ANNUAL REPORT 2009/10

PR: 139/2010
ISBN: 978-0-621-39360-6

FORWORD BY THE MEMBER OF THE EXECUTIVE COUNCIL (MEC) FOR HEALTH - KWAZULU-NATAL

It is with pleasure that I table to the house the Annual Report for the 2009/10 financial year. The Annual Report draws the curtain on the 2009/10 financial year, and the achievements, limitations and challenges faced by the Department are presented in the main body of the report.

The democratic government of South Africa has since 1994 placed at the heart of the reconstruction of our society the inevitable transformation of the health system to attain equity in access and the highest possible quality of care to improve the ultimate health outcomes. Our core values continued to inspire us to work effortlessly towards an accessible, caring, equitable and quality health system.

Trust and confidence in the public health system have ebbed and flowed in 2009/10. The challenge remains to transform the existing health system, within available resources, to a system that will be capable of extending quality health care to all its beneficiaries.

The complexity of the quadruple burden of disease, resource limitations and an ever increasing demand for innovative evidence-based health services this year demanded harsh choices. It is my conviction that the Department and the beneficiaries of healthcare in the Province will bear the fruit of these decisions in years to come.

The Department remained firmly focused on the implementation of the National Health System 10 Point Plan and the Medium Term Strategic Framework which is aimed at creating a well functioning health system capable to support improved health outcomes.

My gratitude goes to my Head of Department, Dr S Zungu, who steered this ship tirelessly since her appointment as Head of Department in August 2009. I also acknowledge and commend the many health workers and managers throughout the Province who dedicated their time and expertise to the improvement of service delivery.

I endorse the 2009/10 Annual Report for submission.

Dr S.M. Dhlomo

MEC for Health

Date: 23rd August 2010

SUBMISSION OF THE 2009/10 ANNUAL REPORT TO THE EXECUTIVE AUTHORITY

The year 2009/10 has come and gone and the unprecedented demands on health care, fuelled by the quadruple burden of disease and resource constraints, continued to stretch the health system beyond its limits.

The implementation of the National Health System 10 Point Plan commenced in 2009/10. Achievements and challenges towards attainment of the priorities are contained in the body of the report.

1. Provision of strategic leadership and creation of a social compact for better health outcomes.
2. Implementation of National Health Insurance.
3. Improving the quality of health services.
4. Overhauling the health care system and improve its management.
5. Improving Human Resources Management, Planning and development.
6. Revitalisation of Infrastructure.
7. Accelerated implementation of HIV and AIDS and Sexually Transmitted Infections and increased focus on TB and other communicable diseases.
8. Mass mobilisation for better health for the population.
9. Review of the drug policy.
10. Strengthening research and development.

The Department aligned its Strategic Goals and focus areas with the NHS 10 Point Plan and Medium Term Strategic Framework priorities.

1. To improve health service delivery through optimal allocation and utilisation of resources and collaboration with stakeholders and partners.
2. To improve health information systems and management and ensure rigorous monitoring and evaluation of performance against targets.
3. To strengthen Human and other key resources in support of optimal public health service delivery.
4. To expand and sustain the implementation of Priority Health Programmes.
5. To implement and sustain health programmes to reduce non-communicable and chronic diseases.

The MEC for Health provided decisive leadership and unwavering management support throughout the reporting period. He offered constructive guidance in his appraisal of key management decisions, and garnered political support to speed up delivery of services with the ultimate goal to increase the life expectancy of people in the Province.

The Department embarked on a financial turn-around strategy to re-dress over-expenditure and improve financial management. Vigorous assessment and monitoring of management capacity was at the forefront during the reporting period resulting in strategic decisions to improve competencies. A total of 23 Hospital Managers commenced with the Masters Programme for Public Health.

The long-term planning horizon gave new impetus to the review and alignment of the 10-year Service Transformation Plan (STP) within the framework of the NHS 10 Point Plan. The STP will guide the restructuring and revitalisation of health services. The 5-year Strategic Plan (2010 – 2014) was tabled after extensive consultation, and the Human Resource Plan (2009/10 – 2011/12) was finalised and approved.

Service volumes at primary health care level increased with over 25.7 million people utilising services (an increase of 8.1%) at 582 fixed facilities. Community-based services expanded with 14,377 community health workers and home-based carers providing services to more than 3 million people in communities. Governance and community participation improved with the establishment of operational Clinic Committees at 81% of PHC services.

There has been an increase of 8.7% in patients using District Hospital services (separations, day cases and patient day equivalents), while out-patient headcounts increased with 10.6% to 3,069,671. All District Hospitals have operational Hospital Boards thus improving governance and accountability.

Service volumes in Regional, Tertiary and Central Hospitals also saw a significant increase which is indicative of the current burden of disease.

Implementation of the National Strategic Framework for HIV, AIDS and STI's is moving forward steadily although inevitably, progress is overshadowed by the magnitude of the epidemic. The number of active patients on anti-retroviral treatment (ART) increased with 41.2% to 319,015 at the end of March 2010. Of those 192,975 (60.4%) were adult females; 95,094 (29.8%) adult males; and 30,946 (9.7%) children. It is estimated that approximately 60% of qualifying patients were on treatment.

According to the National HIV Prevalence Survey (2008) the HIV prevalence (antenatal clients) was 38.7%, with 3 districts exceeding prevalence of more than 40%. The Prevention of Mother-to-Child Transmission (PMTCT) Programme is accessible at 99% of facilities, with 93% of antenatal care clients tested for HIV in 2009/10. The proportion of HIV exposed babies testing PCR positive decreased from 20.8% in 2004/05 to 8.1% in 2009/10 which indicate definite progress with this critical prevention programme.

TB detection and surveillance improved resulting in increasing numbers of new cases being managed at facility level. Although the TB outcomes compare negatively with the national targets, definite and steady progress is evident. A total of 118,000 new TB cases were reported in 2009/10 with an estimated TB incidence of 1,156/100 000 population. The TB cure rate increased from 62% to 62.9% and the smear conversion rate at 2 months from 62.3% to 68.7%. The TB defaulter rate decreased over the last year from 9.8% to 8.1%.

Case finding for multi-drug resistant (MDR) and extreme drug resistant (XDR) TB improved over the reporting period. MDR TB reported cases increased from 1,134 to 1,478 and XDR TB from 109 to 189. The Department expanded the innovative community-based management project to counteract resource constraints.

The Department continued to build on the milestones already achieved to reduce morbidity and mortality amongst children, mothers and women. Immunisation services, for prevention of vaccine preventable diseases was scaled up with the introduction of the Pneumococcal and Rotavirus vaccines in 2009/10.

Full immunisation coverage for children under 1 year was 82.9% with 2 districts exceeding the 90% target. The measles coverage decreased by 4.1% to 80.4% with 4 districts exceeding 90% coverage - 1,767 confirmed measles cases were reported during the reporting period. Integrated management of childhood illnesses were implemented in 96% of facilities.

34.3% of all pregnant women booked for antenatal care before 20 weeks of gestation. The Province rolled out the Basic Antenatal Care (BANC) Programme to increase early booking and improve early identification and referral of high-risk pregnancies to reduce morbidity and mortality.

A total of 394 maternal deaths were reported in health facilities in 2009/10 compared with 308 in 2008/09. 98% of Hospitals conduct monthly morbidity and mortality meetings to improve management and reduce morbidity and mortality.

Considerable progress has been made with the screening for cervical cancer. Coverage increased from 0.5% in 2008/09 to 5.9% mainly attributed to the Phila Ma campaign introduced in 2009/10.

Improving EMRS response times remains a critical challenge. The percentage of calls responded to within 15 minutes in urban areas decreased from 28.1% to 19%, and response times within 40 minutes in rural areas decreased from 39% to 36%.

In conclusion I wish to express my gratitude to the MEC for Health for his leadership and guidance. I thank all Managers and staff who showed commitment and support in the inevitable change process. Without this support and dedication no gains will be possible.

The trust that health users in the Province have placed in the health system will not be betrayed. We will spare no effort in ensuring that the public health sector continuously enhances the quality of service.

In accordance with section 40(1)(d) of the Public Finance Management Act, 1999, the Public Service Act, 1994 (as amended), and the National Treasury Regulations (NTR), I hereby submit the Department of Health Annual Report for the 2009/10 financial year.

Dr S M Zungu
Head of Department

Date: 16th August 2010

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PART A: STRATEGIC VISION

VISION, MISSION & CORE VALUES

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 based on the Primary Health Care approach through the District Health System

CORE VALUES

Trust build on truth

Integrity and reconciliation

Open communication

Transparency and consultation

Commitment to performance

Courage to learn, change and innovate

LEGISLATIVE MANDATE

The legislative mandate of the Department derives from the Constitution and several pieces of legislation passed by Parliament.

In terms of the **Constitutional provisions**, the Department is guided by amongst others the following sections and schedules:

- Section 27(1): 'Everyone has the right to have access to…
  (a) Health care services, including reproductive health care;
  (3) No one may be refused emergency medical treatment";
- Section 28(1): "Every child has the right to…basic health care services…"; and
- Schedule 4 lists health services as a concurrent national and provincial legislative competence.

The health and general legislation that the Department must comply with include the following.

National Health Act (Act 61 of 2003)

Provides for a transformed National Health System to the entire Republic

Public Finance Management Act (Act 1 of 1999) and Treasury Regulations

Provides for the administration of State funds by functionaries, their responsibilities and incidental matters

Inter-Governmental Fiscal Relations Act (Act 97 of 1997)

Provides for the manner of harmonization of financial relations between the various spheres of government, and incidental matters

Labour Relations Act (Act 66 of 1995)

Provides for the law governing labour relations and incidental matters

Basic Conditions of Employment Act (Act 75 of 1997)

Provides for the minimum conditions of employment that employers must comply with in their workplaces

Skills Development Act (Act 97 of 1998)

Provides for the measures that employers are required to take to improve the levels of skills of employees in the workplace

Preferential Procurement Policy Framework Act (Act 5 of 2000)

Provides for the implementation of the policy on preferential procurement pertaining to historically disadvantaged entrepreneurs

Public Service Act (Act 103 of 1994) Proclamation 103 of 1994

Provides for the administration of the public service in its national and provincial spheres, as well as provides for the powers of ministers to hire and fire

Division of Revenue Act (Act 7 of 2003)

Provides for the manner in which revenue generated may be disbursed

Medical Schemes Act (Act 131 of 1998)

Provides for the regulation of the medical schemes industry to ensure consonance with national health objectives

Medicines and Related Substances Act (Act 101 of 1965)

Provides for the registration of medicines and other medicinal products to ensure their safety, quality and efficacy, and also provides for transparency in the pricing of medicine

Mental Health Care Act (Act 17 of 2002)

Provides a legal framework for mental health and in particular the admission and discharge of mental health patients in mental health institutions

Choice on Termination of Pregnancy Act (Act 92 of 1996) and Amendments

Provides a legal framework for termination of pregnancies (under certain circumstances) and based on choice

