	1,623	1,043
Closing balance	**6,968**	**5,345**

CASH FLOW STATEMENT
as at 31 March 2008

	Note	2007/08 R'000	2006/07 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		**14,474,496**	**11,955,859**
Annual appropriation funds received	*1.1*	13,790,690	11,819,251
Appropriation for unauthorised expenditure received	*9.1*	500,905	-
Departmental revenue received	*2.*	148,515	121,274
Local and foreign aid assistance received	*3.*	34,386	15,334
Net decrease/(increase) in working capital		(701,722)	(100,951)
Surrendered to Revenue Fund		(344,686)	(119,936)
Current payments		(14,057,912)	(10,376,318)
Unauthorised expenditure – Current payment	*9.1*	1,226,743	30,468
Transfers and subsidies paid		(345,978)	(366,242)
Net cash flow available from operating activities	*17*	**250,941**	**1,022,880**
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets		(1,070,936)	(938,208)
Proceeds from sale of capital assets	*2.3*	29	15
Proceeds from sale of other financial assets		(600)	–
Net cash flows from investing activities		**(1,071,507)**	**(938,193)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		1,623	1,043
Net cash flows from financing activities		**1,623**	**1,043**
Net increase/ (decrease) in cash and cash equivalents		(818,943)	85,730
Cash and cash equivalents at beginning of period		(810,427)	(896,157)
Cash and cash equivalents at end of period	*18.*	**(1,629,370)**	**(810,427)**

ACCOUNTING POLICIES
for the year ended 31 March 2008

The Financial Statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. However, where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the Financial Statements and to comply with the statutory requirements of the Public Finance Management Act, Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the Act and the Division of Revenue Act, Act 1 of 2005.

1. PRESENTATION OF THE FINANCIAL STATEMENTS

1.1 Basis of preparation

The Financial Statements have been prepared on a modified cash basis of accounting, except where stated otherwise. The modified cash basis constitutes the cash basis of accounting supplemented with additional disclosure items. Under the cash basis of accounting transactions and other events are recognised when cash is received or paid.

1.2 Presentation currency

All amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the Department.

1.3 Rounding

Unless otherwise stated all financial figures have been rounded to the nearest one thousand Rand (R'000).

1.4 Comparative figures

Prior period comparative information has been presented in the current year's financial statements together with such other comparative information that the Department may have for reporting. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented, is consistent with the format of the current year's financial statements.

A comparison between actual and budgeted amounts per major classification of expenditure is included in the Appropriation Statement.

1.5 Comparative figures – Appropriation Statement

A comparison between actual amounts and final appropriation per major classification of expenditure is included in the Appropriation Statement.

2. REVENUE

2.1 Appropriated funds

Appropriated funds and adjusted appropriated funds are recognised in the financial records on the date the appropriation becomes effective. Adjustments to the appropriated funds made in terms of the adjustments budget process are recognised in the financial records on the date the adjustments become effective.

Total appropriated funds are presented in the statement of financial performance.

Unexpended appropriated funds are surrendered to the Provincial Revenue Fund, unless approval has been given by the Provincial Treasury to rollover the funds to the subsequent financial year. These rollover funds form part of retained funds in the Annual Financial Statements. Amounts owing to the Provincial Revenue Fund at the end of the financial year are recognised in the statement of financial position.

2.2 Departmental revenue

All departmental revenue is paid into the Provincial Revenue Fund when received, unless otherwise stated. Amounts owing to the Provincial Revenue Fund at the end of the financial year are recognised in the statement of financial position. Amounts receivable at the reporting date are disclosed in the disclosure notes to the Annual Financial Statements.

2.2.1 Sales of goods and services other than capital assets

The proceeds received from the sale of goods and/or the provision of services is recognised in the statement of financial performance when the cash is received.

ACCOUNTING POLICIES
for the year ended 31 March 2008

2.2.2 Fines, penalties & forfeits

Fines, penalties & forfeits are compulsory unrequited amounts which were imposed by a court or quasi-judicial body and collected by the Department. Revenue arising from fines, penalties and forfeits is recognised in the statement of financial performance when the cash is received.

2.2.3 Interest, dividends and rent on land

Interest, dividends and rent on land is recognised in the statement of financial performance when the cash is received. No provision is made for interest or dividends receivable from the last day of receipt to the end of the reporting period.

2.2.4 Sale of capital assets

The proceeds received on sale of capital assets are recognised in the statement of financial performance when the cash is received.

2.2.5 Financial transactions in assets and liabilities

Repayments of loans and advances previously extended to employees and public corporations for policy purposes are recognised as revenue in the statement of financial performance on receipt of the funds. Amounts receivable at the reporting date are disclosed in the disclosure notes to the Annual Financial Statements.

Cheques issued in previous accounting periods that expire before being banked are recognised as revenue in the statement of financial performance when the cheque becomes stale. When the cheque is reissued the payment is made from Revenue.

2.2.6 Gifts, donations and sponsorships (transfers received)

All cash gifts, donations and sponsorships are paid into the Provincial Revenue Fund and recorded as revenue in the statement of financial performance when received. Amounts receivable at the reporting date are disclosed in the disclosure notes to the financial statements.

All in-kind gifts, donations and sponsorships are disclosed at fair value in the annexures to the financial statements.

2.3 Local and foreign aid assistance

Local and foreign aid assistance is recognised in the financial records when the Department directly receives the cash from the donor(s). The total cash amounts received during the year is reflected in the statement of financial performance as revenue.

All in-kind local and foreign aid assistance are disclosed at fair value in the annexures to the Annual Financial Statements.

The cash payments made during the year relating to local and foreign aid assistance projects are recognised as expenditure in the statement of financial performance. A receivable is recognised in the statement of financial position to the value of the amounts expensed prior to the receipt of the funds.

A payable is raised in the statement of financial position where amounts have been inappropriately expensed using local and foreign aid assistance, unutilised amounts are recognised in the statement of financial position.

3. EXPENDITURE

3.1 Compensation of employees

Salaries and wages comprise payments to employees. Salaries and wages are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year). Capitalised compensation forms part of the expenditure for capital assets in the statement of financial performance.

All other payments are classified as current expense.

Social contributions include the Department's contribution to social insurance schemes paid on behalf of the employee. Social contributions are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system.

ACCOUNTING POLICIES
for the year ended 31 March 2008

3.1.1 Short term employee benefits

Short-term employee benefits comprise of leave entitlements (capped leave), thirteenth cheques and performance bonuses. The cost of short-term employee benefits is expensed as salaries and wages in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

Short-term employee benefits that give rise to a present legal or constructive obligation are disclosed in the notes to the financial statements. These amounts are not recognised in the statement of financial performance.

3.1.2 Long-term employee benefits

3.1.2.1 Termination benefits

Termination benefits such as severance packages are recognised as an expense in the statement of financial performance as a transfer when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

3.1.2.2 Medical Benefits

The Department provides medical benefits for its employees through defined benefit plans. Employer contributions to the fund are incurred when the final authorization for payment is effected on the system. No provision is made for medical benefits in the Annual Financial Statements of the Department.

3.1.2.3 Post employment retirement benefits

The Department provides retirement benefits (pension benefits) for certain of its employees through a defined benefit plan for government employees. These benefits are funded by both employer and employee contributions. Employer contributions to the fund are expensed when the final authorisation for payment to the fund is effected on the system (by no later than 31 March of each year). No provision is made for retirement benefits in the financial statements of the Department. Any potential liabilities are disclosed in the financial statements of the Provincial Revenue Fund and not in the financial statements of the employer Department.

3.1.2.4 Other Employee Benefits

Obligations arising from leave entitlement, thirteenth cheque and performance bonus that are reflected in the disclosure notes have not been paid for at year-end.

3.2 Goods and services

Payments made for goods and/or services are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year). The expense is classified as capital if the goods and services were used on a capital project.

3.3 Interest and rent on land

Interest and rental payments are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year). This item excludes rental for the use of buildings or other fixed structures.

3.4 Financial transactions in assets and liabilities

Debts are written off when identified as irrecoverable. Debts written-off are limited to the amount of savings and/or under spending of appropriated funds. The write off occurs at year-end or when funds are available. No provision is made for irrecoverable amounts but amounts are disclosed as a disclosure note.

All other losses are recognised when authorisation has been granted for the recognition thereof.

3.5 Unauthorised expenditure

Unauthorised expenditure is defined as:

- The overspending of a vote or the main division within a vote, or
- Expenditure that was not made in accordance with the purpose of a vote, or in the case of a main division, not in accordance with the purpose of the main division.

When discovered, unauthorised expenditure is recognised as an asset in the statement of financial position until such time as the expenditure is either approved by the relevant authority, recovered from the responsible person or written off as irrecoverable in the statement of financial performance.

ACCOUNTING POLICIES
for the year ended 31 March 2008

Unauthorised expenditure approved with funding is recognised in the statement of financial performance when the unauthorised expenditure is approved and the related funds are received. Where the amount is approved without funding it is recognised as expenditure, subject to availability of savings, in the statement of financial performance on the date of approval.

3.6 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is defined as expenditure that was made in vain and would have been avoided had reasonable care been exercised.

Fruitless and wasteful expenditure is recognised as an asset in the statement of financial position until such time as the expenditure is recovered from the responsible person or written off as irrecoverable in the statement of financial performance.

3.7 Irregular expenditure

Irregular expenditure is defined as:

Expenditure other that unauthorized expenditure, incurred in contravention or not in accordance with a requirement of an applicable legislation, including

- The Public Finance Management Act
- The State Tender Board Act, or any regulations in terms of the act, or
- Any provincial legislation providing for procurement procedures in the Department.

Irregular expenditure is recognised as expenditure in the statement of financial performance. If the expenditure is not condoned by the relevant authority it is treated as an asset until it is recovered or written off as irrecoverable.

3.8 Transfers and subsidies

Transfers and subsidies are recognised as an expense when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

3.9 Expenditure for capital assets

Capital Assets are assets that have a value of >R 5,000 per unit and that can be used repeatedly or continuously in production for than one year.

Payments made for capital assets are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

4. ASSETS

4.1 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.

4.2 Prepayments and advances

Amounts prepaid or advanced are recognised in the statement of financial position when the payments are made.

4.3 Receivables

Receivables included in the statement of financial position arise from cash payments made that are recoverable from another party.

Revenue receivable not yet collected is included in the disclosure notes. Amounts that are potentially irrecoverable are included in the disclosure notes.

4.4 Inventory

Inventories purchased during the financial year are disclosed at cost in the notes.

4.5 Capital assets

A capital asset is recorded on receipt of the item at cost. Cost of an asset is defined as the total cost of acquisition.

5. LIABILITIES

5.1 Payables

Recognised payables mainly comprise of amounts owing to other governmental entities. These payables are recognised at historical cost in the statement of financial position.

ACCOUNTING POLICIES
for the year ended 31 March 2008

5.2 Lease commitments

Lease commitments represent amounts owing from the reporting date to the end of the lease contract. These commitments are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance but are included in the disclosure notes.

Operating and finance lease commitments are expensed when the payments are made. Assets acquired in terms of finance lease agreements are disclosed in the annexures to the financial statements.

5.3 Accruals

Accruals represent goods/services that have been received, but where no invoice has been received from the supplier at the reporting date, or where an invoice has been received but final authorisation for payment has not been effected on the system.

Accruals are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance but are included in the disclosure notes.

5.4 Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Department; or

A contingent liability is a present obligation that arises from past events but is not recognised because:

- It is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; or
- The amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are included in the disclosure notes.

5.5 Commitments

Commitments represent goods/services that have been approved and/or contracted, but where no delivery has taken place at the reporting date.

Commitments are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance but are included in the disclosure notes.

6. NET ASSETS

6.1 Capitalisation reserve

The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are transferred to the Provincial Revenue Fund on disposal, repayment or recovery of such amounts.

6.2 Recoverable revenue

Recoverable revenue represents payments made and recognised in the Statement of Financial Performance as an expense in previous years due to non-performance in accordance with an agreement, which has now become recoverable from a debtor.

Amounts are recognised as recoverable revenue when a payment made and recognised in a previous financial year becomes recoverable from a debtor in the current financial year.

7. RELATED PARTY TRANSACTIONS

Related parties are departments that control or significantly influence the Department in making financial and operating decisions. Specific information with regards to related party transactions is included in the disclosure notes.