Sterilisations Act (Act 44 of 1998) and Amendments

Provides a legal framework for sterilisations, also for persons with mental health challenges

SA Medical Research Council Act (Act 58 of 1991)

Provides for the establishment of the SA Medical Research Council and its role in relation to research, in particular, health research

Tobacco Products Control Amendment Act (Act 12 of 1999)

Provides for the control of tobacco products, prohibition of smoking in public places and advertisements to tobacco products as well as sponsoring of events by the tobacco industry

National Health Laboratory Services Act (Act 37 of 2000)

Provides for a statutory body that provides laboratory services to the public health sector

Health Professions Act (Act 56 of 1974)

Provides for the regulation of health professions, in particular medical practitioners, dentists, psychologists and other related health professions, including community service by these professionals

Pharmacy Act (Act 53 of 1974)

Provides for the regulation of the pharmacy profession, including community service by pharmacists

Nursing Act (Act 33 of 2005)

Provides for the regulation of the nursing profession

Allied Health Professions Act (Act 63 of 1982)

Provides for the regulation of health practitioners like chiropractors, homeopaths, etc. and for the establishment of a council to regulate these professions

Dental Technicians Act (Act 19 of 1979)

Provides for the regulation of dental technicians and for the establishment of a council to regulate the profession

Hazardous Substances Act (Act 15 of 1973)

Provides for the control of hazardous substances, in particular those emitting radiation

Foodstuffs, Cosmetics and Disinfectants Act (Act 54 of 1972)

Provides for the regulation of foodstuffs, cosmetics and disinfectants, in particular, quality standards that must be complied with by manufacturers as well as their importation and exportation

Council for Medical Schemes Levy Act (Act 58 of 2000)

Provides for a legal framework for the council to charge medical schemes certain fees

Occupational Health and Safety Act (Act 85 of 1993)

Provides for the requirements that employees must comply with in order to create a safe working environment for employees in the workplace

Child Care Act (Act 74 of 1983) and Amendments

Provides for the protection of the rights and wellbeing of children

International Health Regulations Act (Act 28 of 1974)

Provides for the adoption of resolutions adopted at the World Health Assembly

Academic Health Centres Act (Act 86 of 1993) - To be repealed by the National Health Act

Provides for the establishment, management and operation of academic health centres

Human Tissue Act (Act 65 of 1983) - To be repealed by the National Health Act

Provides for the administration of matters pertaining to human tissue

Traditional Health Practitioners Act (Act 25 of 2004)

Regulates the practice and conduct of traditional health practitioners

Promotion of Administrative Justice Act (Act 3 of 2000)

Amplifies the constitutional provisions pertaining to Administrative Law by codifying it

Promotion of Access to Information Act (Act 2 of 2000)

Amplifies the constitutional provision pertaining to accessing information under the control of various bodies

Preferential Procurement Policy Framework Act (Act 5 of 2000)

Provides for the implementation of the policy on preferential procurement pertaining to historically disadvantaged entrepreneurs

Employment Equity Act (Act 55 of 1998)

Provides for the measures that must be put into operation in the workplace in order to eliminate discrimination and promote affirmative action

State Information Technology Act (Act 88 of 1998)

Provides for the creation and administration of an institution responsible for the State's information technology system

The Competition Act (Act 89 of 1998)

Provides for the regulation of permissible competitive behaviour regulation of mergers of companies and matters related thereto

The Copyright Act (Act 98 of 1998)

Provides for the protection of intellectual property of a literary, artistic or musical nature that is reduced to writing

The Merchandise Marks Act (Act 17 of 1941)

Provides for the covering and marking of merchandise, and incidental matters

Trade Marks Act (Act 194 of 1993)

Provides for the registration of, certification and collective trademarks and matters incidental thereto

Designs Act (Act 195 of 1993)

Provides for the registration of designs and matters incidental thereto

Promotion of Equality and the Prevention of Unfair Discrimination Act (Act 4 of 2000)

Provides for the further amplification of the constitutional principles of equality and elimination of unfair discrimination

State Liability Act (Act 20 of 1957)

Provides for the circumstances under which the State attracts legal liability

Broad Based Black Empowerment Act (Act 53 of 2003)

Provides for the promotion of black economic empowerment in the matter that the State awards contracts for services to be rendered, and incidental matters

Unemployment Insurance Contributions Act (Act 4 of 2002)

Provides for the statutory deduction that employers are required to make on the salaries of employees

Protected Disclosures Act (Act 26 of 2000)

Provides for the protection of whistle-blowers in the fight against corruption

Control of Access to Public Premises and Vehicles Act (Act 53 of 1985)

Provides for the regulation of individuals entering government premises, and incidental matters

Conventional Penalties Act (Act 15 of 1962)

Provides for the enforceable of penal provisions in contracts

Inter-Governmental Fiscal Regulations Act (Act 97 of 1997)

Provides for the manner of harmonization of financial relations between the various spheres of government, and incidental matters

Public Service Commission Act (Act 46 of 1997)

Provides for the amplification of the constitutional principle of accountable governance, and incidental matters

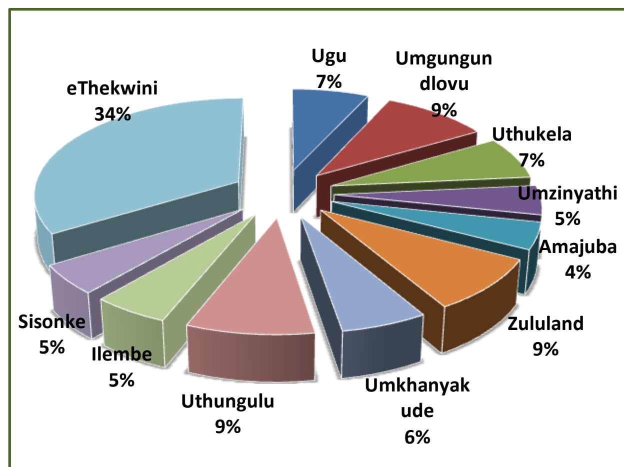
PART B: SITUATIONAL ANALYSIS

PART B: SITUATIONAL ANALYSIS

DEMOGRAPHIC PROFILE

KwaZulu-Natal is the second most populous province in South Africa and occupies 7.6% (92,100 sq km) of the total land surface of South Africa. The total population was 10,158,820 in 2009 (21.4% of the total South African population) with an estimated 8,939,761 uninsured population. [1]

Graph 1: Population distribution per district



Source: Stats SA

Approximately 54% of the KwaZulu-Natal population lives in rural areas, and 70% of the population are below the age of 35 years. This has significant implications for service delivery, especially with relation to the current burden of disease (including but not exclusive to HIV and AIDS, TB and increasing non-communicable diseases), and the Department's commitment towards achieving the Millennium Development Goals.

The 2007 Community Survey confirmed an under-estimation of children under-5 years in both previous censuses, which will have a significant impact on indicators using population-based denominators i.e. immunisation coverage.

The Province is divided into 50 Municipalities and 1 Metropol (10 health districts and 1 metro). The health district boundaries are aligned with the municipal boundaries determined by the Municipal Demarcation Board.

Four Districts (Ugu, Umzinyathi, Zululand and Umkhanyakude) and one Municipality (Umzimkhulu) were declared Rural Development Nodes. The Municipalities of Nkandla in the Uthungulu District and Msinga in the Umzinyathi District were targeted in terms of a Cabinet directive.

The National Department of Health identified 18 of the most deprived Municipalities in the country (based on deprivation indices) as part of a project to improve service delivery and equity in maternal, child and women's health. Four of the identified Municipalities are located in KwaZulu-Natal namely Umhlabuyalingana (Umkhanyakude District), Dannhauser (Amajuba District), Nongoma (Zululand District), and Maphumulo (Ilembe District). The National Department of Health actively monitored progress in the identified districts also as part of a rural development project.

The Premier's integrated Flagship Project commenced in 2009/10 and focuses on integration of community-based services rendered by existing Community-Based Health Care Workers (CBHC) and volunteers at ward level. Cadres were allocated to the most deprived wards to render basic community-based services mainly in support of HIV and AIDS, TB and women's and child health.

SOCIO-ECONOMIC/ POVERTY PROFILE

According to the District Health Barometer the ten most deprived districts in South Africa fell within three provinces namely **KwaZulu-Natal**, Eastern Cape and Limpopo with households living on less than R800 per month ranging between 63% and 82% in 2006. [2]

According to the National Burden of Disease Study (2000), unsafe water and poor sanitation contributed to 13,434 (2.6%) of the total deaths reported in the study. The greatest impact was reported in children <5 years with 9.3% of deaths contributed to unsafe water and poor sanitation. In addition, unsafe water and poor sanitation was attributed to 84% of all deaths due to diarrhoea, of which 66.4% were children <5 years.

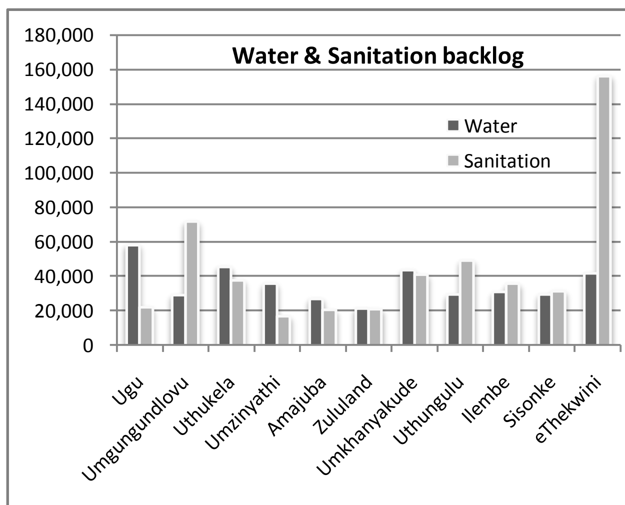
The 2003 South African Demographic and Health Survey (SADHS) Report indicated that child mortality more than doubled where the source of drinking water was anything other than piped water, and increased from 7.7/1000 (access to a flush toilet) to 34.9/1000 where there was no access to flush toilets.

The following graph illustrates the backlogs in water and sanitation per household in the health districts.