8. KEY MANAGEMENT PERSONNEL

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Department.

Compensation paid to key management personnel including their family members where relevant, is included in the disclosure notes.

ACCOUNTING POLICIES
for the year ended 31 March 2008

9. Public private partnerships

A public private partnership (PPP) is a commercial transaction between the Department and a private party in terms of which the private party:

- Performs an institutional function on behalf of the institution; and/or
- Acquires the use of state property for its own commercial purposes; and
- Assumes substantial financial, technical and operational risks in connection with the performance of the institutional function and/or use of state property; and
- Receives a benefit for performing the institutional function or from utilising the state property, either by way of:
- Consideration to be paid by the Department which derives from a Revenue Fund;
  - Charges fees to be collected by the private party from users or customers of a service provided to them; or
  - A combination of such consideration and such charges or fees.

A description of the PPP arrangement, the contract fees and current and capital expenditure relating to the PPP arrangement is included in the disclosure notes.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2008

1. ANNUAL APPROPRIATION

1.1 Annual Appropriation

Included are funds appropriated in terms of the Appropriation Act for Provincial Departments (Equitable Share).

Programmes	Final Appropriation R'000	Actual Funds received R'000	Funds not requested/ not received R'000	Appropriation received 2005/06 R'000
Administration	280,763	280,763	–	209,856
District Health Services	6,375,856	6,375,856	–	5,390,094
Emergency Medical Services	554,863	554,863	–	459,380
Provincial Hospital Services	3,614,550	3,614,550	–	3,163,833
Central Hospital Services	1,285,717	1,285,717	–	1,168,164
Health Sciences and Training	522,634	522,634	–	445,219
Health Care Support Services	12,649	12,649	–	29,560
Health Facilities Management	1,278,396	1,143,658	134,738	953,145
Total	**13,925,428**	**13,790,690**	**134,738**	**11,819,251**

Conditional grant funds for Hospital revitalization for R 560, 000.00 and Forensic Coroner services of R 134,178,000 have not been received.

1.2 Conditional grants

	Note	2007/08 R'000	2006/07 R'000
Total grants received	*ANNEXURE 1A*	2,190,991	1,932,877
Provincial Grants included in Total grants received		259,758	174,098

(It should be noted that Conditional grants are included in the amounts per the Total Appropriation in Note 1.1)

2. DEPARTMENTAL REVENUE TO BE SURRENDERED TO REVENUE FUND

		2007/08 R'000	2006/07 R'000
Sales of goods and services other than capital assets	*2.1*	142,248	111,065
Fines, penalties and forfeits		14	6
Interest, dividends and rent on land	*2.2*	13	622
Sales of capital assets	*2.3*	29	15
Financial transactions in assets and liabilities	*2.4*	6,240	9,581
Total revenue collected		**148,544**	**121,289**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2008

		2007/08 R'000	2006/07 R'000
2.1	**Sales of goods and services other than capital assets**		
	Sales of goods and services produced by the Department	141,556	110,107
	Administrative fees	5,089	3,606
	Other sales	136,467	106,501
	Sales of scrap, waste and other used current goods	692	958
	Total	**142,248**	**111,065**
2.2	**Interest, dividends and rent on land**		
	Interest	13	622
2.3	**Sales of capital assets**		
	Other capital assets	29	15
2.4	**Financial transactions in assets and liabilities**		
	Nature of loss recovered		
	Other receipts including recoverable revenue	6,240	9,581
3.	**LOCAL AND FOREIGN AID ASSISTANCE**		
3.1	**Assistance received in cash: Other**		
	Local		
	Opening balance	2,304	1,529
	Revenue	12,086	2,518
	Expenditure : Current	3,489	1,743
	Closing balance	10,901	2,304
	Foreign		
	Opening balance	(600)	1,658
	Revenue	22,300	12,816
	Expenditure : Current	10,991	15,074
	Closing balance	10,709	(600)
	Total		
	Opening Balance	1,704	3,187
	Revenue	34,386	15,334
	Expenditure : Current	**14,480**	**16,817**
	Closing balance	**21,610**	**1,704**
	Analysis of balance		
	Local and foreign aid receivable		600
	Local and foreign aid unutilised	21,610	(2,304)
		21,610	**(1,704)**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2008

		2007/08 R'000	2006/07 R'000
4.	**COMPENSATION OF EMPLOYEES**		
4.1	**Salaries and wages**		
	Basic Salary	5,822,662	4,469,696
	Performance award	96,109	309
	Service Based	14,322	13,632
	Compensative/circumstantial	737,201	593,678
	Periodic payments	46,247	61,842
	Other non-pensionable allowances	836,516	624,916
	Total	**7,553,057**	**5,764,073**
4.2	**Social contributions**		
4.2.1	**Employer contributions**		
	Pension	729,500	566,971
	Medical	359,003	295,347
	UIF	223	441
	Bargaining council	1,945	1,730
	Official unions and associates	24	-
	Insurance	15	267
	Total	**1,090,710**	**864,756**
	Total compensation of employees	**8,643,767**	**6,628,829**
	Average number of employees	**64,907**	**61,043**

During the 2007/2008 financial year the MEC received the following benefits: A basic Salary of R 578,567.00, a Political Allowance of R 39,999.00 and a Political Office Car Allowance of R 154,641.00

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2008

	Note	2007/08 R'000	2006/07 R'000
5. GOODS AND SERVICES			
Advertising		69,731	47,420
Attendance fees (including registration fees)		535	7,269
Bank charges and card fees		5,857	1,396
Bursaries (employees)		134	15
Catering		30,593	–
Communication		107,655	93,972
Computer services		61,299	58,198
Consultants, contractors and special services		630,037	547,173
Courier and delivery services		10,476	1,418
Tracing agents & debt collections		20	–
Drivers licences and permits		1	113
Entertainment		1,532	2,331
External audit fees	*5.1*	4,946	4,538
Equipment less than R5 000		63,669	60,850
Freight services		–	1,306
Honoraria (Voluntary workers)		4	14
Inventory	*5.2*	2,491,732	2,012,281
Legal fees		5,187	2,407
Licence agency fees		–	–
Maintenance, repair and running costs		309,222	194,164
Medical services		386,998	267,125
Operating leases		314,530	68,837
Personnel agency fees		–	17,470
Plant flowers and other decorations		–	114
Professional bodies and membership fees		14,642	11,254
Resettlement costs		13,645	10,092
Subscriptions		–	13
Taking over of contractual obligations		–	37
Owned and leasehold property expenditure		146,229	135,612
Translations and transcriptions		–	1
Transport provided as part of the departmental activities		23,976	17,078
Travel and subsistence	*5.3*	81,474	70,844
Venues and facilities		32,759	35,554
Protective, special clothing & uniforms		41,987	32,983
Training and staff development		49,849	28,657
Witness and related fees		–	4
Total		**4,898,719**	**3,730,540**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2008

		2007/08 R'000	2006/07 R'000
5.1	**External audit fees**		
	Regulatory audits	4,873	4,403
	Performance audits	73	135
	Other audits	–	–
	Total external audit fees	**4,946**	**4,538**
5.2	**Inventory**		
	Medsas inventory interface	–	3
	Construction work in progress	–	395
	Domestic consumables	177,725	136,620
	Food and food supplies	206,014	120,284
	Fuel, oil and gas	69,782	61,275
	Laboratory consumables	590	2
	Other consumables	1,955	10,707
	Parts and other maintenance material	119,534	135,118
	Sport and recreation	26	646
	Stationery and Printing	58,658	64,530
	Medical Supplies	1,857,448	1,482,701
	Total	**2,491,732**	**2,012,281**

The total inventory on hand as at 31 March 2008 is R 2,082 billion. This amount consists of consumables R 364 million, pharmaceuticals of R 262 million and equipment of R 1,457 billion

		2006/07 R'000	2007/08 R'000
5.3	**Travel and subsistence**		
	Local	80,968	69,702
	Foreign	506	1,142
	Total	**81,474**	**70,844**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2008

			2007/08 R'000	2006/07 R'000
6.	**FINANCIAL TRANSACTIONS IN ASSETS AND LIABILITIES**			
	Debts written off	*6.1*	41	132

6.1 Debts written off

During the 2007/2008 financial year an amount of R335,314.77 was written-off for theft and damages

Nature of debts written off		
Staff debts written off during the year	41	132

		Note		
7.	**TRANSFERS AND SUBSIDIES**			
	Provinces and municipalities	*ANNEXURE 1B, 1C*	63,463	76,148
	Departmental agencies and accounts	*ANNEXURE 1D*	17,119	33,529
	Universities and technikons	*ANNEXURE 1E*	-	100
	Non-profit institution	*ANNEXURE 1F*	199,011	190,624
	Households	*ANNEXURE 1G*	66,385	65,841
	Total		**345,978**	**366,242**

8.	**EXPENDITURE ON CAPITAL ASSETS**			
	Buildings and other fixed structures	*28*	623,762	549,366
	Machinery and equipment	*28*	429,978	388,460
	Land and subsoil assets		–	–
	Software and other intangible assets	*28.3*	17,196	382
	Total		**1,070,936**	**938,208**

During the year the Department had paid an amount of R197,7 million to the Department of Works for the undertaking of capital expenditure for infrastructure projects. The Department of Works contracted Ithala Development Corporation in order to expedite service delivery in Health infrastructure, through clinic upgrading and the revitalisation of hospital facilities. At the end of the financial year, not all the projects had been completed and hence these projects will be continued in the 2008/2009 financial year.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2008

9. UNAUTHORISED EXPENDITURE

	2007/08 R'000	2006/07 R'000
9.1 Reconciliation of unauthorised expenditure		
Opening balance	1,046,803	1,016,335
Unauthorised expenditure-current year	1,226,743	30,468
Amounts approved by Parliament/ Legislature (with Funding)	(500,905)	–
Total	**1,772,641**	**1,046,803**

9.2 Analysis of current unauthorised expenditure

Incident	Disciplinary steps taken/criminal proceedings	2007/08 Total R'000
District Health	Net overspending on Programme	833,753
Provincial Hospital	Net overspending on Programme	269,264
Central Hospital	Net overspending on Programme	121,986
Health Science and Special	Net overspending on Programme	1,699
Function	Debts written off	41
Total		**1,226,743**

10. CASH AND CASH EQUIVALENTS

	2007/08 R'000	2006/07 R'000
Cash Receipts	–	900
Cash on hand	326	296
Total	**326**	**1,196**

Petty cash is only considered as cash and cash equivalents

11. PREPAYMENTS AND ADVANCES

Travel and subsistence	**395**	**328**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2008

		Less than one year	One to three years	Older than three years	Total	Total
		R'000	R'000	R'000	R'000	R'000
12. RECEIVABLES						
Staff debtors	*12.1*	1,299	6,988	5,651	13,938	11,608
Other debtors	*12.2*	47,260	-	-	47,260	17,645
Intergovernmental receivables						
	Annexure 3	31,700	–	–	31,700	30,516
Total		**80,259**	**6,988**	**5,651**	**92,898**	**59,769**

	2007/08 R'000	2006/07 R'000
12.1 Staff debtors		
Debt account	13,938	11,608
12.2 Other debtors		
Salary control accounts	11,053	6,408
Dishonoured Cheques	7	17
Inventory – CPS Interface	4,202	4,334
Inventory – CPS	31,998	2,927
Sundry debtors	–	3,959
Total	**47,260**	**17,645**

13. VOTED FUNDS TO BE SURRENDERED TO THE REVENUE FUND		
Opening balance	279,580	82,685
Transfer from Statement of Financial Performance	192,730	185,768
Under-funding in 2004/05 received in 2006/07		11,146
Adjustments	–	19
Paid during the year	(188,237)	11,127
Voted funds not requested/not received	(134,738)	–
Closing balance	**149,335**	**279,580**

Roll over requested R26,946m for Hospital Revitalisation and R100,160m with a further request of R13,234m of uncommitted funds as an additional roll over.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2008

13.1 Voted funds not requested / not received	2007/08 R'000	2006/07 R'000
Funds not to be requested	134,738	–

14. DEPARTMENTAL REVENUE TO BE SURRENDERED TO THE REVENUE FUND

Opening balance	(7,955)	1,819
Transfer from Statement of Financial Performance	148,544	121,289
Paid during the year	(156,449)	(131,063)
Closing balance	**(15,860)**	**(7,955)**

Rounding of R1000.00 for 2006/2007 included in payover for 2007/2008

15. BANK OVERDRAFT

Consolidated Paymaster General Account	1,629,696	811,623
Total	**1,629,696**	**811,623**

All other accounts that are included in Bank overdraft are awaiting allocation and is not considered as cash and cash equivalents and stated in 2006/2007 AFS

16. PAYABLES – CURRENT

Description	Note	30+Days R'000	2007/08 Total R'000	2006/07 Total R'000
Clearing accounts	*16.1*	2,908	2,908	3,299
Other payables	*16.2*	71,603	71,603	14,500
Total		**74,511**	**74,511**	**17,799**

16.1 Clearing accounts

Salary control account	2,894	3,297
Debt Control Tax Debt	14	2
Total	**2,908**	**3,299**

16.2 Other payables

Salary control account	6,170	5,657
Debt Control Tax Debt	65,433	8,843
Total	**71,603**	**14,500**

The Medsas Account relates to balances owing to the Provincial Medical Supply Centre (PMSC). The corresponding debtor balance in the financial statements of the PMSC is R93,548m. The difference is as a result of PMSC complying with the accrual basis of accounting as opposed to the cash basis and comprises adjustments for payables, receivables and depreciation at year-end, the Department being a related party to PMSC.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2008

17. NET CASH FLOW AVAILABLE FROM OPERATING ACTIVITIES

	2007/08 R'000	2006/07 R'000
Net surplus as per Statement of Financial Performance	361,180	305,574
Add back non-cash movements/ movements not deemed operating activities:	(110,239)	717,306
Increase/(Decrease) in receivables – current	(33,129)	(45,407)
Increase/(Decrease) in prepayments and advances	(67)	(136)
Increase in other current assets	(725,238)	(31,068)
(Decrease)/Increase in payables – current	56,712	(24,940)
Proceeds from sale of capital assets	(29)	(15)
Expenditure on capital assets	1,070,936	938,208
Surrenders to revenue fund	(344,686)	(119,936)
Other non-cash items	–	
Voted funds not requested/not received	(134,738)	–
Net cash flow generated by operating activities	**250,941**	**1,022,880**

18. RECONCILIATION OF CASH AND CASH EQUIVALENTS FOR CASH FLOW PURPOSES

	2007/08 R'000	2006/07 R'000
Consolidated Paymaster General Account	(1,629,696)	(811,623)
Cash receipts	–	900
Cash on hand	326	296
Total	**(1,629,370)**	**(810,427)**

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2008

These amounts are not recognised in the financial statements and are disclosed to enhance the usefulness of the financial statements.

19. CONTINGENT LIABILITIES		Note	2007/08 R'000	2006/07 R'000
Liable to	**Nature**			
Motor vehicle guarantees	Employees	ANNEXURE 2A	652	969
Housing loan guarantees	Employees	ANNEXURE 2A	41,544	47,367
Claims against the Department		ANNEXURE 2B	300,987	199,047
Other departments (Interdepartmental Unconfirmed balances)		ANNEXURE 4	136,041	125,535
Total			**479,224**	**372,918**

20. COMMITMENTS	2007/08 R'000	2006/07 R'000
	2007/08	
Current expenditure		
Approved and contracted	43,277	127,809
Approved but not yet contracted	56,369	255,883
Total	**99,646**	**383,692**
Non-current expenditure		
Approved and contracted	621,108	1,087,666
Approved but not yet contracted	1,571,676	1,328,030
Total	2,192,784	2,415,696
Total Commitments	**2,292,430**	**2,799,388**

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2008

		30 Days R'000	30+ Days R'000	2007/08 R'000	2006/07 R'000
21.	**ACCRUALS**				
	Compensation of Employees	16,632	-	16,632	1,075
	Goods and services	174,130	21,017	195,147	111,119
	Transfers and subsidies	6,755	-	6,755	-
	Machinery and equipment	57,110	1,222	58,332	81,892
	Total	**254,627**	**22,239**	**276,866**	**194,086**
	Lsted by programme level				
	Administration			2,625	75,735
	District Health Services			169,498	52,770
	Emergency Medical Services			5,501	532
	Provincial Hospital Services			71,673	47,904
	Central Hospital Services			13,549	10,746
	Health Sciences and Training			11,257	927
	Health Care Support Services			–	–
	Health Facilities Management			2,763	5,472
	Total			**276,866**	**194,086**
	Confirmed balances with other departments	*ANNEXURE 4*		87,957	453
	Confirmed balances with other government entities	*ANNEXURE 4*		–	44
	Total			**87,957**	**497**

		2007/08 R'000	2006/07 R'000
22.	**EMPLOYEE BENEFIT PROVISIONS**		
	Leave entitlement	483,382	281,511
	Thirteenth cheque	259,005	191,260
	Capped leave commitments	699,033	581,676
	Total	**1,441,420**	**1,054,447**

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2008

23. LEASE COMMITMENTS

	Buildings & Other fixed structures R'000	Machinery and equipment R'000	Total R'000
23.1 Operating leases			
2007/2008			
Not later than 1 year	35,421	69,775	105,196
Later than 1 year and not later than 5 years	148,849	–	148,849
Later than 5 years	50,799	–	50,799
Total present value of lease liabilities	235,069	69,775	304,844
2006/2007			
Not later than 1 year	30,992	38,358	69,350
Later than 1 year and not later than 5 years	85,315	–	85,315
	89,757	–	89,757
Total present value of lease liabilities	**206,064**	**38,358**	**244,422**

Cell phones not later that one year R1,309m and later than one year not later than 5 years R406 thousand

24. RECEIVABLES FOR DEPARTMENTAL REVENUE

	2007/08 R'000	2006/07 R'000
Sales of goods and services other than capital assets	45,315	47,573
Financial transactions in assets and liabilities	–	
Other	–	
TOTAL	**45,315**	**47,573**

25. KEY MANAGEMENT PERSONNEL

	No of Individuals	2007/08 R'000	2006/07 R'000
Political Office Bearer	1	774	678
Level 15 to 16	3	2,800	2,605
Level 14	42	26,891	22,011
		30,465	**25,294**

The MEC For Health is Ms. NP Nkonyeni

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2008

26. PUBLIC PRIVATE PARTNERSHIP

Inkosi Albert Luthuli Central Hospital PPP

The Department has in place a public private partnership agreement with Cowslip Investments (Pty) Ltd and Impilo Consortium for the delivery of non-clinical services to the Inkosi Albert Luthuli Central Hospital. The Department is satisfied that the performance of the PPP partners was adequately monitored in terms of the provisions of the agreement.

The Department has the right to the full use of the assets and the consortium may not pledge the assets as security against any borrowings for the duration of the agreement.

The Impilo Consortium is responsible for the provision of the following goods and services:

- supply of Equipment and IM&T Systems that are State of the Art and replace the Equipment and IM&T Systems so as to ensure that they remain State of the Art;
- supply and replacement of Non-Medical Equipment;
- provision of all Services necessary to manage the Project Assets in accordance with Best Industry Practice;
- maintenance and replacement of the Departmental Assets in terms of the replacement schedules;
- provision or procurement of Utilities and Consumables and Surgical Instruments; and
- Provision of Facilities Management Services.

The agreement was concluded with a view to provide the Department with the opportunity to concentrate on the delivery of clinical services at the highest standards in terms of quality, efficiency, effectiveness and patient focussed care.

The Department is responsible for the employment of all healthcare staff and the administration staff, together with the provision of all consumables used in the provision of the healthcare services.

Impilo Consortium is required at its own cost and risk to provide, deliver, commission, manage, maintain and repair (as the case may be) Project Assets and Department Assets (or part thereof), including the renewal or replacement of Project Assets and Department Assets at such times and in such a manner as to enable it to meet the IM&T Output Specifications and the FM Output Specifications; as to ensure that the Department is, at all times, able to provide Clinical Services that fulfil Hospital's Output Specifications using State of the Art Equipment and IM&T Systems; as would be required having regard to Best Industry Practice; and as required by Law.

The replacement of assets over the period of the contract is based on the Replacement Programme which operates on a rolling basis. To that end, at least 1 (one) month prior to the start of each Contract Year thereafter, Impilo Consortium is required to furnish to the Asset Replacement Committee for approval a revised Replacement Programme.

The assets will only transfer to the Department at the end of the period of the agreement.

The Impilo Consortium has to ensure that, at the end of the Project Term the Project Assets and Department Assets comply with the requirements of the Agreement and are in a state of repair which is sound and operationally safe, fair wear and tear excepted and the items comprising each level of Project Assets specified in the agreement between them have an average remaining useful life of not less than one third of the original useful life.

Amendment 2 to the PPP agreement was concluded during December 2005. The main aim thereof was to consolidate various amendments agreed upon since the inception date of the contract and no additional financial implications were incurred as a result of the amendments.

The commencement date of the contract was 4 February 2002, with a final commissioning date for the hospital functions being 31 August 2003. The contract is for a period of 15 years from the commencement date. The Department has the option to renew the agreement only for a further year after 15 years.

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2008

26. PUBLIC PRIVATE PARTNERSHIP (CONTINUED)

The agreement requires the Department to pay a monthly service fee as stipulated in the schedule of payments to cover the monthly operational costs for facilities management, provision of information technology services, maintenance of equipment and the supply of equipment related consumables which the consortium is responsible for. The service fee is adjusted monthly for applicable performance penalties in accordance with the provisions of the penalty regime. The Department is also responsible for the payment of a quarterly fee towards the asset replacement reserve. The fees for the year under review were as follows:

	Actual Expenditure: 2007/08 R'000	Commitment for 2008/09 R'000	Payments from 1 April 2009 till the end of the contract R'000
Monthly Service Fee	302,457	244,806	2,353,011
Quarterly Fee	141,216	196,452	1,072,196
TOTAL	**443,673**	**383,114**	**3,425,207**

	Actual Expenditure: 2007/08 R'000	Commitment for 2008/09 R'000	Payments from 1 April 2009 till the end of the contract R'000
Monthly Service Fee	274,158	229,807	2,353,011
Quarterly Fee	172,368	153,307	1,072,196
TOTAL	**446,526**	**383,114**	**3,425,207**

Listed below was the expenditure incurred for the current and prior financial years:

	2007/08 R'000	2006/07 R'000
Contract fee paid		
Indexed component	443,673	446,526
Current expenditure		
Compensation of employees	124,347	63,643
Goods and Services(excluding lease payments)	88,427	79,851
Capital/(Liabilities)		
Plant and equipment	6,000	5,503
Other		
Other obligations	34	–
TOTAL	**662,481**	**595,523**

27. PROVISIONS

Provision for CPS loss in prior years	**7,908**	**–**

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2008

28. TANGIBLE CAPITAL ASSETS

Movement in tangible capital assets per asset register for the year ended 31 March 2008

	Opening balance	Current Year Adjustments to prior year balances	Additions	Disposals/ Transfers	Closing balance
	Cost R'000	Cost R'000	Cost R'000	Cost R'000	Cost R'000
Machinery and Equipment	**1,267,564**	**–**	**429,978**	**–**	**1,697,542**
Transport Assets	298,198	–	107,465	–	405,663
Computer equipment	64,302	–	46,680	–	110,982
Furniture and Office equipment	44,612	–	21,468	–	66,080
Other fixed structures	860,452	–	254,365	–	1,114,817
Total tangible assets	**1,267,564**	**–**	**429,978**	**–**	**1,697,542**

28.1 Additions to tangible capital asset per asset register for the year ended 31 March 2008

	Cash	Non–Cash	(Capital work in progress – current costs)	Received current year, not paid (Paid current year, received prior year)	Total
	Cost R'000	Fair Value R'000	Cost R'000	Cost R'000	Cost R'000
Machinery and equipment	**429,978**	**–**	**–**	**–**	**429,978**
Transport assets	107,465	–	–	–	107,465
Computer equipment	46,680	–	–	–	46,680
Furniture and Office equipment	21,468	–	–	–	21,468
Other machinery and equipment	254,365	–	–	–	254,365
Total capital assets	**429,978**	**–**	**–**	**–**	**429,978**