[1] Statistical Release P0302 Mid-Year Population Estimates 2009

[2] District Health Barometer 2007/08 by Health Systems Trust

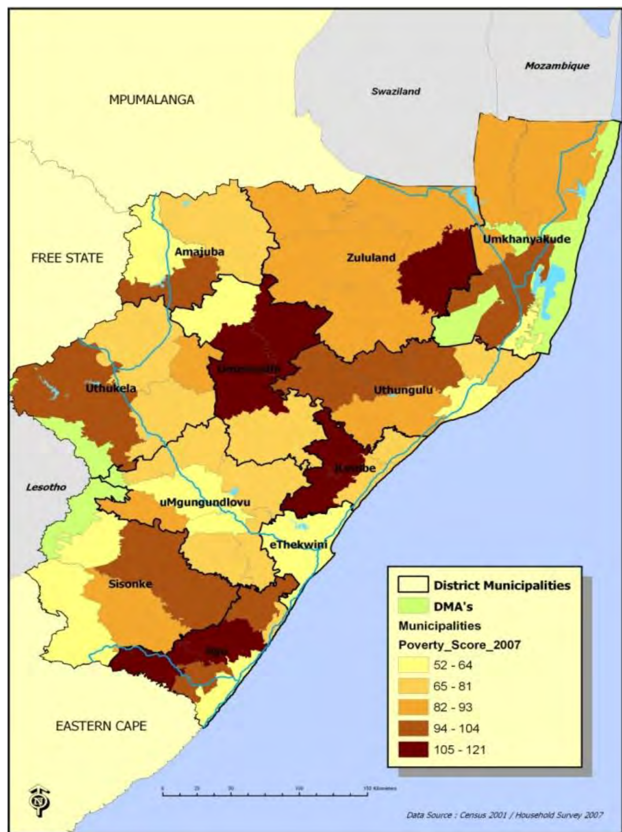
Graph 2: Water & Sanitation Backlog per Household



Source: Stats SA

Poverty and health profiles were developed per municipality to identify areas of need that will inform resource allocation and service delivery. The profiles, based on weighted scores of core variables, identified deprivation with regards to health service delivery with the 10 most deprived municipalities identified as eThekwini Metropolitan, Umzumbe, Umbabazane, Hibiscus Coast, Mandeni, Nquthu, Abaqulusi, eDumbe, Msunduzi and Jozini.

Map 1: Poverty Profile



Map 2: KZN Health Profile

EPIDEMIOLOGY PROFILE

The national decline in life expectancy is considered to be largely due to HIV and TB constituting 46% of disability-adjusted life years (DALY) lost in SA. According to mid-year estimates, the life expectancy of both males (46.4 years to 47.3 years) and females (50.6 years to 51.0 years) in KwaZulu-Natal increased over the period 2001-2006 and 2006-2011.[3]

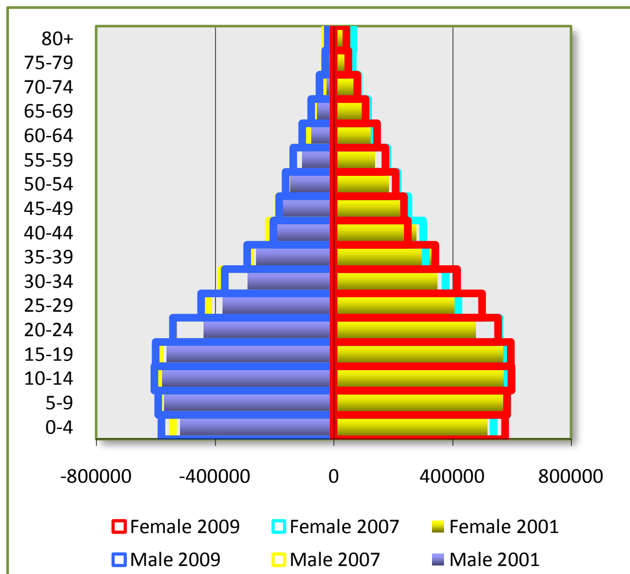
Fertility rates declined from an average of 3.03 children per woman in 2001 to 2.60 in 2009 compared with 2.87 and 2.38 nationally.[4]

The quadruple burden of disease including traditional diseases of poverty (malnutrition and diarrhoeal disease in children); injuries caused by motor traffic accidents and violence; non-communicable diseases as part of the demographic transition including heart disease, strokes and diabetes; and lastly the explosive rise of infectious diseases with the advent of the HIV epidemic and its fuelling of TB have a significant impact on health outcomes.

[3] Statistical Release P0302 Mid-Year Population Estimates 2009
[4] Statistical Release P0302 Mid-Year Population Estimates 2009

The Province shows a positive population growth between 2001 and 2009 for both males and females.

Figure 1: Population Pyramid 2001; 2007; 2009



Source: Population data from Stats SA

Improved management of mother to child transmission of HIV (currently between 8.1% to 10.3% transmission) and the rapidly increasing number of HIV-positive qualifying patients on ART might begin to show a positive impact on life expectancy.

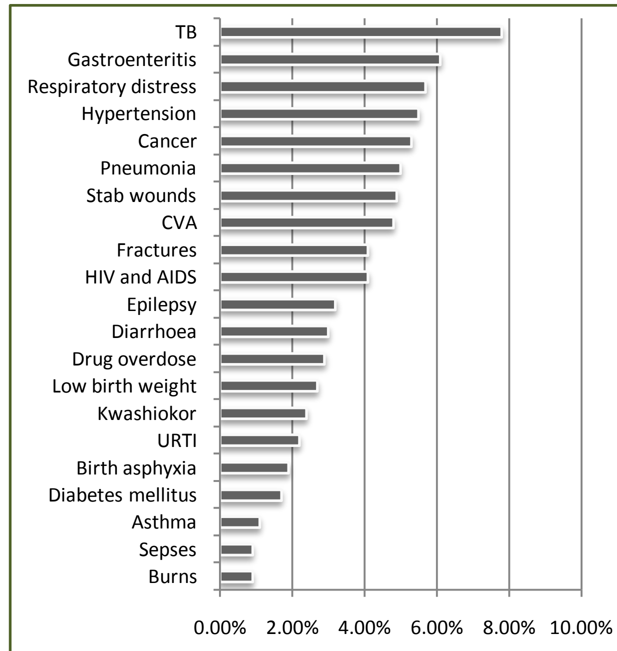
Preliminary results of the KwaZulu-Natal PHC Disease Profile[5] indicate that out of a total of 10,009 PHC patients, the highest number of patients (12.4%) presented with hypertension followed by TB (9.9%), respiratory illnesses (9.4%), upper respiratory tract illnesses (5.4%) and HIV (5.0%). The National Burden of Disease in South Africa[6] have the most common causes of mortality in public hospitals as TB, gastroenteritis, pneumonia, hypertension and cancer.

The studies confirm that a significant component of the burden of disease is attributable to communicable diseases and nutritional, maternal and peri-natal conditions. Diarrhoeal and respiratory conditions were found to be common causes of mortality and morbidity with diarrhoea resulting in dehydration one of the most common causes of death in young children.

[5] KwaZulu-Natal Burden of Disease Phase 1 PHC Disease Profile, Dr A Tefera

[6] Burden of Disease in SA – Linked cross-sectional survey of Public and private Health Facilities Draft Report May 2009

Graph 3: Twenty leading causes of death recorded in Public Hospitals



Source: National Burden of Disease Study

HEALTH INDICATORS

The Maternal Mortality Rate is estimated at 236.8/100 000 live births.[7] The Report on the Confidential Enquiry on Maternal Deaths however reported that 20% to 66% of maternal deaths, occurring outside health institutions, are not reported.[8]

According to Stats SA (2007 projections) the Infant Mortality Rate (IMR) is 46.5/1000 live births and the Under-5 Mortality Rate (U5MR) 62.1/1000 live births. The AIDS Committee of Actuarial Society of South Africa[9] projected the U5MR at 88.4/1000 live births in 2009, and the IMR at 56.5/1000 live births in 2009.

Rehle T. et al.[10] estimated the Provincial HIV incidence at 1.7% very similar to the Health Systems Trust[11] estimate of 1.6%.

[7] http://www.guardian.co.uk/news/datablog/2010/apr/12/maternal-mortality-rates-millenium-development-goals#data

[8] Saving Mothers 2005-2007: Fourth Report on Confidential Enquiries into Maternal Deaths in South Africa

[9] ASSA 2003: ASSA2003 Model: ProvOutput. AIDS Committee of Actuarial Society of South Africa
http://www..hst.org.za/healthstats/31/data

[10] Rehle T et al 2007. National HIV incidence measures – new insights into the South African epidemic. South African medical Journal 97:194-199

[11] Schaay N, Sanders D- International Perspective on Primary Health Care over the past 30 years - In Barron P, Roma-Reardon J, editors South African Health Review 2008 Durban: Health Systems Trust: 2008

According to the National ANC Survey the Provincial HIV prevalence was 38.7% compared with 29.3% nationally.

The Provincial TB incidence is estimated at 1,156/100 000 population.

Table 1: Progress towards achieving the Millennium Development Goals

Goal and Target	Indicator	Provincial Performance 2009/10
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 <5 years of age.	The incidence of severe malnutrition under-5 years increased from 5/1000 in 2008/09 to 6.2/1000 in 2009/10. *Source: DHIS*
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 95/1000 (MRC);[12] 75/1000 (CAR);[13] 62.1/1000 (Stats SA).
	Infant mortality rate.	Estimated at 60/1000 (MRC); 48/1000 (CAR); and 56.5/1000 (Stats SA).
	Immunisation coverage under-1 year.	Increased from 76.4% in 2005/06 to 82.9% in 2009/10. *Source: DHIS*
	Measles coverage under 1 year.	Increased from 79% in 2005/06 to 80.4% in 2009/10. *Source: DHIS*
GOAL 5: Improve maternal health. ***TARGET:*** *Reduce by three quarters, between 1990 and 2015, the maternal mortality ratios.*	Maternal mortality ratio.	Estimated at 224.4/100,000.[14] Maternal deaths reported in facilities increased from 308 in 2008/09 to 394 in 2009/10.
	Proportion of births attended by skilled personnel.	91.1% *Source: South African Demographic Health Survey 2003*
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.	29% *Source: National HIV & Syphilis Prevalence Survey of Sa 2008*
	Women year protection rate.	Increased from 22.1% (2007/08) to 22.5% (2009/10). *Source: DHIS*
	Mother to child transmission rate of HIV.	Decreased from 20.8% (2004/05) to between 8.1% - 10.3%. *Source: DHIS & Provincial Research*
	Condom distribution rate.	8 *Source: DHIS*
	Incidence and death rates associated with malaria.	Malaria incidence <1/1000 population. Malaria case fatality rate 0.3%. *Source: DHIS*
	TB smear conversion rate at 2 months	Increased from 55.4% in 2007/08 to 68.7% in 2009/10. *Source: ETR.Net*
	TB cure rate	Increased from 40% in 2007/08 to 62% in 2009/10. *Source: ETR.Net*

[12] Projection of the Medical Research Council 2006
[13] Projection of the Centre for Actuarial Studies 2006
[14] National Confidential Enquiry into Maternal Deaths 2004-2007 (KZN data)

ORGANISATIONAL ENVIRONMENT

There were 64,924 employees in the KwaZulu-Natal Department of Health in 2009/10 compared with 67,594 in 2008/09. The ratio per 100 000 uninsured population was 27.3/100 000 for Medical Officers; 135/100 000 for Professional Nurses, and 4.3/100 000 for Pharmacists.