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2008

28.2 Disposals/ Transfers of tangible capital assets per asset register for the year ended 31 March 2008

	Sold (cash) Cost R'000	Non–cash Fair Value R'000	Total Cost R'000	Cash Received Actual R'000
Machinery and equipment				24
Furniture and Office equipment	–	–	–	9
Other machinery and equipment	–	–	–	15
TOTAL	–	–	–	24

28.3 Movement in tangible capital assets per asset register for the year ended 31 March 2008

	Opening balance R'000	Additions R'000	Disposals R'000	Closing Balance R'000
Machinery and equipment	–	1,267,564	–	1,267,564
Transport assets	–	298,198	–	298,198
Computer equipment	–	64,302	–	64,302
Furniture and Office equipment	–	44,612	–	44,612
Other machinery and equipment	–	860,452	–	860,452
Total tangible assets	–	1,267,564	–	1,267,564

29. INTANGIBLE CAPITAL ASSETS

Movement in intangible capital assets per asset register for the year ended 31 March 2008

	Opening balance Cost R'000	Current Year Adjustments to prior year balances Cost R'000	Additions Cost R'000	Disposals Cost R'000	Closing balance Cost R'000
Computer software	–	–	17,196	–	17,196
Total intangible assets	–	–	17,196	–	17,196

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2008

29.1 Additions to intangible capital assets per asset register for the year ended 31 March 2008

	Cash	Non–cash	(Development work in progress – current costs) (Paid current year, received prior year)	Received current year, not paid	Total
	Cost R'000	Fair Value R'000	Cost R'000	Cost R'000	Cost R'000
Computer software	17,196	–	–	–	17,196
TOTAL	**17,196**	**–**	**–**	**–**	**17,196**

29.2 Capital intangible asset movement schedule for the year ended 31 March 2008

	Opening balance	Additions	Disposals	Closing balance
	Cost R'000	Cost R'000	Cost R'000	Cost R'000
Computer software	–	–	–	–
Total intangible assets	**–**	**–**	**–**	**–**

ANNEXURE 1 A
STATEMENT OF CONDITIONAL GRANTS RECEIVED

NAME OF GRANT	GRANT ALLOCATION					SPENT			2006/07	
	Division of Revenue Act	Roll Overs	DoRA Adjustments	Other Adjustments	Total Available	Amount received by department	Amount spent by department	% of Available funds spent	Division of Revenue Act	Amount spent by department
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Division of Revenue Act										
National Tertiary Services	789,578	–	–	–	789,578	789,578	789,578	100%	732,167	732,167
HIV and AIDS Health	466,922	–	–	–	466,922	466,922	466,922	100%	344,304	344,304
Hospital Revitalisation	268,433	91,761	–	–	360,194	359,634	333,523	92.6%	317,289	225,528
Integrated Nutrition Programme	–	–	–	–	–	–	9	0.0%	–	–
Hospital Management and Quality Improvement	–	–	–	–	–	–	–	–	–	–
Health Professions Training and Development	201,992	–	–	–	201,992	201,992	201,992	100%	204,659	204,659
Provincial Infrastructure	259,758	–	–	–	259,758	259,758	259,758	100%	174,098	174,098
Coroner Service	150,809	96,476	–	–	247,285	113,107	132,201	53.5%	160,360	63,884
TOTAL	**2,137,492**	**188,237**			**2,325,729**	**2,190,991**	**2,183,983**		**1,932,877**	**1,744,640**

ANNEXURE 1 B

STATEMENT OF UNCONDITIONAL TRANSFERS PAID TO PROVINCES

NAME OF DEPARTMENT	GRANT ALLOCATION				TRANSFER		SPENT			2006/07
	Amount	Roll Overs	Other Adjustments	Total Available	Actual Transfer	% of Available Transferred	Amount received by department	Amount spent by department	% of Available funds spent by department	Total Available
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	%	R'000
Payments in respect of Motor Vehicle Licences	–	–	–	–	–	0.0%	–	–	–	–
Department of Transport	–	–	608	608	653	107.4%	–	653	–	408
Armed Robbery & Short Prov	–	–	–	–	147	–	–	147	–	–
RSCLS	–	–	–	–	4	–	–	4	–	–
TOTAL	**–**	**–**	**608**	**608**	**804**		**–**	**804**		**408**

ANNEXURE 1 C
STATEMENT ON UNCONDITIONAL GRANTS AND TRANSFERS TO MUNICIPALITIES

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER		SPENT			2006/07
	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available Funds Transferred	Amount received by municipality	Amount spent by municipality	% of Available funds spent by municipality	Division of Revenue Act
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	%	R'000
Payments in respect of RSC levies										
eThekwini	–	–	–	–	–	0.0%	–	–	0.0%	1,776
Msunduzi	–	–	–	–	–	0.0%	–	–	0.0%	–
Umgungundlovu	–	–	–	–	–	0.0%	–	–	0.0%	810
Ugu	–	–	–	–	–	0.0%	–	–	0.0%	261
Uthungulu	–	–	–	–	–	0.0%	–	–	0.0%	579
Umzinyathi	–	–	–	–	–	0.0%	–	–	0.0%	250
Indlovu (Sisonke)	–	–	–	–	–	0.0%	–	–	0.0%	8
Uthukela	–	–	–	–	–	0.0%	–	–	0.0%	198
Zululan	–	–	–	–	–	0.0%	–	–	0.0%	329
Illembe	–	–	–	–	–	0.0%	–	–	0.0%	343
Amajuba	–	–	–	–	–	0.0%	–	–	0.0%	218
Umkhanyakude	–	–	–	–	–	0.0%	–	–	0.0%	232
Payments in respect of Health Services										
Abaqulusi	585	–	–	585	468	80.0%	468	468	100.0%	365
Dannhauser	584	–	–	584	332	56.8%	332	332	100.0%	519
Edumbe	400	–	–	400	203	50.8%	203	203	100.0%	557
Emnambithi/Ladysmith	4,645	–	–	4,645	5,475	117.9%	5,475	5,475	100.0%	3,920
Endondasuka/ Mandeni	966	–	–	966	943	97.6%	943	943	100.0%	854
Endumeni	2,916	–	–	2,916	1,669	57.2%	1,669	1,669	100.0%	1,561
eThekwini	38,446	–	-200	38,246	36,483	95.4%	36,483	36,483	100.0%	33,603

ANNEXURE 1 C (continued)

STATEMENT ON UNCONDITIONAL GRANTS AND TRANSFERS TO MUNICIPALITIES

NAME OF MUNICIPALITY		GRANT ALLOCATION			TRANSFER		SPENT			2006/07
	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available Funds Transferred	Amount received by municipality	Amount spent by municipality	% of Available funds spent by municipality	Division of Revenue Act
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	%	R'000
Hibiscus Coast	3,091	–	–	3,091	1,329	43.0%	1,329	1,329	100.0%	2,666
Kokstad	62	–	–	62	–	0.0%	–	–	0.0%	581
Kwa Dukuza	3,935	–	–	3,935	3,117	79.2%	3,117	3,117	100.0%	3,006
Matatiele	–	–	–	–	316		316	316		1,513
Mpofona	819	–	–	819	525	64.1%	525	525	100.0%	773
Msunduzi	8,208	–	–	8,208	3	0.0%	3	3	100.0%	8,128
Mthonjaneni	831	–	–	831	660	79.4%	660	660	100.0%	784
Newcastle	1,141	–	–	1,141	810	71.0%	810	810	100.0%	1,056
Okhahlamba	1,166	–	–	1,166	775	66.5%	775	775	100.0%	691
Richmond	66	–	–	66	–	0.0%	–	–	0.0%	–
Ubuhlebezwe	25	–	–	25	–	0.0%	–	–	0.0%	–
Ulundi	56	–	–	56	–	0.0%	–	–	0.0%	–
Umdoni	1,232	–	–	1,232	879	71.3%	879	879	100.0%	1,140
Umhlathuze	4,279	–	–	4,279	4,159	97.2%	4,159	4,159	100.0%	3,927
Umlalazi	2,097	–	–	2,097	1,496	71.3%	1,496	1,496	100.0%	1,538
Umngeni	1,201	–	–	1,201	652	54.3%	652	652	100.0%	1,048
Umshwathi	393	–	–	393	–	0.0%	–	–	0.0%	371
Umtshezi	1,663	–	–	1,663	1,239	74.5%	1,239	1,239	100.0%	776
Umuziwabantu	644	–	–	644	462	71.7%	462	462	100.0%	597
Umvoti	1,444	–	–	1,444	663	45.9%	663	663	100.0%	762
Uphongolo	30	–	–	30	–	0.0%	–	–	0.0%	–
Emadlangeni	22	–	–	22	–	0.0%	–	–	0.0%	–
Rounding	1	–	–	1	1	100.0%	–	1	–	–
TOTAL	**80,948**	**–**	**(200)**	**80,748**	**62,659**		**62,658**	**62,659**		**75,740**

ANNEXURE 1 D
STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENTS/ AGENCY/ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2006/07
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available Transferred	Final Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
State Vehicles and Rental Car Accident	–	–	–	–	–	0.0%	3,969
Cape Medical Depot Augmentation (PMSC)	12,649	–	–	12,649	12,649	100.0%	29,560
SDL	4,470	–	–	4,470	4,470	100.0%	–
TOTAL	**17,119**	**–**	**–**	**17,119**	**17,119**		**33,529**

ANNEXURE 1 E

STATEMENT OF TRANSFERS TO UNIVERSITIES AND TECHNIKONS

UNIVERSITY / TECHNIKON	TRANSFER ALLOCATION						EXPENDITURE	2006/07
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Amount not Transferred	% of Available Transferred	Final Appropriation Act
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
University of KwaZulu- Natal	–	–	–	–	–	–	0.0%	100
TOTAL	–	–	–	–	–	–		100

ANNEXURE 1 F
STATEMENT OF TRANSFERS AND SUBSIDIES TO NON–PROFIT INSTITUTIONS

NON PROFIT INSTITUTIONS	TRANSFER ALLOCATION				EXPENDITURE		2006/07
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available Transferred	Final Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
African Renaissance	–	–	–	–	–	0.0%	100
TOTAL	–	–	–	–	–		100
Subsidies							
Austerville Halfway House	393	–	–	393	333	84.7%	314
Azalea House	363	–	–	363	363	100.0%	342
Bekimpelo/Bekulwandle Trust Clinic	4,950	–	–	4,950	4,950	100.0%	4,245
Benedictine Clinic	275	–	–	275	275	100.0%	260
Cheshire Day Car Centre (Educare)	92	–	–	92	92	100.0%	218
Cleremont Day Care Centre	370	–	–	370	277	74.9%	261
Day Care Club 91	54	–	–	54	54	100.0%	81
Day Care Club 92	54	–	–	54	54	100.0%	46
Durban School for The Deaf	146	–	–	146	146	100.0%	138
Ekukhanyeni Clinic	138	–	–	138	138	100.0%	130
Elandskop Oblate Hospital	331	–	–	331	331	100.0%	312
Enkumane Clinic	198	–	–	198	198	100.0%	187
Happy Hour Amaoti	370	–	–	370	279	75.4%	261
Happy Hour Durban North	213	–	–	213	139	65.3%	139
Happy Hour Kwaximba	277	–	–	277	131	47.3%	131
Happy Hour Mariannhill	92	–	–	92	92	100.0%	139
Happy Hour Mpumalanga	462	–	–	462	218	47.2%	218
Happy Hour Ninikhona	351	–	–	351	78	22.2%	78
Happy Hour Nyangwini	259	–	–	259	174	67.2%	174
Happy Hour Overport	92	–	–	92	87	94.6%	87
Happy Hour Phoenix	166	–	–	166	70	42.2%	70
Hlanganani Ngothando DCC	203	–	–	203	92	45.3%	113
Ikhwezi Cripple Care	1,006	–	–	1,006	1,006	100.0%	950

ANNEXURE 1 F (continued)