The national PHC staffing norms of 1:30 patients for Medical Officers and 1:40 patients for Professional Nurses does not comply with the current pressures due to increasing burden of disease. The 2009/10 doctor clinical workload of 1:17 compares negatively to the national norm and might be due to limited outreach services due to high vacancy rates in District Hospitals. The Professional Nurse workload of 1:43 exceeded the national target.

Methodologies to develop appropriate staffing norms remains a challenge as there is great variation in the complexity and type of services including urban and rural, high and low density populations with different expectations, disease patterns and epidemiological profiles. The absence of appropriate staffing norms makes it difficult to cost and deliver service packages in line with established standards.

Vacancy rates are still high with 41.6% for Medical Officers, 65.9% for Medical Specialists, 25.7% for Professional Nurses and 76.4% for Pharmacists.

The Provincial Human Resources Plan has been approved in 2009/10 as contemplated in Chapter 1, Part III of the Public Service Regulations, 2001 (as amended).

The 2nd draft of the Service transformation Plan (STP) was signed off in 2009/10 by the HOD and MEC. Two new national developments gave new impetus to the finalisation of the STP namely the Green Paper on National Strategic Planning released in August 2009 by the Ministry of Planning in the Presidency, and a directive from the National Health Council in October 2009 that departments must produce long-term plans aligned with the NHS 10-Point Plan for 2009/1014.

The STP, the guiding document for long-term revitalisation of health services in the Province, will include the following chapters:

1. **Service Delivery Plan:** Outlining the type of services from PHC to Central Hospital level, packages of services, strategies to improve access, organisation and integration of services, quantified health outcomes, skills mix and cost.
2. **Service Delivery Platform:** Existing and required health facilities and assessment of Health Technology.
3. **Human Resources Plan:** Health personnel including Community Health Workers and those required to deliver services outlined in the Service Delivery Plan i.e. numbers, skills mix, and utilisation of resources in the private sector.
4. **Quality Improvement Plan:** Outlining mechanisms to improve the quality of services, accreditation of health facilities and the role of the Ombudsperson.
5. **Infrastructure Plan:** Reflecting strategies for expanding (or rationalising) the service delivery platform, including partnerships.
6. **Medicine Supply and Management Plan:** Indicating how the Department will ensure a reliable supply of medicines, dispensed by qualified and competent health workers.
7. **Information, Communication, Technology and Health Information Systems Plan:** Indicating how the Department will improve quality and reliability of health information.
8. **Communication and Mass Mobilisation Plan:** To inform communities about aims and objectives of the STP and to mobilise participation.
9. **Research and Development Plan:** Reflecting how new evidence and knowledge will be generated in collaboration with the scientific community.
10. **Health Financing Plan:** Outlining the cost implications of the entire STP, current levels of funding and funding gaps, and strategies to mobilise for additional resources.

Over-expenditure of R 1,320,116 billion in the previous MTEF impacted on service delivery including expansion of services in line with the NHS 10-Point Plan and burden of disease.

STRATEGIC GOALS, OBJECTIVES & PRIORITIES

Table 2: National versus Provincial Priorities

NHS 10-Point Plan	Provincial Goals	Strategic Focus Areas
Provision of strategic leadership and creation of social compact for better health outcomes.	To improve health service delivery through optimal allocation and utilisation of resources and collaboration with all stakeholders & partners.	• Evidence-based planning and alignment of budget to service delivery. • Strengthen collaboration and partnerships. • Mainstreaming PHC. • Improving clinical governance. • Development and review of policies.
	To improve health information systems and data management and ensure rigorous monitoring & evaluation of performance against targets.	• Effective utilisation of GIS. • Implementation of DHIS version 1.4 to improve data quality. • Results-based Monitoring and Evaluation Framework. • Adequate Information Technology.
	To expand and sustain implementation of Priority Health Programmes.	• Integrated 5-year strategic plan for MC&WH and Nutrition Programme.
	To implement and sustain health programmes to reduce non-communicable and chronic diseases.	• Integrated health promotion strategies.
Overhauling the health care system and improve its management.	To strengthen Human-and other key Resources in support of optimal Public Health service delivery.	• Provincial Health Act and Regulations. • Finalising Departmental structures. • Performance management & coaching programmes. • Leadership Management Development Programmes.
Improvement of Human Resources.	To strengthen Human-and other key Resources in support of optimal Public Health service delivery.	• Human Resource Plan. • Recruitment of critical skills. • Training of employees on accredited training programmes. • Strengthening the capacity of HRD components attached to districts and institutions.
Revitalisation of infrastructure.	To improve health service delivery through optimal allocation and utilisation of resources and collaboration with all stakeholders & partners.	• Infrastructure development in line with service delivery imperatives.
Accelerated implementation of the HIV and AIDS Strategic Plan and the increased focus on TB and other communicable diseases.	To expand and sustain implementation of Priority Health Programmes.	• Provincial TB Crisis Management Plan. • Comprehensive Plan for HIV and AIDS. • Comprehensive and integrated 5-year strategic plan for Maternal, Child and Women's Health and Nutrition.
Mass mobilisation for better health for the	To implement and sustain health programmes to reduce non-	• Mental health services (Mental Health Care Act, 2002). • Services for rehabilitation and people with disabilities.

NHS 10-Point Plan	Provincial Goals	Strategic Focus Areas
population.	communicable and chronic diseases.	• Services for chronic diseases and geriatrics. • Re-orientating oral health services from the curative to preventive approach.
Research and development.	To improve health service delivery through optimal allocation and utilisation of resources and collaboration with all stakeholders & partners.	• Manage key research studies in line with legislative prescripts and health needs. • Identify and disseminate provincial research priorities to inform the health research agenda.

VOTED FUNDS

AIM OF VOTE 7

The core function and responsibility of the KwaZulu-Natal Department of Health is to deliver a comprehensive package of health services at all levels of care to the people of the Province. The main purpose 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.

Table 3: Voted Funds for Vote 7

Appropriation	Final Allocation	Actual Amount Spent	Over/ Under Expenditure
Vote 7	R18 329 163 000	R20 349 276 000	R2 020 113 000
Responsible MEC: Dr S.M. Dhlomo			
Administering Department: KwaZulu-Natal Department of Health			
Accounting Officer: Dr S Zungu			

Source: Annual Financial Statements 2009/10

Table 4: Voted Funds 2009/10

Budget	2009/10 R'000
Original Budget	17 448 526
Rollovers	-
Additional Adjustments	880 637
Final budget appropriated (adjustment budget)	**18 329 163**
Total Expenditure	**20 349 276**
(Over) / Under Expenditure	(2 020 113)
(Over) / Under Expenditure (%)	(11%)

Source: BAS & Finance Section

Table 5: Collection of Departmental Revenue – 2009/10

	2006/07 Actual	2007/08 Actual	2008/09 Actual	2009/10 Actual	% Deviation from target
Tax Revenue	-	-	-	-	-
Non-Tax Revenue	111 693	142 275	168 049	232 879	151.47%
Sale of Goods and Services other than Capital Assets	111 065	142 248	158 432	213 442	144.52%
Sales of Capital Assets (Capital Revenue)	15	29	-	-	-
Financial transactions (Recovery of Loans and Advances)	9 581	6 240	9 617	19 437	322.98%
Total Departmental Receipts	**111 693**	**142 275**	**168 049**	**232 879**	**151.47%**

Data source: BAS & Finance Section

Table 6: Departmental Expenditure – 2009/10

Programmes	Voted for 2009/10	Roll-overs and Adjustments	Virement	Total Voted	Actual Expenses	Variance
Programme 1	1 043 371	-	(758 000)	285 371	290 889	(5 518)
Programme 2	8 428 417	-	650 242	9 078 659	9 847 667	(769 008)
Programme 3	696 263	-	-	696 263	782 332	(86 069)
Programme 4	4 304 454	-	19 000	4 323 454	5 090 290	(766 836)
Programme 5	1 780 877	-	80 000	1 860 877	2 139 135	(278 258)
Programme 6	671 064	-	-	671 064	793 186	(122 122)
Programme 7	27 528	-	-	27 528	27 528	-
Programme 8	1 377 189	-	8 758	1 385 947	1 378 249	7 698
Total	**18 329 163**	**-**	**-**	**18 329 163**	**20 349 276**	**(2 020 113)**

Data source: BAS & Finance Section

Table 7: Summary of the Department's Conditional Grants for 2009/10

Name of Conditional Grant	Schedule	Original Allocation R'000	Roll-Over from 2008/09 R'000	Available Funds R'000	Expenditure R'000	Variance R'000
Forensic Pathology Services	5	134 538	-	134 538	278 033	(143 495)
Health Professional Training & Development	4	222 425	-	222 425	222 425	-
Hospital Revitalisation	5	449 558	-	449 558	224 909	224 649
National Tertiary Services	4	983 948	-	983 948	984 488	(540)
Comprehensive HIV and AIDS Grant	5	880 659	-	1 121 575	1 121 583	(8)

Name of Conditional Grant	Schedule	Original Allocation R'000	Roll-Over from 2008/09 R'000	Available Funds R'000	Expenditure R'000	Variance R'000
Provincial Infrastructure	4	359 717	-	359 717	359 717	-
2010 World Cup Health Preparation Strategy	5		-	3 581	43	3 538
TOTAL	**-**	**3 030 845**	**-**	**3 275 342**	**3 191 198**	**84 144**

NOTE:

1. The over-expenditure against the Conditional Grants is paid from the Department's equitable share.
2. The over-expenditure on the Forensic Pathology Grant relates to mortuaries that were in the process of being built and could not be stopped without resulting in additional cost to the Department. A roll over was requested in 2007/08, but was not approved.

Table 8: Expenditure on Conditional Grants

Conditional Grants	2006/07 Actual	2007/08 Actual	2008/09 Actual	2009/10 Actual
National Tertiary Services	732 167	789 578	911 892	984 488
HIV and AIDS	344 304	466 922	757 213	1 121 583
Hospital Revitalisation	225 528	333 523	330 404	224 909
Integrated Nutrition Programme	0	0	0	0
Hospital Management and Quality Improvement	0	0	0	0
Health Professions Training and Development	204 659	201 992	212 092	222 425
Provincial Infrastructure Grant	174 098	259 758	294 832	359 717
Forensic Pathology Services	63 884	132 201	127 757	278 033
2010 World Cup Health Preparation Strategy	-	-	-	43
TOTAL	**1 744 640**	**2 183 974**	**2 634 190**	**3 191 198**

Data source: BAS & Finance Section

Table 9: Evolution of Expenditure by Budget per Capita Sub-Programme (constant 2009/10 prices)

	2006/07 Actual	2007/08 Actual	2008/09 Actual	2009/10 Actual
Population [15]	9,924,000	9,997,070	10,105,500	10,149,592
% Insured	12%	12%	12%	12%
Uninsured Population	8,733,120	8,797,421	8,892,840	8,931,641
Conversion to constant 2009/10 prices	1.20	1.15	1.06	1.00
Programme	**Exp per capita Uninsured**	**Exp per capita Uninsured**	**Exp per capita Uninsured**	

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

	2006/07 Actual	2007/08 Actual	2008/09 Actual	2009/10 Actual
Programme 1: Administration	R30.92	R36.57	R33.98	R32.58
Programme 2: District Health Services	R737.92	R912.44	R969.34	R1,102.56
Programme 3: Emergency Medical Services	R65.13	R71.74	R80.14	R87.59
Programme 4: Provincial Hospital Services	R431.32	R507.69	R521.94	R569.92
Programme 5: Central Hospital Services	R163.76	R184.02	R217.08	R239.50
Programme 6: Health Sciences and Training	R57.86	R68.54	R80.65	R88.81
Programme 7: Health Care Support Services	R4.06	R1.65	R4.08	R3.08
Programme 8: Health Facilities Management	R111.74	R142.85	R131.54	R154.31
Total: Programmes	**R1 241.15**	**R1 514.34**	**R1 578.72**	**R1 764.34**

Data source: BAS & Finance Section

Table 10: Expenditure by Budget Sub-Programme (R'000)

Programme	2006/07 Expenditure	2007/08 Expenditure	2008/09 Expenditure	2009/10 Budget	2009/10 Expenditure	Variance % under/ over expenditure
Programme 1: Administration	**225 035**	**279 730**	**284 066**	**285 371**	**290 889**	**-1.93%**
Programme 2: District Health Services	**5 370 301**	**7 209 609**	**8 132 272**	**9 078 659**	**9 847 667**	**-8.47%**
District Management	113 596	145 144	150 532	122 164	121 875	0.24%
Clinics	1 027 389	1 294 981	1 578 640	1 823 694	1 906 202	-4.52%
Community Health Centres	285 742	435,897	503 302	553 575	553 575	-
District Hospitals	2 702 998	3 568 351	4 020 233	4 259 585	4 949 417	-16.19%
Community Based Services	84 505	103 291	92 769	98 875	98 850	0.03%
Other Community Services	375 667	411 552	429 132	496 481	495 474	0.20%
Forensic Pathology Services	44 840	107 176	96 664	97 088	97 091	-
HIV and AIDS	703 970	1 058 570	1 239 365	1 536 552	1 534 546	0.13%
Nutrition	31 594	84 647	21 635	90 645	90 637	0.01%
Programme 3: Emergency Medical Services	**474 023**	**548 796**	**672 360**	**696 263**	**782 332**	**-12.36%**
Emergency Transport	454 943	528 185	636 096	656 663	741 331	-12.89%
Planned Patient Transport	19 080	20 611	36 264	39 600	41 001	-3.54%
Programme 4: Provincial Hospital Services	**3 138 945**	**3 883 814**	**4 378 814**	**4 323 454**	**5 090 290**	**-17.74%**
General Hospitals (Regional)	2 405 363	2 890 364	3 169 928	3 073 770	3 683 133	-19.82%
TB Hospitals	314 451	481 772	653 625	658 685	787 273	-19.52%

Programme	2006/07 Expenditure	2007/08 Expenditure	2008/09 Expenditure	2009/10 Budget	2009/10 Expenditure	Variance % under/ over expenditure
Psychiatric Hospitals	334 552	409 527	451 429	484 810	509 621	-5.12%
Sub-Acute, Step-Down and Chronic Hospitals	76 140	92 364	93 865	95 493	99 578	-4.28%
Dental Training Hospitals	8 439	9 787	9 967	10 696	10 685	0.10%
Other Specialised	0	0	0	0	0	-
Programme 5: Central Hospital Services	**1 191 810**	**1 407 703**	**1 821 221**	**1 860 877**	**2 139 135**	**-14.95%**
Central Hospitals	368 108	427 508	502 028	562 555	586 868	-4.32%
Provincial Tertiary Hospitals	823 702	980 195	1 319 193	1 298 322	1 552 267	-19.56%
Programme 6: Health Sciences and Training	**421 069**	**524 333**	**676 601**	**671 064**	**793 186**	**-18.20%**
Nurse Training Colleges	229 513	278 799	336 812	331 933	362 719	-9.27%
EMS Training Colleges	11 220	13 452	16 969	19 339	19 338	0.01%
Bursaries	24 471	33 573	44 894	41 224	42 454	-2.98%
PHC Training	39 980	46 892	65 343	63 677	76 238	-19.73%
Other Training	115 885	151 617	212 583	214 891	292 437	-36.09%
Programme 7: Health Care Support Services	**29 560**	**12 649**	**34 209**	**27 528**	**27 528**	**-**
Medicines Trading Account	29 560	12 649	34 209	27 528	27 528	-
Programme 8: Health Facilities Management	**813 208**	**1 092 807**	**1 103 558**	**1 385 947**	**1 378 249**	**0.56%**
Community Health Facilities	164 980	240 029	280 625	552 924	552 924	-
EMRS	8 296	8 817	4 734	1 201	1 201	-
District Hospitals	330 874	521 236	615 946	482 159	482 159	-
Provincial Hospitals	250 336	158 455	111 763	195 018	187 320	3.95%
Central Hospitals	17 610	12 001	15 401	35 161	35 161	-
Other Facilities	41 112	152 269	75 089	119 484	119 484	-
Total: Programmes	**11 663 816**	**14 959 400**	**17 103 142**	**18 329 163**	**20 349 276**	**-11.02%**

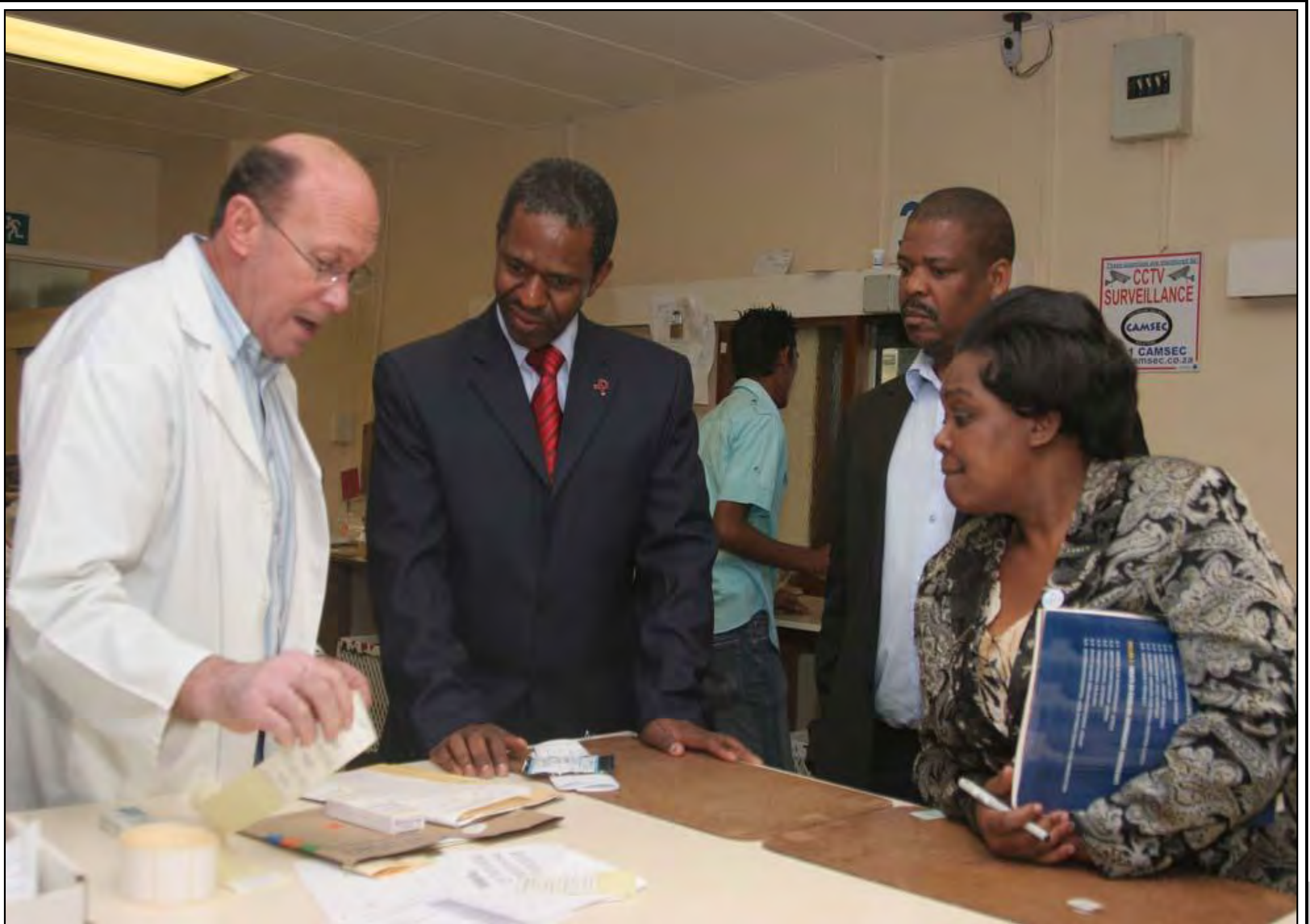
Data source: BAS & Finance Section

Table 11: Trends in Provincial Public Health Expenditure for Provincial Hospitals (R million)

Expenditure (R'000)	2006/07 Actual	2007/08 Actual	Average Annual % Change	2008/09 Actual	2009/10 Actual	2010/11 Projection
PROVINCIAL (REGIONAL) HOSPITALS						
Current prices						
Total	R 2 405 363	R 2 890 364	20.16%	R3 169 928	R3 683 133	R3 975 671
Total per person	R 242.38	R 289.12	19.29%	R313.68	R362.88	R388.81
Total per uninsured person	R 275.43	R 328.55	19.29%	R356.46	R412.37	R441.83
Constant (2009/10) prices						
Total	R 2 886 436	R 3 323 919	15.16%	R3 360 124	R3 683 133	R3 737 131
Total per person	R 290.85	R 289.12	14.31%	R332.50	R362.88	R365.48
Total per uninsured person	R 330.52	R 328.55	14.31%	R377.85	R412.37	R415.32
PSYCHIATRIC HOSPITALS						
Current prices						
Total	R 334 552	R 409 527	22.41%	R451,429	R509,621	R564,416
Total per person	R 33.71	R 40.96	21.52%	R44.67	R50.21	R55.20
Total per uninsured person	R 38.31	R 46.55	21.52%	R50.76	R57.06	R62.73
Constant (2007/08) prices						
Total	R 401 462	R 470 956	17.31%	R478 515	R509 621	R530 551
Total per person	R 40.45	R 47.11	16.45%	R47.35	R50.21	R51.89
Total per uninsured person	R 45.97	R 53.53	16.45%	R53.81	R57.06	R58.96
TUBERCULOSIS HOSPITALS						
Current prices						
Total	R 314 451	R 481 772	53.21%	R653 625	R787 273	R885 059
Total per person	R 31.69	R 48.19	52.09%	R64.68	R77.57	R86.56
Total per uninsured person	R 36.01	R 54.76	52.09%	R73.50	R88.14	R98.36
Constant (2009/10) prices						
Total	R 377 341	R 554 038	46.83%	R692 843	R787 273	R831 955
Total per person	R 38.02	R 55.42	45.75%	R 68.56	R77.57	R81.36
Total per uninsured person	R 43.21	R 62.98	45.75%	R77.91	R88.14	R92.46
CHRONIC HOSPITALS						
Current prices						
Total	R 76 140	R 92 364	21.31%	R93 865	R99 578	R112 463
Total per person	R 7.67	R 9.24	20.42%	R9.29	R9.81	R11.00
Total per uninsured person	R 8.72	R 10.50	20.42%	R10.56	R11.15	R12.50
Constant (2009/10) prices						