STATEMENT OF TRANSFERS AND SUBSIDIES TO NON–PROFIT INSTITUTIONS

NON PROFIT INSTITUTIONS	TRANSFER ALLOCATION				EXPENDITURE		2006/07
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available Transferred	Final Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Ikhwezi Dns	127	–	–	127	127	100.0%	120
Jewel House	399	–	–	399	167	41.9%	158
Joan Tennant House	189	–	–	189	152	80.4%	143
John Peattie House	1,049	–	–	1,049	713	68.0%	673
Jona Vaughn Centre	1,763	–	–	1,763	1,721	97.6%	1,624
Lynn House	273	–	–	273	273	100.0%	271
Madeline Manor	635	–	–	635	635	100.0%	599
Masada Workshop	55	–	–	55	68	123.6%	192
Masibambeni Day Care Centre	111	–	–	111	111	100.0%	105
Matikwe Oblate Clinic	358	–	–	358	358	100.0%	338
McCords Hospital	52,537	–	–	52,537	52,537	100.0%	45,471
Mhlumayo Oblate Clinic	424	–	–	424	424	100.0%	400
Montebello Chronic Sick Home	3,581	–	–	3,581	3,581	100.0%	3,378
Mountain View Special Hospital	6,926	–	–	6,926	5,931	85.6%	5,592
Noyi Bazi Oblate Clinic	361	–	–	361	361	100.0%	326
Pongola Hospital	2,559	–	–	2,559	2,558	100.0%	1,722
Scadifa Centre	693	–	–	693	693	100.0%	653
Siloah Special Hospital	10,333	–	–	10,333	10,333	100.0%	8,503
Sparks Estate	944	–	–	944	944	100.0%	911
St. Lukes Home	399	–	–	399	399	100.0%	376
St. Mary's Hospital Mariannhill	68,378	–	–	68,378	68,381	100.0%	59,069
Sunfield Home	105	–	–	105	105	100.0%	99
Umlazi Halfway House	196	–	–	196	181	92.3.%	171
Phrenaid	122	–	–	122	75	61.5%	71
Rainbow Haven	294	–	–	294	294	100.0%	277
Sibusisiwe Home	462	–	–	462	212	45.9%	436
Provincial Aids Action Unit I	–	–	–	–	–	0.0%	1,696
District Serv. Delivery: Ugu (HIV/AIDA)	5,780	–	–	5,780	5,196	89.9%	1,056

ANNEXURE 1 F (continued)

STATEMENT OF TRANSFERS AND SUBSIDIES TO NON–PROFIT INSTITUTIONS

NON PROFIT INSTITUTIONS	TRANSFER ALLOCATION				EXPENDITURE		2006/07
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available Transferred	Final Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
District Serv. Delivery: Umgungundlovu (HIV/AIDA)	6,419	–	–	6,419	1,742	27.1%	707
District Serv. Delivery: Uthukela (HIV/AIDA)	2,690	–	–	2,690	694	25.8%	362
District Serv. Delivery: Umzinyathi (HIV/AIDA)	3,648	–	–	3,648	1,880	51.5%	794
District Serv. Delivery: Amajuba (HIV/AIDA)	1,800	–	–	1,800	509	28.3%	145
District Serv. Delivery: Zululand (HIV/AIDA)	3,642	–	–	3,642	3,499	96.1%	492
District Serv. Delivery: Umkhanyakude (HIV/AIDA)	3,968	–	–	3,968	2,115	53.3%	916
District Serv. Delivery: Uthungulu (HIV/AIDA)	5,225	–		5,225	5,366	102.7%	3,123
District Serv. Delivery: Illembe (HIV/AIDA)	3,307	–		3,307	4,078	123.3%	1,244
District Serv. Delivery: Sisonke (HIV/AIDA)	3,542	–		3,542	2,286	64.5%	504
District Serv. Delivery: eThekwini (HIV/AIDA)	9,969	–		9,969	9,351	93.8%	2,860
Head Office HAST	–	–		–	26	–	–
Richmond Chest	–	–		–	–	0.0%	15,412
Philanjalo Hospice	1,115	–		1,115	1,337	119.9%	787
Ekhuhlengeni Sanitorium	–	–		–	–	0.0%	19,854
Earmarked for further negotiations	143	–		143	–	0.0%	–
Expenditure Control	–	–		–	21	–	–
TOTAL	**215,376**	**–**	**–**	**215,376**	**199,011**		**190,624**

ANNEXURE 1 G
STATEMENT OF TRANSFERS AND SUBSIDIES TO HOUSEHOLDS

HOUSEHOLDS	TRANSFER ALLOCATION				EXPENDITURE		2006/07
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available Transferred	Final Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Employee Social Benefits – Leave Gratuity	32,856	–	–	32,856	26,450	80.5%	37,871
Bursaries	32,941	–	–	32,941	32,942	100.0%	23,754
Claims against the state	10,400	–	–	10,400	6,941	66.7%	4,154
Donations and Gifts to households	–	–	–	–	–	–	62
Employee Social Benefit – Local recr Staff	282	–	–	282	–	0.0%	–
PMT / Refunds and Remissions Act / Grace households	–	–	–	–	52	–	–
TOTAL	**76,479**	**–**	**–**	**76,479**	**66,385**		**65,841**

ANNEXURE 1 H

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED FOR THE YEAR ENDED 31 MARCH 2008

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2007/08 R'000	2006/07 R'000
Received in kind			
Prior year donations received			2,592
Iteach	Donation: Counselling building to Edendale Hospital	350	–
General Motors	Donation: Isuzu NQR 500, 32 Seater Bus	250	–
Royal Agricultural Society	Townhill Hospital cash donation R10 000.00	10	–
Hospital Board	Donation St. Andrews Hospital	30	–
B Braun Medical	Donation: Staff Awards	8	–
Orthomedics	Donation: Staff Awards	1	–
Codman Neuro Sciences	Donation: LG Super multi HDD & DVD Recorder	3	–
Hospital Board	Donation: Sound system, DVD player and LG flat screen TV	15	–
Head of Department	Donation : MBCHB class of 2007 annual pre–graduation banquet R10 000.00	10	–
Old Mutual	Donation : TV set	2	–
Prof. Prakash Jenna	Logic Alpha 100mp Ultrasound unit	95	–
Hospital Board	Donation : R3200 for course attendance	3	–
Safe Line Medicals	Donation DVD Player	1	–
RHRU	Donation : Park Home for ARV programme	700	–
Old Mutual	Donation : TV set for Children's ward	2	–
Scott Freight	Donation : 3 painting	15	–
Addington ICU staff	Donation: TV for teaching aid	1	–
Human Science Research council	Donation : 4 TV sets, DVD combos and 3 TV stands	10	–
Aspen Pharmacare limited	Donation : Improving and upgrading Mduku Clinic	1,000	–
People Church	Donation : 10 microwave oven, 8 Urns and 10 sandwich makers	10	–
Old Mutual	Donation: 54 cm Logic colour TV	1	–
Perryhill International	Donation: Gynaecological examination couch	3	–
Broadreach Health care	Donation: Park Home to St. Andrews Hospital	160	–
Virtual purple professional services	Donation: Bookwise HIV/AIDS management system	280	–

ANNEXURE 1 H (continued)

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED FOR THE YEAR ENDED 31 MARCH 2008

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2007/08 R'000	2006/07 R'000
DOW Agro Science	Donation: 9 TV sets, 2 DVD Players and 9 TV stands	40	–
Dr. Josh Matambo	Donation: TV set	1	–
Arnette Snyman	Donation: Maxdorf TV set	1	–
Old Mutual	Donation: R2000.00 for Christmas party	2	–
Medpages	Donation: Medpages	65	–
Alpha Pharmaceuticals	Donation: Pharmaceuticals products	10	–
Sawela co–operative	Donation: Linen to Prince Mshiyeni	4	–
Coloplast	Donation: TV set, DVD Player and TV stand	2	–
Dr. CG Jack	Donation: 74cm colour TV set	3	–
Total		**3,088**	**2,592**

Donations < R 1,000 are not denoted on the schedule due to the rounding off of amounts to the nearest R 1,000

ANNEXURE 1 I

STATEMENT OF LOCAL AND FOREIGN AID ASSISTANCE RECEIVED FOR THE YEAR ENDED 31 MARCH 2008

NAME OF DONOR	PURPOSE	OPENING BALANCE R'000	REVENUE R'000	EXPENDITURE R'000	CLOSING BALANCE R'000
Received in cash					
Local					–
– Bristol – Myers Squib	Management of HIV positive patients: Uthukela	83	–	40	25
– Dept of Water Affairs & Forestry	Cholera epidemic	392	–	31	361
– Dept of Local Govt & Traditional Affairs	Purchase of EMRS vehicles in Sisonke	–	5,150	2,215	2,935
– HW Seta Learnership Mseleni/Mosvold	Learnership to Mseleni and Mosvold Hospital	180	–	–	180
– Astra Zeneca (Astra Zeneca Pharm)	Drug Trials	285	–	25	260
– HW Seta Learnership St Aidans	Learnership to St Aidans Hospital	35	329	349	15
– HW Seta Learnership: Pharmacy	Learnership for the training of pharmacy assistants	121	–	30	91
– Phillips Medical Systems	Cardiology training	16	–	16	–
– Zinc study (Nu Health & Pfizer)	Drug Trials	51	–	–	51
– Agouron A (Pfizer)	Drug Trials	25	–	24	1
– Synthes (Pty) Ltd	Orthopaedic clinic trials	18	–	5	13
– Johnson & Johnson (Rededication)	Rededication ceremony at IALCH	2	–	2	–
– Rashid Suliaman & Associates	To be used at institutions discretion	6	3	4	5
– Braun (Inkosi Albert Luthuli Central Hosp)	Staff awards programme	8	–	–	8
– Braun (Inkosi Ngwelezana Hospital)	Training	1	–	–	1
– Orthomedics (Inkosi Albert Luthuli Hosp)	Staff awards programme	1	–	–	1
– Bhayla – Neurosurgery	Neurosurgery	–	20	–	20
– Bhayla – Orthopaedic	Hip replacements	–	60	–	60
– TB Global Fund	Strengthen Provincial Capacity for treatment and care of TB patients	778	3,983	423	4,338
– Canadian HIV trials network	HIV / AIDS trials	301	547	325	523
– HOCF Global Fund	HIV / AIDS	–	1,994	–	1,994

ANNEXURE 1 I (continued)

STATEMENT OF LOCAL AND FOREIGN AID ASSISTANCE RECEIVED FOR THE YEAR ENDED 31 MARCH 2008

NAME OF DONOR	PURPOSE	OPENING BALANCE R'000	REVENUE R'000	EXPENDITURE R'000	CLOSING BALANCE R'000
Foreign					
– European Union Funding (PHC)	Partnership for delivery of PHC programme	(158)	21,500	10,632	10,710
– Belgium Technical Committee	HIV/ AIDS trials	(441	800	359	–
Subtotal		**1,704**	**34,386**	**14,480**	**21,610**
Received in kind					
Foreign					–
– Italian Funding		–	2,091	2,091	–
– Global Fund for HIV/ AIDS Patients	Enhancement of care for HIV / AIDS patients	5,902	109,025	82,651	32,276
Subtotal		**5,902**	**111,116**	**84,742**	**32,276**
TOTAL		**7,606**	**145,502**	**99,222**	**53,886**

ANNEXURE 2 A

STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2008 – LOCAL

Guarantor Institution	Guarantee in respect of	Original Guaranteed capital amount	Opening Balance 1 April 2007	Guarantee drawdowns during the year	Guarantee repayments/ cancelled/ reduced/ released during the year	Currency Revaluations	Closing balance 31 March 2008	Realised losses not recoverable i.e. claims paid out
		R'000	R'000	R'000	R'000	R'000	R'000	R'000
Motor vehicles								
Standard Bank	Motor Vehicles	969	969	–	317	–	652	–
Total Motor Vehicles Guarantee		**969**	**969**	**–**	**317**	**–**	**652**	**–**
Housing								
ABSA	Housing	12,692	11,532	18	1,500	–	10,050	–
BOE Bank Ltd	Housing	46	46	–	–	–	46	–
FirstRand Bank Ltd	Housing	14,264	12,609	–	1,628	–	10,981	–
Green Start Home Loans	Housing	45	45	–	6	–	39	–
ITHALA Limited	Housing	1,973	2,052	–	234	–	1,818	–
Nedbank Ltd	Housing	3,269	2,992	–	483	–	2,509	–
Old Mutual Bank	Housing	12,898	11,400	35	1,266	–	10,169	–
Peoples Bank Ltd	Housing	446	346	–	32	–	314	–
SA Home Loans	Housing	51	68	–	19	–	49	–
Standard Bank	Housing	7,092	6,190	–	673	–	5,517	–
Company Unique Finance	Housing	102	87	–	35	–	52	–
Total Housing Guarantee		**52,878**	**47,367**	**53**	**5,876**	**–**	**41,544**	**–**
GRAND TOTAL		**53,847**	**48,336**	**53**	**6,193**	**–**	**42,196**	**–**

ANNEXURE 2 B

STATEMENT OF CONTIGENT LIABILITIES AS AT 31 MARCH 2008

Nature of Liability	Opening Balance 01/04/2006	Liabilities incurred during the year	Liabilities Paid/cancelled/reduced during the year	Liabilities Recoverable (Provide details hereunder)	Closing Balance 31/03/2008
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Medico Legal	189,974	45,244	4,642	–	230,576
Claims against the State (Transport, Labour, Civil)	9,073	61,358	20	–	70,411
TOTAL	**199,047**	**106,602**	**4,662**		**300,987**

ANNEXURE 3
INTER–GOVERNMENTAL RECEIVABLES

Government Entity	Confirmed balance		Unconfirmed balance		Total	
	31/03/2008	31/03/2007	31/03/2008	31/03/2007	31/03/2008	31/03/2007
	R'000	R'000	R'000	R'000	R'000	R'000
Department						
Agriculture	–	34	15	33	15	67
Economic Development	–	–	13	–	13	–
Safety and Security	–	–	5	–	5	–
Social Welfare	–	–	802	597	802	597
Local Government and Traditional Affairs	–	–	–	284	–	284
Education	–	–	263	110	263	110
KZN Legislature	–	–	4	4	4	4
KZNPA Library Services	–	–	58	10	58	10
Transport	–	–	2,460	889	2,460	889
Works	–	–	215	135	215	135
Office of the Premier	–	714	82	60	82	774
Royal Household	–	1	1	–	1	1
Social Welfare – nutritional packs	–	–	28,997	27,604	28,997	27,604
Independent Complaints Directorate	–	–	2	11	2	11
Housing	2	30	3	–	5	30
Eastern Cape Department of Health	1,262	–	85	–	1,347	–
University of KwaZulu-Natal – joint medical	–	–	1,360	–	1,360	–
Arts Culture and Tourism	–	–	3	–	3	–
	1,264	**779**	**334,368**	**29,727**	**35,632**	**30,516**
Other Government Entities						
Other debtors	–	–	737	–	737	–
Less (credit amount within claims recoverable account)	–	–	(4,668)	–	–4,668	–
Rounding	–	–	-1	–	-1	–
	–	–	(3,932)	–	(3,932)	–
TOTAL	**1,264**	**779**	**30,436**	**29,737**	**31,700**	**30,516**

ANNEXURE 4
INTER-GOVERNMENTAL PAYABLES – CURRENT

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2008	31/03/2007	31/03/2008	31/03/2007	31/03/2008	31/03/2007
	R'000	R'000	R'000	R'000	R'000	R'000
DEPARTMENTS						
Current						
South African Management Development Institute	–	–	–	806	–	806
Department of Transport	–	–	38,814	37,380	38,814	37,380
Department of Safety and Security	–	–	–	–	–	–
Department of Justice and Constitutional Development	154	184	–	–	154	184
Department of Works	87,743	–	97,227	87,150	184,970	87,150
KZN – Office of the Premier	–	71	–	–	–	71
KZN Department of Economic Development	–	53	–	–	–	53
South African Police Services	–	2	–	–	–	2
Department of Health: Pretoria	–	–	–	100	–	100
Gauteng Department of Health	2	143	–	–	2	143
Northern Cape Department of Health	28	–	–	27	28	27
Limpopo Department of Health and Social Development	6	–	–	–	6	–
Western Cape Department of Health	24	–	–	–	24	–
TOTAL	**87,957**	**453**	**136,041**	**125,463**	**223,998**	**125,916**
OTHER GOVERNMENT ENTITY						
Current						
National Health Laboratory Services	–	44	72	–	116	–
TOTAL	**–**	**44**	**72**	**–**	**116**	**–**

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2008

ANNEXURE A

SCHEDULE – IMMOVABLE ASSETS, LAND AND SUB SOIL ASSETS

Opening Balances

In the 2006/2007 financial year the Department had applied Accounting Circular 1 of 2007. The impact of this circular on the financial statements resulted in the cumulative balances on buildings, land and subsoil assets being transferred to the Provincial of Public Works. The balance that was transferred was R1, 192,520 which consisted of the following; dwelling (R167,750), non residential building (R1,017,779), other fixed structure (R6, 991).

Movements to immovable assets – 2007/2008

The department has applied the exemptions as granted by the National Treasury and thus immovable assets have not been disclosed on the face of the annual financial statements.

Additions

The additions for the current year on buildings, land and subsoil assets consisted of the following; dwelling (R82,200), non residential building (R524,165), other fixed structures (R17,397).

The supplementary information presented does not form part of the annual financial statements and is unaudited.

Annual Financial Statements for the Provincial Medical Supply Centre

REPORT OF THE ACCOUNTING OFFICER (CONTINUED)
for the year ended 31 March 2008

1. GENERAL REVIEW OF THE STATE OF FINANCIAL AFFAIRS

The Medical Supply Centre is a trading entity which is incorporated in South Africa.

The principal place of business is: 1 Higginson Highway
Mobeni
4060

The Medical Supply Centre has shown a trading surplus of R437, 000.00 for the period ended 31 March 2008. This has mainly been due to the effect of increased trading activities resulting in an annual turnover of R 1,127 billion, being an increase of 25, 2% over the prior year. Operating costs also increased by 27, 9% for the same period, due mainly to increased inventory purchases, however increase of 110% in administrative expenditure and other operating expenses contributed to increasing the overall operating costs. Inventory purchase prices did not increase significantly during the period under review.

The main factors contributing to the increase in trading activities were:

1.1 The continually increasing distribution of inventories due to the ongoing ARV Project, which are charged directly to the Institutions.

1.2 The number of patients serviced increased dramatically over the previous year, largely due to the increase in the number of clinics currently being serviced. These clinics were previously serviced by the various hospitals.

2. SERVICES RENDERED BY THE DEPARTMENT

2.1 The Provincial Medical Supply Centre is the only trading entity operating within the administration of the KwaZulu-Natal Department of Health. This entity is responsible for the procurement and delivery of pharmaceuticals as listed by National Health Pharmaceutical Services and Provincial Health Pharmaceutical Services. The pharmaceuticals are procured from the suppliers and are then distributed to the various institutions as requested. Pharmaceuticals are charged at actual cost plus a mark-up of 4% to 12% to cover the administrative costs.

2.2 The tariff policy is structured as follows:

Surcharge of 5% – levied on all pharmaceutical items procured by and received at PMSC and thereafter delivered to the institutions.

Surcharge of 4% – levied on all pharmaceutical items procured by PMSC and delivered directly by the supplier to the said institutions.

Surcharge of 12% – levied on all pharmaceuticals that involve the use of PMSC human resources in terms of repacking, manufacturing etc.

3. CAPACITY CONSTRAINTS

3.1 The increasingly limited availability of warehousing has continued to contribute to capacity constraints.

3.2 Although the Manufacturing Laboratories have ceased operating in accordance with pharmacy regulations, the Pre Packing of medicines and tablets continues to be a part of ongoing operations.

4. PERFORMANCE INFORMATION

Listed on the next page is a table containing performance and outcome targets of PMSC, for the year under review:

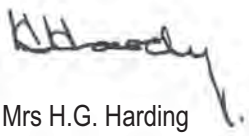
REPORT OF THE AUDITOR-GENERAL TO THE PROVINCIAL LEGISLATURE ON THE FINANCIAL STATEMENTS AND

REPORT OF THE ACCOUNTING OFFICER (CONTINUED)
for the year ended 31 March 2008

Objective	Indicator	2007/2008 (Target)	2007/2008 (Actual)
Increase in standard stock account	Stock level	R 100.809 million	R 100.809 million
Adequate working capital to support adequate stockholding	Stock Turnover	R 1108.000 million	R 1129.340 million
Sufficient stock available at end user	Service Level	95%	98%

APPROVAL

The annual financial statements set out on pages 277 to 289 have been approved by the Accounting Officer.



Mrs H.G. Harding
Manager: Provincial Medical Supply Centre

31 March 2008

REPORT OF THE AUDITOR-GENERAL
for the year ended 31 March 2008

Performance Information of Provincial Medical Supply Centre for the year ended 31 March 2008

Introduction

1. I have audited the accompanying financial statements of the Provincial Medical Supply Centre which comprise the balance sheet as at 31 March 2008, income statement, statement of changes in net equity and separate cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes, and the accounting officer's report, as set out on pages 272 to 273.

Responsibility of the accounting officer for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with South African Statements of Generally Accepted Accounting Practice (SA Statements of GAAP) and in the manner required by the Public Finance Management Act, 1999 (Act No. 1 of 1999) (PFMA). This responsibility includes:

   - designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error
   - selecting and applying appropriate accounting policies
   - making accounting estimates that are reasonable in the circumstances.

Responsibility of the Auditor-General

3. As required by section 188 of the Constitution of the Republic of South Africa, 1996 read with section 4 of the Public Audit Act, 2004 (Act No. 25 of 2004) (PAA), my responsibility is to express an opinion on these financial statements based on my audit.

4. I conducted my audit in accordance with the International Standards on Auditing and *General Notice 616 of 2008*, issued in *Government Gazette No. 31057 of 15 May 2008*. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance on whether the financial statements are free from material misstatement.

5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the trading entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the trading entity's internal control.

6. An audit also includes evaluating the:

   - appropriateness of accounting policies used
   - reasonableness of accounting estimates made by management
   - overall presentation of the financial statements.

7. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

8. In my opinion the financial statements present fairly, in all material respects, the financial position of the Provincial Medical Supply Centre as at 31 March 2008 and its financial performance and cash flows for the year then ended, in accordance with SA Statements of GAAP and in the manner required by the PFMA.

REPORT OF THE AUDITOR-GENERAL
for the year ended 31 March 2008

OTHER MATTER

Without qualifying my audit opinion, I draw attention to the following matter that relate to my responsibilities in the audit of the financial statements:

Matters of governance

9. The PFMA tasks the accounting officer with a number of responsibilities concerning financial and risk management and internal control. Fundamental to achieving this is the implementation of certain key governance responsibilities, which I have assessed as follows:

Matter of governance	Yes	No
Audit committee		
1. The trading entity had an audit committee in operation throughout the financial year.	✓	
2. The audit committee operates in accordance with approved, written terms of reference.	✓	
3. The audit committee substantially fulfilled its responsibilities for the year, as set out in section 77 of the PFMA and Treasury Regulation 3.1.10.	✓	
Internal audit		
• The trading entity had an internal audit function in operation throughout the financial year.	✓	
• The internal audit function operates in terms of an approved internal audit plan.	✓	
• The internal audit function substantially fulfilled its responsibilities for the year, as set out in Treasury Regulation 3.2.	✓	
Other matters of governance		
The annual financial statements were submitted for audit as per the legislated deadlines (section 40 of the PFMA for trading entities).	✓	
The financial statements submitted for audit were not subject to any material amendments resulting from the audit.		✓
No significant difficulties were experienced during the audit concerning delays or the unavailability of expected information and/or the unavailability of senior management.	✓	
The prior year's external audit recommendations have been substantially implemented.	✓	

OTHER REPORTING RESPONSIBILITIES

REPORT ON PERFORMANCE INFORMATION

10. I have reviewed the performance information as set out on page x.

Responsibility of the accounting officer for the performance information

11. The accounting officer has additional responsibilities as required by section 40(3)(a) of the PFMA to ensure that the annual report and audited financial statements fairly present the performance against predetermined objectives of the trading entity.

Responsibility of the Auditor-General

12. I conducted my engagement in accordance with section 13 of the PAA read with *General Notice 616 of 2008*, issued in *Government Gazette No. 31057 of 15 May 2008*.