Expenditure (R'000)	2006/07 Actual	2007/08 Actual	Average Annual % Change	2008/09 Actual	2009/10 Actual	2010/11 Projection
Total	R 91 368	R 106,209	16.25%	R99 497	R99 578	R105 715
Total per person	R 9.21	R 10.62	15.40%	R9.85	R9.81	R10.34
Total per uninsured person	R 10.46	R 12.07	15.40%	R11.19	R11.15	R11.75
DENTAL HOSPITALS						
Current prices						
Total	R 8 439	R 9 787	15.97%	R9 967	R10 685	R11 575
Total per person	R 0.85	R 0.98	15.13%	R0.99	R1.05	R1.13
Total per uninsured person	R 0.97	R 1.11	15.13%	R1.12	R1.20	R1.29
Constant (2009/10) prices						
Total	R 10 127	R 11 255	11.14%	R10 565	R10 685	R10 881
Total per person	R 1.02	R 1.13	10.33%	R1.05	R1.05	R1.06
Total per uninsured person	R 1.16	R 1.28	10.33%	R1.19	R1.20	R1.21

Source: BAS & Finance Section



Programme 1: Administration

PROGRAMME 1: ADMINISTRATION

PROGRAMME DESCRIPTION

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

PROGRAMME STRUCTURE

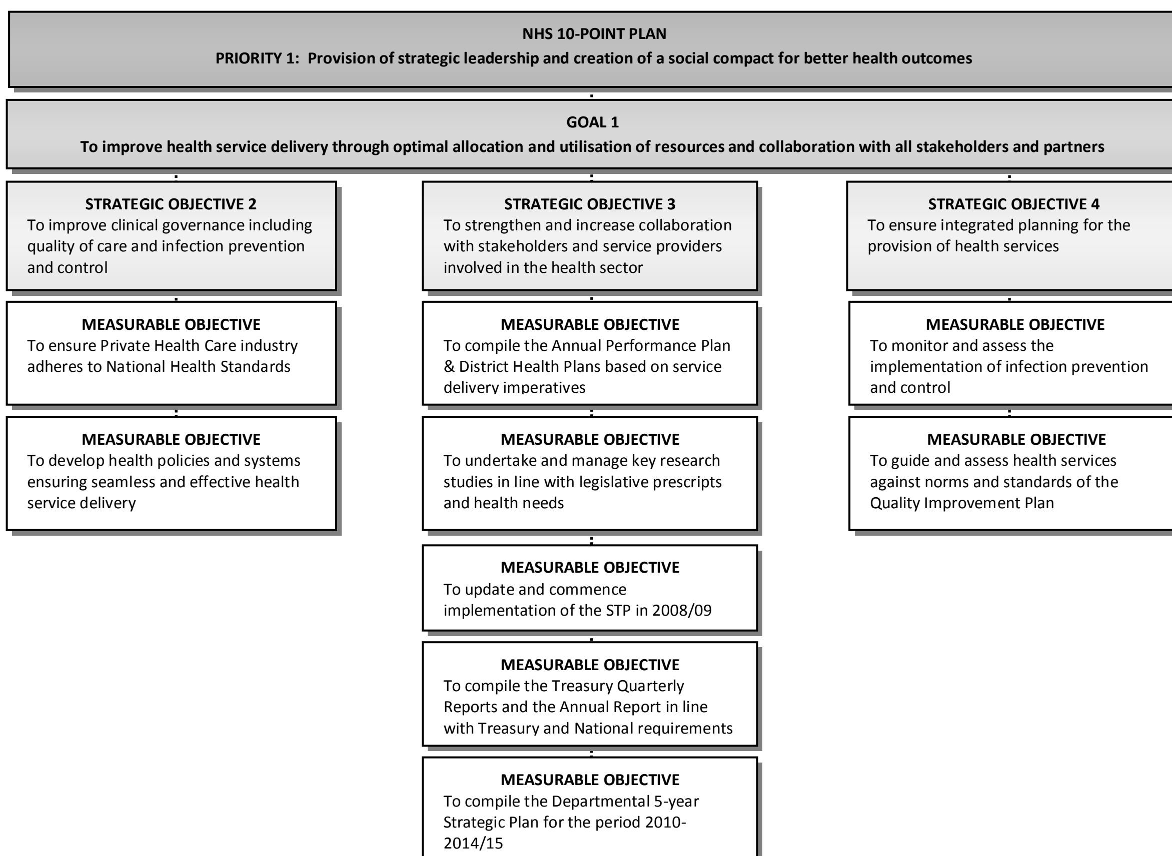
Sub-Programme 1.1: Office of the Member of the Executive Council (MEC)

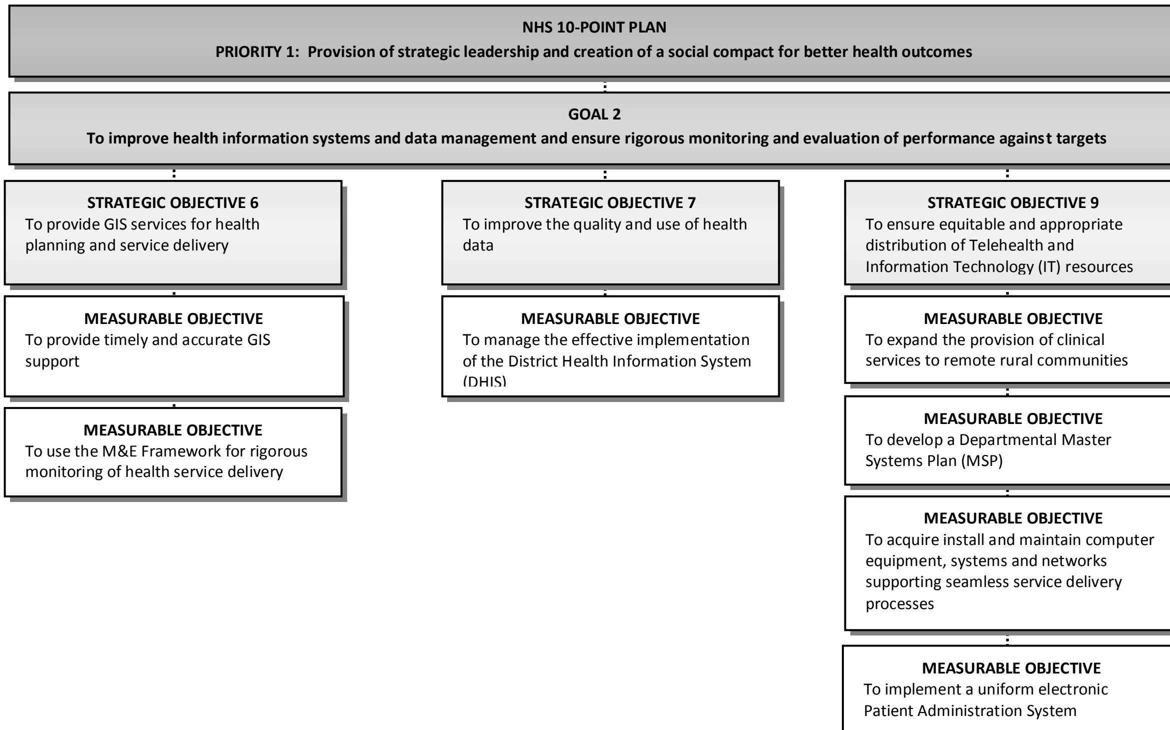
Provide effective and efficient governance arrangements and systems to support the MEC for Health

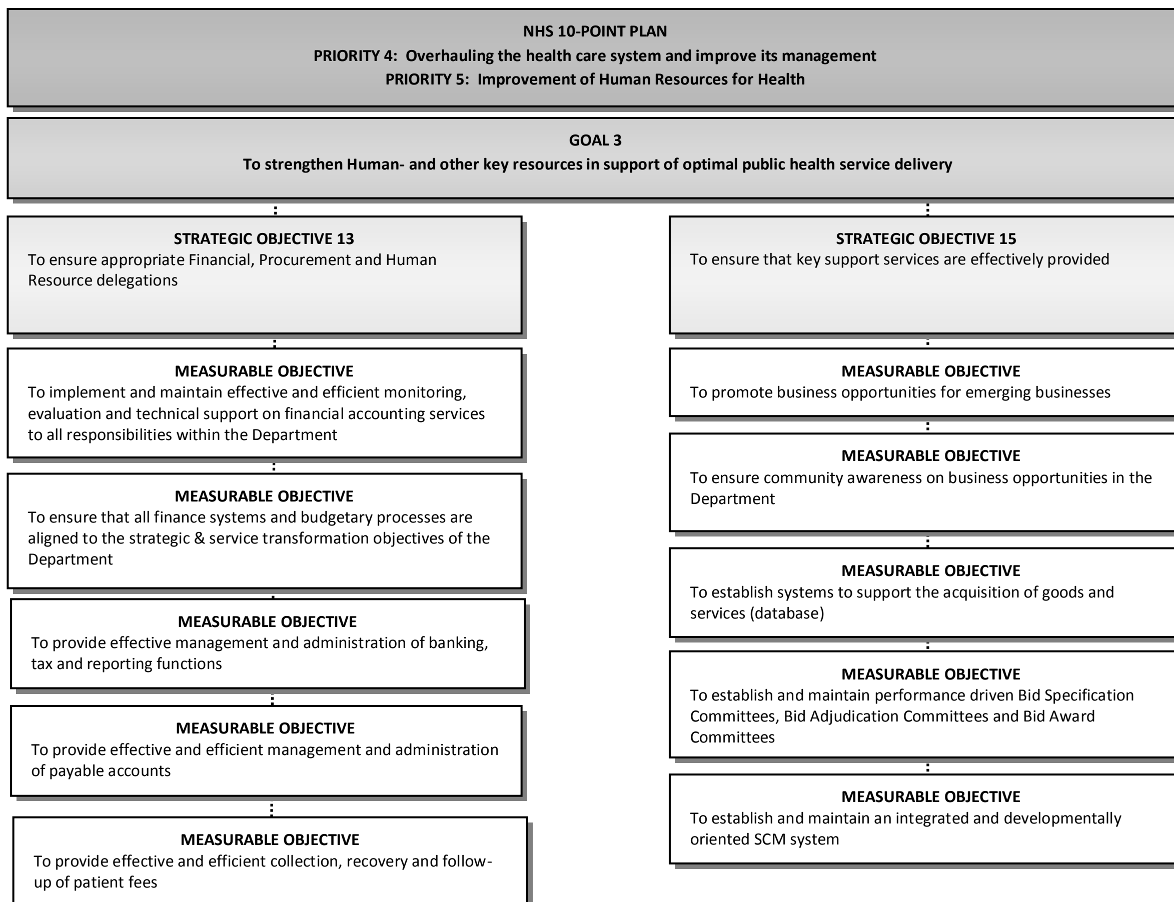
Sub-Programme 1.2: Office of the Head of Department (all Head Office Components)

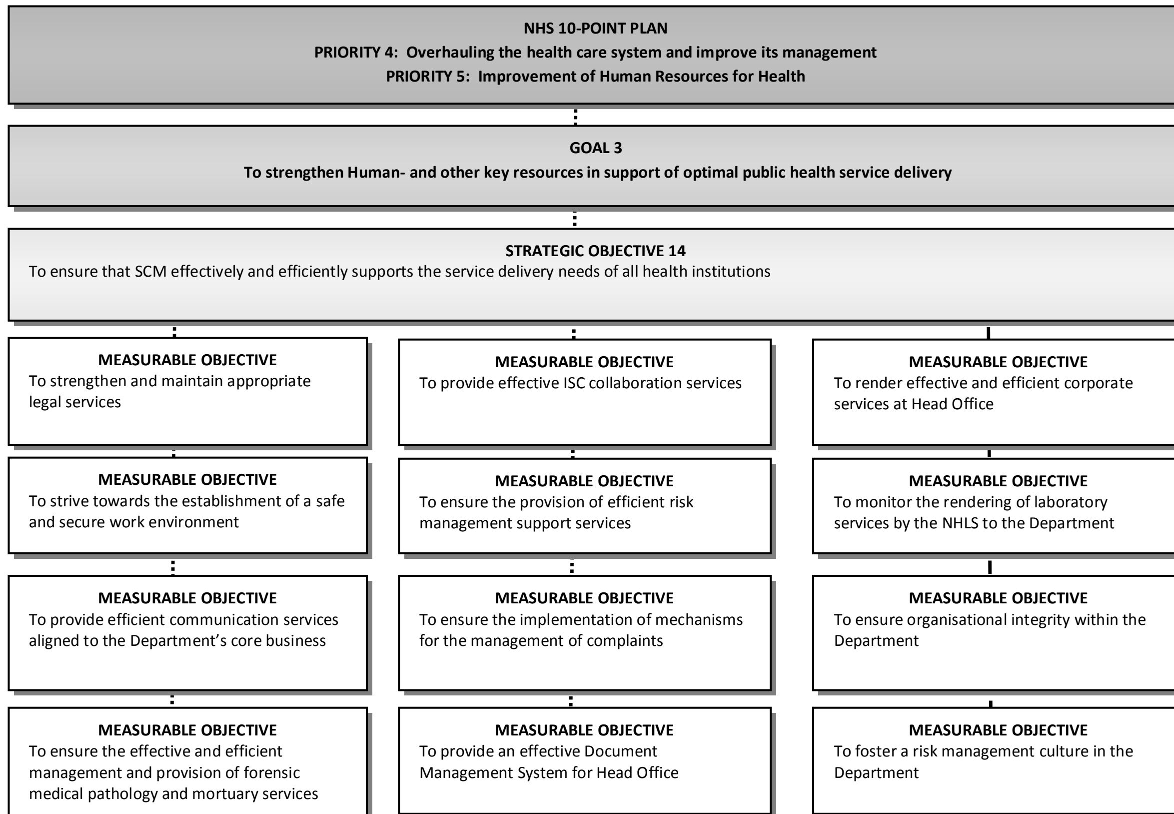
Provide strategic leadership in creating an enabling environment for the delivery of quality health care in line with legislative and governance mandates

GOALS AND STRATEGIC/ MEASURABLE OBJECTIVES – 2009/10




NHS 10-POINT PLAN
PRIORITY 1: Provision of strategic leadership and creation of a social compact for better health outcomes
GOAL 2
To improve health information systems and data management and ensure rigorous monitoring and evaluation of performance against targets
STRATEGIC OBJECTIVE 6
To provide GIS services for health planning and service delivery
MEASURABLE OBJECTIVE
To provide timely and accurate GIS support
MEASURABLE OBJECTIVE
To use the M&E Framework for rigorous monitoring of health service delivery
STRATEGIC OBJECTIVE 7
To improve the quality and use of health data
MEASURABLE OBJECTIVE
To manage the effective implementation of the District Health Information System (DHIS)
STRATEGIC OBJECTIVE 9
To ensure equitable and appropriate distribution of Telehealth and Information Technology (IT) resources
MEASURABLE OBJECTIVE
To expand the provision of clinical services to remote rural communities
MEASURABLE OBJECTIVE
To develop a Departmental Master Systems Plan (MSP)
MEASURABLE OBJECTIVE
To acquire install and maintain computer equipment, systems and networks supporting seamless service delivery processes
MEASURABLE OBJECTIVE
To implement a uniform electronic Patient Administration System


NHS 10-POINT PLAN
PRIORITY 4: Overhauling the health care system and improve its management
PRIORITY 5: Improvement of Human Resources for Health
GOAL 3
To strengthen Human- and other key resources in support of optimal public health service delivery
STRATEGIC OBJECTIVE 13
To ensure appropriate Financial, Procurement and Human Resource delegations
MEASURABLE OBJECTIVE
To implement and maintain effective and efficient monitoring, evaluation and technical support on financial accounting services to all responsibilities within the Department
MEASURABLE OBJECTIVE
To ensure that all finance systems and budgetary processes are aligned to the strategic & service transformation objectives of the Department
MEASURABLE OBJECTIVE
To provide effective management and administration of banking, tax and reporting functions
MEASURABLE OBJECTIVE
To provide effective and efficient management and administration of payable accounts
MEASURABLE OBJECTIVE
To provide effective and efficient collection, recovery and follow-up of patient fees
STRATEGIC OBJECTIVE 15
To ensure that key support services are effectively provided
MEASURABLE OBJECTIVE
To promote business opportunities for emerging businesses
MEASURABLE OBJECTIVE
To ensure community awareness on business opportunities in the Department
MEASURABLE OBJECTIVE
To establish systems to support the acquisition of goods and services (database)
MEASURABLE OBJECTIVE
To establish and maintain performance driven Bid Specification Committees, Bid Adjudication Committees and Bid Award Committees
MEASURABLE OBJECTIVE
To establish and maintain an integrated and developmentally oriented SCM system



INTRODUCTION

Programme 1 received 1.5% of the total budget, and reported an over-expenditure of 1.9% in 2009/10. Over-expenditure was mainly due to late submission of SITA claims to the Department, and purchasing of software licenses required for compliance with State systems.

There were 64,924 employees in the Department by the end of March 2010 showing a decrease of 3.9% compared with 2008/09. Of the 64,924 employees, 18,351 (28.2%) were male and 46,573 (71.7%) female. A total of 151 employees with disabilities were in employment. Compensation of employees accounted for 58% of the total expenditure.

The annual turnover rate showed a 1.1% decrease from 8.3% in 2008/09 to 7.2%. There has been a significant increase in the turnover rates for Medical Officers (21.3% to 26.5%) and Pharmacists (38.4% to 42.5%).

The significant increases in the vacancy rates of Medical Officers (38.6% to 41.6%), Professional Nurses (21.4% to 25.7%), and Pharmacists (75.4% to 76.4%) continue to challenge service delivery especially scaling up of the integrated HIV & AIDS, TB and Maternal, Child & Women's Health and Nutrition Services.

The Department commenced with the implementation of a three-year turnaround strategy to eliminate over-expenditure and improve financial management and efficiency. This process will continue in 2010/11.

PERFORMANCE REVIEW

CORPORATE COMMUNICATIONS

Policies, Protocols & Guidelines

- Communication Policy and Strategy finalised.
- Branding, Advertising, Media Liaison, and Public Relations Policies were reviewed and consolidated into two main Guidelines for Internal and External Communication.

2009/10 Priorities

The Communication Strategic Framework and annual priorities was reviewed to align with the focus areas of the new

Administration. The new priorities included Maternal Health Care; Quality of Care; HIV Prevention (in particular Medical Male Circumcision), and building partnerships with staff and communities to improve service delivery.

The role and scope of practice of Public Relation Officers is not yet clearly defined, which contributes to the high attrition rate. This has a negative impact on communication with regards to service delivery.

LEGAL SERVICES

Acts, Policies, Protocols & Guidelines

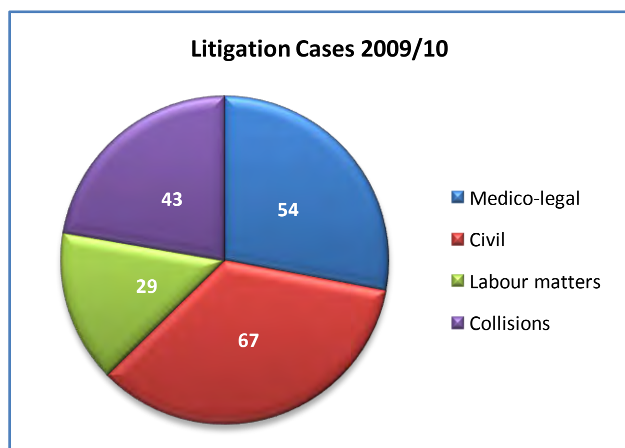
The Regulations, emanating from the KwaZulu-Natal Health Act, 2009 were drafted and are expected to be finalised during 2010/11.

2009/10 Priorities

- **Priority 1: Develop and implement Departmental litigation reduction strategies to ensure legislative compliance.**

Over the reporting period, a total of 193 litigation cases were received and a cumulative total of 1,323 matters, covering all categories, were submitted.

Graph 4: Litigation Cases – 2009/10



Source: Legal Services database

Note: *Medico-legal refers to cases against the Department; Collision refers to Departmental vehicles and staff*

The contingent liability for the year was R556 440 513 with a total of R20 982 702 been paid out in settlement of various claims totaling 72. Two (2) claims resulted in rulings in favour of the Department.

- Medico-legal = 21;
- Civil = 4;
- Labour matters = 4; and
- Collision matters = 43.

- **Priority 2: Reduce unauthorised expenditure through effective contract management.**

A total of 1,139 general contracts and 2,408 nursing contracts were drafted during 2009/10. A project management approach was adopted in the 4th quarter of 2009/10 to ensure that all contracts and Service Level Agreements (SLA's) would be drafted and ready for signing towards the end of the financial year.