REPORT OF THE AUDITOR-GENERAL
for the year ended 31 March 2008

13. In terms of the foregoing my engagement included performing procedures of an audit nature to obtain sufficient appropriate evidence about the performance information and related systems, processes and procedures. The procedures selected depend on the auditor's judgement.

14. I believe that the evidence I have obtained is sufficient and appropriate to report that no significant findings have been identified as a result of my review.

OTHER REPORT

Investigation

15. An investigation is being conducted to probe the manner in which the procurement of goods and services was done under the provisions of the supply chain management policy. The investigation aims to establish whether it was in the best interests of the department.

APPRECIATION

16. The assistance rendered by the staff of the Provincial Medical Supply Centre during the audit is sincerely appreciated.

H. van Zyl for Auditor-General
Pietermaritzburg

30 July 2008

AUDITOR-GENERAL

ACCOUNTING POLICIES
for the year ended 31 March 2008

1. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted are consistent with those of the previous year except as follows:

The PMSC has adopted the following new and amended IFRS and IFRIC interpretations during the year. The adoption of these revised standards and interpretations did not have any effect on the financial performance or position of the PMSC. They did however give rise to additional disclosures, including in some cases, revisions to accounting policies.

- IFRS 7 Financial Instruments: Disclosures

  IFRS 7 requires disclosures that enable users of the financial statements to evaluate the significant of the PMSC's financial instruments and the nature and extent of risks arising from those financial instruments. The new disclosures are included throughout the financial statements. While there has been no effect on the financial position or results, comparative information has been revised where needed.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements are prepared on the historical cost basis.

2.2 Presentation Currency

All amounts have been presented in the currency of the South African Rand (R).

2.3 Rounding

Unless otherwise stated all financial figures have been rounded to the nearest one thousand rand (R'000).

2.4 Going Concern

The financial statements are prepared on the assumption that the entity is a going concern and will continue in operation for the foreseeable future.

2.5 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the PMSC and the revenue can be reliably measured. Revenue is measured at a fair value of the consideration received, excluding discounts, rebates, and other sales taxes or duty. The following specific recognition criteria must also be met before revenue is recognised:

Revenue from the sale of goods is recognised when significant risks and rewards of ownership of the goods have been transferred at the point when the goods are handed over to the courier on site for delivery to respective health institutions.

2.6 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Such cost includes the cost of replacing part of the plant and equipment when that cost is incurred, if the recognition criteria are met. Likewise, when major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is calculated on a straight line basis over the useful life of the asset as follows:

ACCOUNTING POLICIES
for the year ended 31 March 2008

	%
Plant and equipment	10% – 16.67%
Vehicles	20% – 25.00%
Computer Equipment	25% – 33.33%
Furniture and Fittings	10% – 16.67%

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected form its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

The asset's residual values, useful lives and method of depreciation are reviewed, and adjusted if appropriate, at each financial year end.

At each balance sheet date, the entity reviews the carrying amounts of its tangible to determine whether there is any indication that those assets may be impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount for an individual asset, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

If the recoverable amount of an asset (cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. Impairment losses are immediately recognised as an expense.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately.

2.7. Financial instruments – Financial assets

For the PMSC, there were no financial assets applicable.

2.8 Financial instruments – Financial liabilities

Financial liabilities comprise trade and other payables, which are recognised at cost. Trade and other payables are not restated to their fair value at year-end as they are settled within 30 days.

2.9. Inventory

Inventories are valued at the lower of cost and net realisable value. Costs incurred in bring each product to its present location and condition are accounted for on weighted average cost basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.10. Employee benefits

Post-employee benefits

Retirement

The entity provides a defined benefit fund for the benefit of its employees, which is the Government Employee's Pension Fund.

The entity is not liable for any deficits due to the difference between the present value of the benefit obligations and the fair value of the assets managed by the Government Employee's Pension Fund. Any potential liabilities are disclosed in the financial statements of the National Revenue Fund and not in the financial statements of PMSC.

ACCOUNTING POLICIES
for the year ended 31 March 2008

Medical
No contributions are made by the entity to the medical aid of retired employees.

Short and long-term benefits
The cost of all short-term employee benefits, such as salaries, bonuses, housing allowances, medical and other contributions is recognised during the period in which the employee renders the related service.

The vesting portion of long-term benefits is recognised and provided for at balance sheet date, based on current salary rates.

2.11. Irregular expenditure

Irregular expenditure

Irregular expenditure is defined as:

Expenditure, other than unauthorised expenditure, incurred in contravention or not in accordance with a requirement of any applicable legislation, including:

- the Public Finance Management Act
- the State Tender Board Act, or any regulations made in terms of this act, or
- any provincial legislation providing for procurement procedures in that provincial government.

It is treated as expenditure in the Statement of Financial Performance. If such expenditure is not condoned and it is possibly recoverable it is disclosed as receivable in the Statement of Financial Position at year-end.

Fruitless and wasteful expenditure
Fruitless and wasteful expenditure is defined as:

Expenditure that was made in vain and would have been avoided had reasonable care been exercised, therefore

- it must be recovered from a responsible official (a debtor account should be raised), or
- the vote. (If responsibility cannot be determined.)

Such expenditure is treated as a current asset in the Statement of Financial Position until such expenditure is recovered from the responsible official or written off as irrecoverable.

2.12. Capitalisation reserve

The capitalisation reserve represents an amount equal to the value held in a suspense account by Department of Health on behalf of the Provincial Medical Supply Centre for the procurement of pharmaceuticals.

2.13. Cash flow statement

The cash flow statement is prepared in terms of the direct method and discloses the effect that operating activities, investing activities and financing activities have on the movement of cash and cash equivalents during the year.

- Operating Activities are primarily derived from the revenue producing or primary operating activities of the entity.
- Investing Activities are the acquisition and disposal of long-term assets and other investments not included in cash equivalents.
- Financing Activities are activities that result in changes in the size and composition of the contributed capital and borrowings of the entity.

2.14. Related party and related party transactions

Related parties are departments that control or significantly influence entities in making financial and operating decisions. Specific information with regards to related parties is included in the notes.

BALANCE SHEET
at at 31 March 2008

	Note	2007/08 R'000	2006/07 R'000 (Restated)
ASSETS			
Non-current assets			
Property, plant and equipment	*6*	**3,024**	**2,850**
Current assets		**164,804**	**149,689**
Inventory	*7*	71,256	78,508
Interface account	*8*	93,548	71,181
		167,827	**152,539**
EQUITY			
Capital and Reserves	*9*	137,799	129,513
Total Equity		**137,799**	**129,513**
LIABILITIES			
Current Liabilities			
Trade and other payments	*10*	**30,028**	**23,026**
Total equity and liabilities		**167,827**	**152,539**

INCOME STATEMENT
for the year ended 31 March 2008

	Note	2007/08 R'000	2006/07 R'000
REVENUE			
Sale of goods	*1*	1,127,273	900,033
TOTAL REVENUE		**1,127,273**	**900,033**
EXPENDITURE			
Cost of Sales	*2*	(1,098,851)	(838,937)
Other expenditure		(27,985)	(21,868)
Administrative Expenses	*3*	(7,871)	(3,305)
Staff Costs	*4*	(18,044)	(17,132)
Other operating expenses	*5*	(2,070)	(1,431)
TOTAL EXPENDITURE		**(1,126,836)**	**(860,805)**
NET SURPLUS FOR THE YEAR		**437**	**39,228**

STATEMENT OF CHANGES IN EQUITY
for the year ended 31 March 2008

	Accumulated Surplus/ (Deficit)	Capitalisation Reserves	Total Equity
	R'000	R'000	R'000
Balance as at 1 April 2006	**10,447**	**58,600**	**69,047**
Surplus for the year	4,800	–	4,800
Transfers to/ (from) reserves	(10,447)	29,560	19,113
Balance as at 31 March 2007 as originally stated	**4,800**	**88,160**	**92,960**
Correction of prior year errors	36,553	–	36,553
Balance as at 31 March 2007 as restated	**41,353**	**88,160**	**129,513**
Surplus for the year	437	–	437
Transfers to/ (from) reserves	(4,800)	12,649	7,849
Balance as at 31 March 2008	**36,990**	**100,809**	**137,799**

CASH FLOW STATEMENT
for the year ended 31 March 2008

	Note	2007/08 R'000	2006/07 R'000 (Restated)
Cash flows from operating activities			
Cash paid to suppliers & employees	*11*	(7,198)	(20,928)
Net cash outflows from operating activities		**(7,198)**	**(20,928)**
Cash flows from investing activities			
Acquisition of Property, Plant and Equipment	*12*	(651)	(310)
Net cash outflows from investing activities		**(651)**	**(310)**
Cash flows from financing activities			
Increase in Reserves	*13*	7,849	19,113
Restatement due IAS16 adoption		–	2,125
Net cash flows from financing activities		**7,849**	**21,238**
Net increase in cash and cash equivalents		–	–
Cash and bank balances at the beginning of the year		–	–
Cash and bank balances at the end of the year		–	–

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2008

		2007/08 R'000	2006/07 R'000 (Restated)
1.	**Sales of Goods**		
	Provincial Departments	1,127,273	900,028
	Other		5
		1,127,273	**900,033**
2.	**Cost of Sales**		
	Opening inventory	78,508	44,080
	Purchases	1,091,599	873,365
		1,170,107	**917,445**
	Less Closing Inventory	(71,256)	(78,508)
		1,098,851	**838,937**
3.	**Administration Expenses**		
	General administrative expenses	6,534	2,720
	Stationery and printing	964	560
	Bank charges	5	5
	Training and staff development	369	20
		7,871	**3,305**
4.	**Staff Costs**		
	Wages and Salaries		
	– Performance awards	240	-
	– Basic salaries	10,533	9,851
	– Periodic payments	1,338	1,561
	– Overtime pay	1,296	1,442
		13,407	**12,854**
	Social contributions (Employer's contributions)		
	– Medical	841	693
	– UIF	4	4
	– Other salary related costs	5	4
		850	**701**
	Defined Pension contribution plan expense		
	– Current service cost	**1,371**	**1,289**
	Other long-term employee benefits including long-service leave, profit sharing, deferred compensation	**2,416**	**2,288**
		18,044	**17,132**

The Accounting Officer of the Department of Health has appointed the Manager of the Provincial Medical Supply Centre as the Accounting Officer.

During the 2007/2008 financial year, the Manager received a basic salary package of R369 000 per annum.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2008

	2007/08 R'000	2006/07 R'000 (Restated)
5. Other operating expenses		
Maintenance, repairs and running costs	1,338	818
– Property and buildings	483	199
– Machinery and Equipment	–	–
– Other maintenance, repairs and running costs	855	619
Depreciation	476	332
– Assets carried at cost	476	332
– Assets carried at re-valued amounts	–	–
Consumables	146	169
Municipal Services	0	12
Travel and Subsistence	110	100
	2,070	**1,431**
6. Property, plant and equipment		
Vehicles		
Opening net carrying amount	**220**	**246**
– Gross carrying amount	478	258
– Correction of prior year error	–	220
– Accumulated depreciation	(258)	(201)
Depreciation charge	(10)	(57)
Closing net carrying amount - 31 March	**210**	**220**
– Gross carrying amount	478	478
– Accumulated depreciation	(268)	(258)
Computer equipment		
Opening net carrying amount	**695**	**567**
– Gross carrying amount	1,314	629
– Correction of prior year error	–	485
– Accumulated depreciation	(619)	(547)
Additions	8	200
Depreciation charge	(211)	(72)
Closing net carrying amount - 31 March	**492**	**695**
– Gross carrying amount	1,322	1,314
– Accumulated depreciation	(830)	(619)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2008

		2007/08 R'000	2006/07 R'000 (Restated)
6.	**Property, plant and equipment (continued)**		
	Office furniture and fittings		
	Opening net carrying amount	**336**	**420**
	– Gross carrying amount	731	639
	– Correction of prior year error	–	69
	– Accumulated depreciation	(395)	(288)
	Additions	643	23
	Depreciation charge	(157)	(107)
	Closing net carrying amount - 31 March	**822**	**336**
	– Gross carrying amount	1,374	731
	– Accumulated depreciation	(552)	(395)
	Other machinery and equipment		
	Opening net carrying amount	**1,599**	**1,608**
	– Gross carrying amount	1,941	503
	– Correction of prior year error	–	1,351
	– Accumulated depreciation	(342)	(246)
	Additions	–	87
	Depreciation charge	(98)	(96)
	Closing net carrying amount - 31 March	**1,501**	**1,599**
	– Gross carrying amount	1,941	1,941
	– Accumulated depreciation	(440)	(342)
	Total property, plant and equipment		
	Opening net carrying amount	**2,850**	**2,872**
	– Gross carrying amount	4,464	2,029
	– Correction of prior year error	–	2,125
	– Accumulated depreciation	(1,614)	(1,282)
	Additions	651	310
	Depreciation charge	(476)	(332)
	Closing net carrying amount - 31 March	**3,024**	**2,850**
	– Gross carrying amount	5,114	4,464
	– Accumulated depreciation	(2,090)	(1,614)
7.	**Inventory**		
	Raw Materials	450	1,418
	CMT	–	–
	Finished goods	70,806	77,090
		71,256	78,508

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2008

		2007/08 R'000	2006/07 R'000 (Restated)
8.	**Interface account**		
	Medsas Account – Department of Health		
	Medsas: Capital	100,809	88,160
	Medsas: Pre-Pak	(488)	(1,418)
	Medsas: Cut, Make and Trim	(995)	-
	Medsas: Stock	(70,806)	(77,090)
	Medsas: Stock Surplus	6,448	-
	Revenue Accrual - BAS surplus	14,377	(18,484)
	Revenue Accrual - Prior year duplicate depreciation	3,889	3,889
	Medsas: Stock Loss	(11,027)	-
	Claims Recoverable KZN	(1,944)	(1,944)
	Medsas: Claims Receivable	–	24,392
	Medsas: Claims Payable	25,170	17,676
	Accrual Adjustments		
	Opening Property, Plant and Equipment	(2,341)	(2,030)
	Opening Accumulated Depreciation	1,616	1,283
	Opening Capped Leave Provision	1,578	836
	Opening Uncapped Leave Provision	83	120
	Opening net inventory - cost of sales	34,428	–
	Prior year error – cost of sales	–	34,428
	Current year net inventory - cost of sales	(7,249)	–
	Leave Pay Provision - Prior year understated	–	1,367
	Pension Recoverable KZN	–	(2)
		93,548	**71,181**
9.	**Capital and reserves**		
	Accumulated surplus		
	Balance at the beginning of the year	**41,353**	**10,447**
	Surplus for the year	437	4,800
	Correction of prior year error	–	36,553
	Transfers	(4,800)	(10,477)
	Balance at 31 March	**36,990**	**41,353**
	Reserves		
	Balance at the beginning of the year	**88,160**	**58,600**
	Transfers	12,649	29,560
	Balance at 31 March	**100,809**	**88,160**
	Total Equity		
	Balance at the beginning of the year	**129,513**	**69,047**
	Surplus for the year	437	4,800
	Correction of prior year error	–	36,553
	Transfers	7,849	19,113
	Balance at 31 March	**137,799**	**129,513**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2008

		2007/08 R'000	2006/07 R'000 (Restated)
10.	**Trade and other payables**		
	Trade creditors	25,171	17,676
	Accruals	762	1,743
	Other payables	–	2
	Revenue accrual account	1,944	1,944
	Leave pay commitments	2,151	1,661
		30,028	**23,026**
11.	**Reconciliation of profit before taxation to cash generated from/(utilised in) operations**		
	Surplus/(deficit) before taxation	**437**	**39,228**
	Adjusted for non-cash movements/ working capital changes:	**(7,635)**	**(60,156)**
	– Depreciation on property, plant and equipment	476	332
	– (Increase)/ decrease in inventories	7,252	(34,428)
	– (Increase) in receivables	(24,309)	(1,661)
	– Increase/ (Decrease) in payables	8,946	12,154
	– Correction of prior period errors	–	(36,553)
	Cash generated from operations	**(7,198)**	**(20,928)**
12.	**Cash flows from investing activities**		
	Purchase of Property, Plant and Equipment	**(651)**	**(310)**
13.	**Cash flows from financing activities**		
	Increase in reserves	7,849	19,113
	Restatement due IAS16 adjustment	–	2,125
		7,849	**21,238**
14.	**Contingent Liabilities**		
	Housing Guarantees	**36**	**70**

15. Impairment of Assets

The entity did not have any impairment of assets during the 2007/2008 financial year. As a result no impairment losses were recognised in the income statement.

16. Taxation

The entity is not liable for any income tax tin terms of Section 10(1) a of the Income Tax Act, as amended. The entity is not registered for value added taxation in of the Tax Authorities media statement dated 27 September 1991, which was subsequently confirmed by value-added tax directive dated 21 January 2003.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2008

	2007/08 R'000	2006/07 R'000 (Restated)

17. Related Party and Related Party Transactions

The Provincial Medical Supply Centre is the only trading entity operating within the administration of the KwaZulu-Natal Department of Health. This entity is responsible for the procurement and delivery of pharmaceuticals as listed by National Health Pharmaceutical Services and Provincial Health Pharmaceutical Services. The pharmaceuticals are procured from the suppliers and are then distributed to the various institutions as requested. Pharmaceuticals are charged at actual cost plus a mark-up of 4% to 12% to cover the administrative costs. Further details in this regard are provided in the Accounting Officer's report. The movement in balances and funds between the Provincial Medical Supply Centre and the Department is included in the above notes to the annual financial statements.

18. Financial risk management objectives

PMSC's principal financial instruments consist of trade receivables and trade payables, which arise directly from its operations. The potential risks arising from PMSC's financial instruments are cash flow risk, liquidity risk and credit risk. However, as PMSC is funded by the Department of Health and its only supplier is the Department of Health, these potential risks are not applicable.

19. Prior period error

The useful lives of property, plant and equipment was not reviewed annually as required by IAS16. To ensure compliance, the useful lives were reviewed retrospectively, resulting in opening accumulated depreciation being overstated by R2, 125m. The comparatives for 2006/2007 have been restated, by increasing accumulated surplus by R2, 125m.

Increase in accumulated surplus	–	2,125
Cost was incorrectly calculated in the previous year, as net inventory was not included in cost of sales. This resulted in the prior year surplus being understated by R34, 428m. The comparatives for 2006/2007 have been restated by increasing accumulated surplus by R34, 428m.	–	34,428
Increase in accumulated surplus		
Total	**–**	**36,553**

Abbreviations and Acronyms

Abbreviation	Meaning
ABET	Adult Basic Education and Training
AEFI	Adverse Events Following Immunisation
AFP	Acute Flaccid Paralysis
AIDS	Acquired Immune Deficiency Syndrome
ALS	Advanced Life Support
ANC	Ante Natal Care
ART	Anti Retroviral Therapy
ARV	Anti Retroviral
BANC	Basic Ante Natal Care
BBBEE	Broad Based Black Economic Empowerment
BEE	Black Economic Empowerment
BLS	Basic Life Support
CANSA	Cancer Association of South Africa
CBO	Community Based Organisation
CBR	Community Based Rehabilitation
CDC	Communicable Disease Control
CEO	Chief Executive Officer
CFR	Case Fatality Rate
CHC	Community Health Centre
ChIP	Child Health Problem Identification Programme
CHW	Community Health Worker
COHSASA	Council for Health Service Accreditation of Southern Africa
COSH	Church of Scotland Hospital
CPD	Continuous Professional Development
CPSS	Central Pharmaceutical Supply Store
CTOP	Choice on Termination of Pregnancy
DHER	District Health Expenditure Review
DHIS	District Health Information System
DHP's	District Health Plans
DHS	District Health System
DOE	Department of Education
DOH	Department of Health
DOTS	Directly Observed Treatment Short Course
DPSA	Department of Public Service Administration
DQS	Data Query System
DTP	Diphtheria, Tetanus and Pertusssis
DUT	Durban University of Technology

Abbreviation	Meaning
EAP	Employee Assistance Programme
ECP	Emergency Care Practitioner
EDL	Essential Drug List
EH	Environmental Health
EHP	Environmental Health Practitioner
EMD	Emergency Medical Dispatch
EMP	Environmental Management Plan
EMPDS	Employee Management and Personal Development System
EMRS	Emergency Medical Rescue Services
EN	Enrolled Nurse
ENA	Enrolled Nursing Assistant
EPI	Expanded Programme for Immunisation
EPT	Emergency Patient Transport
ESV	Emergency Service Vehicle
ETBR	Electronic Tuberculosis Register
FBO	Faith Based Organisation
FET	Further Education and Training
FIO	Facility Information Officer
GIS	Geographical Information Systems
HAART	Highly Active Anti-Retroviral Treatment
HAST	HIV and AIDS, Sexually Transmitted Infections and Tuberculosis
HBC	Home Based Care
HCBC	Home or Community Based Carer
HDI	Historically Disadvantaged Individual
HETCD	Health Education Training and Development Committees
HIV	Human Immuno-Virus
HOA	Home Owners Allowance
HOD	Head of Department
HP	Health Promotion
HPC	Health Promoting Clinics
HPCSA	Health Professionals Council of South Africa
HPH	Health Promoting Hospitals
HPS	Health Promoting School
HRKM	Health Resource & Knowledge Management
HRP	Human Resource Plan
HTA's	High Transmission Areas

Abbreviation	Meaning
HWSETA	Health and Welfare Sectoral Educational Training Authority
IALCH	Inkosi Albert Luthuli Central Hospital
ICD-10	International Code for Disease
ICEE	International Centre for Eyecare Education
ICU	Intensive Care Unit
IDP	Integrated Development Plan
IDT	Independent Development Trust
IEC	Information, Education and Communication
IGR	Inter-Governmental Relations
ILS	Intermediate Life Support
IMCI	Integrated Management of Childhood Illnesses
IMLC	Institutional Management and Labour Committees
IMS	Incident Management Systems
INDS	Integrated National Disability Strategy
INP	Integrated Nutrition Programme
KAP	Knowledge, Attitude and Practice
KMC	Kangaroo Mother Care
KZN	KwaZulu-Natal
M&E	Monitoring and Evaluation
MC&WH	Maternal, Child and Women's Health
MDR TB	Multi-Drug Resistant Tuberculosis
MEC	Member of the Executive Council
MHCA	Mental Health Care Act
MICU	Medical Intensive Care Unit
MIS	Management Information System
MLW	Mid Level Worker
MOU	Memorandum of Understanding
MRC	Medical Research Council
MSP	Master Systems Plan
MTEF	Medium Term Expenditure Framework
NGO's	Non Governmental Organisations
NHLS	National Health Laboratory Services
NICD	National Institution for Communicable Disease
NICU	Neo-Natal Intensive Care Unit
NIP	National Integrated Programme
NMIS	National Management Information System
NPO	Non-Profit Organisation
NTCP	National Tuberculosis Control Programme

Abbreviation	Meaning
OIS	Organisational Improvement Services
OSD	Occupational Specific Dispensation
PDE	Patient Day Equivalent
PEP	Post Exposure Prophylaxis
PHAST	Participatory and Sanitation Transformation
PHC	Primary Health Care
PMO's	Principal Medical Officers
PMSC	Provincial Medical Supply Centre
PMTCT	Prevention of Mother to Child Transmission
PN	Professional Nurse
PPIP	Peri-Natal Problem Identification Programme
PPT	Planned Patient Transport
PRO	Public Relations Officer
PSCBC	Public Service Coordinating Bargaining Council
PTS	Patient Transport System
PTSS	Patient Throughput Service System
PWD	Person with Disabilities
QA	Quality Assurance
RED	Reach Every District
SADC	Southern African Development Cooperation
SCM	Supply Chain Management
SDC	Step Down Care
SDI	Service Delivery Implementation
SETA	Sector Educational and Training Association
SITA	State Information Technology Agency
SMME's	Small Medium and Micro Enterprises
SMS	Senior Management Service
STATS SA	Statistics South Africa
STI	Sexually Transmitted Infections
STP	Service Transformation Plan
SWOT	Strengths, Weaknesses, Opportunities and Threats
TB	Tuberculosis
UKZN	University of KwaZulu-Natal
VCT	Voluntary Counselling and Testing
VPN	Virtual Private Network
WHO	World Health Organisation
WOE	Women Owned Enterprises
XDR TB	Extreme Drug Resistant Tuberculosis