- The inability to finalise the SLA's for the transfer payments to Municipalities created a number of challenges in terms of the actual payments which could not be effected in the absence of SLA's.

- **Priority 3: Render professional legal advisory services to the Department.**

A total of 195 matters were received for legal advice or opinion during 2009/10, and 42 were finalised.

- The record management system is inadequate therefore jeopardising the safety of files and adequate legal documentation.

- **Priority 4: Ensure that all administrative decisions are in line with administrative justice principles.**

Close monitoring of compliance with legislative imperatives including the National Health Act, 2003.

- **Priority 5: Perform functions on behalf of the Information Officer including revision of the Manual on the Promotion of Access to Information.**

The appointment of a Deputy Information Officer has not been finalised.

CORPORATE GOVERNANCE

2009/10 Priorities

- **Priority 1: Inter-Sectoral collaboration.**

A total of 64/75 interim Hospital Boards were established in line with Priority 1 of the NHS 10-Point Plan.

The Department finalised the establishment of bank accounts for all Hospital Boards by January 2010. The matter was referred to the Office of the Auditor-General of SA and the auditing of Hospital Board bank accounts formed part of the Regularity Audit for 2009/10.

To improve the governance of Hospital Boards, a general circular (G18/2010) was issued to regulate the submission of minutes of meetings and for such minutes to be submitted to Head Office for record purposes.

By the end of 2009/10 only 4/11 Municipalities (District and Metro) responded with nominations for the Provincial Health Council. The matter has been escalated to the Office of the MEC for intervention.

Priority 2: Corporate services.

Revenue for shared utilities (within the Department and from tenant departments) totaled R2 381 421 during 2009/10.

- Recovery for telephones = R1 854 265
- Recovery for electricity = R468 560
- Revenue for parking = R36 610
- Revenue for printing = R21 985

In addition to the revenue generated and recoveries made, a further saving was made with the office shut down over the festive season. A total of R268 315 was saved in overall utilities, security services and telephony for Head Office. An additional cost saving of R1 214 455 was achieved with cell barring (reduction in the telephone bill).

A total of 1,029 faults were logged in terms of property management. Due to the unavailability of repair materials as a result of budget constraints 5% of logged faults were not attended to.

The total output for printing services was 12,772,485 copies in 2009/10 as compared with 11,453,073 in 2008/09. Of this, 1.4 million copies were for the Polio and Measles campaign, resulting in a cost saving of R107 009.

Priority 3: Record and document management.

A total of 26 inspections, in accordance with provisions of the National Archives Act, 1996 were conducted during 2009/10. Inspection reports with recommendations were disseminated to Institutional Managers to improve record keeping and document management.

- Compliance with the provisions of the National Archives Act, 1996 remained a challenge. The stringent financial measures will, to a large extent, hamper the provision of suitable facilities for the storage of records including clinical records. This impacted on legal proceedings as referred to under Legal Services.

Priority 4: Departmental Investigation Services (DIS).

There were 368 cases on record and 89 new cases were received during the reporting period. A total of 108 investigations were conducted and completed in 2009/10. Of the 108 investigated cases, 36 reports were finalised with recommendations for further action and 8 disciplinary matters were finalised.

Considerable progress has been made with the finalisation of the database for DIS case management with completion expected in early 2010/11. The Agreement with CIPRO for access to their database was finalised.

- Filling of vacant posts in the DIS is critical to ensure a more effective response in curbing fraud and corruption.

Priority 5: Registrar Programme.

Two intakes of Registrars (132 and 140) were finalised during 2009/10. Letters of appointment now include key contractual obligations, inclusive but not limited to the expected exit from the Programme on completion of the four year training period/ final examinations.

In January 2010, the process to absorb/appoint Specialists and Medical Officers (Grade II) was finalised. This ensured a return on investment in terms of the Registrar Programme as the exiting qualified Specialists and time expired Registrars were retained in the Department to a greater extent. In 2009/10, a total of 69/ 87 such medical professionals were appointed.

AUDIT AND RISK

2009/10 Priorities

Priority 1: Improve Audit Liaison Services.

The 2008/09 audit was completed timeously in accordance with prescribed timeframes from the Auditor General of SA (AGSA).

The following audits were conducted during the reporting period:

- Two transversal audits by the AGSA i.e. Performance Audits on the Infrastructure Delivery Process and the Public Private Partnership.
- The 2009/10 annual audit. By the end of March 2010 a total of 51 requests for information (covering 421 transactional requests) were received and completed.
- A performance audit on the utilisation of consultants with a total of 14 consultancies audited.
- An audit of the HIV and AIDS Conditional Grant that covered 21 institutions.
- The audits on the Hospital Revitalisation Grant, the Health Professions Training and Development Grant and the Forensic Pathology Services Grant commenced in 2009/10.

Priority 2: Information Systems Audit.

The general computer controls audit, including an Information Technology (IT) risk assessment, was conducted on the DHIS. The user account management audit which included PERSAL, BAS and LOGIS systems was also completed during the reporting period.

Priority 3: Internal Audit – Provincial Internal Audit Unit (PIAU) Provincial Treasury.

The Provincial Treasury Internal Audit Unit conducted a number of audits across 21 institutions and reports on findings were issued to the Department.

The PIAU commenced with 4 audits during the last quarter of 2009/10 i.e.

- Infrastructure Management;
- Community Health Centres and PHC clinics;
- Follow-up audit of Infrastructure readiness for the 2010 World Cup; and
- Follow-up audit for Financial Management.

Priority 4: Development of Risk Management/ Strategic and Operational Risk Profiles.

In 2009/10 work commenced with the development of the Risk Management Framework for the Department. A total of 4 progress reports on the status of the implementation of the action plans for the mitigation of the risks were submitted to the PIAU.

A new Operational Risk Profile was completed during the 3rd quarter of 2009/10 and issued to the Department for the development of action plans.

The Unit maintained the required 48-hour turnaround time for responses to audit queries.

SUPPLY CHAIN MANAGEMENT

Great strides have been made in overhauling Supply Chain Management (SCM) systems which were identified as one of the major cost drivers in the Department.

Policies, Protocols & Guidelines

- Inventory Management Framework.
- Procurement Plan Guidelines.
- Guidelines for Sub-Inventory Controllers.
- Guidelines for the Completion of Asset Registers. *Asset Management Policy in progress.*
- Business Processes for Inventory and Asset Control.
- Contract Management Guidelines.
- Procedure Manual and Final Delegations of Authority finalised and awaiting approval.

2009/10 Priorities

Priority 1: Improved Demand Management.

Accurate Procurement Plans are instrumental in ensuring budget alignment with expenditure. The 2010/11 Procurement Plan template has been finalised and included all items currently on contract (ZNB/RT). The Plan further identifies items in terms of the SCOA classification utilised by National Treasury.

The Department is finalising preparation details, which includes specifications, drafting specification and development of evaluation criteria for all service contracts. This will address all current month to month contracts and facilitate the implementation of effective contracts. Human resources will be consulted to ensure that the external resources sought by institutions are consistent in terms of in-house personnel.

- The general lack of requisite skills to conduct appropriate market research with respect to sourced items is a challenge that affects optimal performance. There is a dire need to appoint relevant commodity specialists to ensure that the Department procures to its best advantage.

Priority 2: Acquisitions.

- SCM had to cancel a considerable number of orders as a result of suppliers' lack of capacity to deliver the required items.
- The reduction in the number of pay runs and erroneous capturing of payments resulted in huge bottlenecks and delays in service delivery.

Priority 3: Improve Logistics Management.

90% of the Central Provincial Stores (CPS) items are now on transversal contract compared with the 2009/10 target of 80%. CPS maintains a stock level of 97% and has received a total of 1,432 requisitions from institutions with 86% stock issued to institutions. The CPS catalogue has been reviewed and items reduced to 816 which included items in high demand.

The rates for Skynet Couriers have been negotiated to ensure a R200 000 savings on a monthly basis. CPS is actively recovering all monies outstanding by other departments, with an estimated R2.5 million in outstanding debts received from the Department of Transport.

- The main challenges still experienced by CPS include: Non-delivery by suppliers; cancelled orders due to insufficient budget; shortage of space in the warehouse; and and poor infrastructure.

Priority 4: Technical Support Services.

The technical support services re-engineered the registry of SCM to ensure the integrity and availability of required documents. They have also been instrumental in ensuring that all institutions are correctly transferring the old asset register onto the newly defined asset template, which complies with Provincial Treasury minimum requirements. Training has been done for all asset management sub-inventory controllers.

Priority 5: Improved Contract Management.

A total of 18 RT contracts were finalised in 2009/10 with publication of relevant contract circulars for institutions. This resulted in price increase containment, standardised sourcing practices and reduced administrative workload. In order to gain value for money, key items in the specifications list have been put on short term period contracts which should result in better deals and value for money. 40% of goods and services were on contract at the end of 2009/10.

Provincial period bids have been finalised and contract circulars issued. The contract for the supply of Agricultural Produce, in partnership with the Department of Agriculture, has been finalised.

A fully comprehensive Contract Register has been developed and is being maintained.

FINANCE

The Department was faced with severe challenges with regards to over-expenditure during 2009/10.

The prior years' over-expenditure with the first charge was not taken into account in budget allocation.

- The equitable share was under pressure mainly due to the funding gap from 2007/08 and 2008/09 financial years; OSD for nurses; cost of living adjustment; extension of medical internship to 2 years; OSD for Social Workers; and the transfer of the Department's laboratory services to the NHLS in 2006.
- Unfunded mandates e.g. the costs of implementing both the OSD and the wage increase. *The impact of these will be outlined in the Annual Financial Statements.*
- The intricate balance between political and management decisions and operational implementation is a challenge which in some instances culminates in expenditure not provided for in initial budget estimates.
- Incorrect capturing of budgets at facility level makes the monitoring of transactions and budget control difficult. This is mainly due to inadequate financial management competencies at facility level which is being addressed through the Fiscal Adjustment Turn-Around Strategy.

2009/10 Priorities

Priority 1: Financial Turn-Around Strategy.

The Provincial Fiscal Adjustment Plan focused on the following priorities in 2009/10:

- Strengthening of financial management and governance;
- Enhancing revenue collection;
- Participation in national SCM contracts;
- Rationalisation of soft services such as security, catering, grounds, gardens and office automation;
- Attracting and retaining talent; and
- Balancing of the budget.

A policy framework has been put in place to guide the implementation of the strategy and training has been done to ensure compliance with requirements.

Focus areas included key cost drivers such as the Public Private Partnership; laboratory and blood services; pharmaceuticals; patient catering services; waste management services; utilisation of nursing agencies; utilisation of private medical beds; and medical sundries. Specific business unit strategies for the enhancement of these services are being developed or are at the implementation stage.

All SCM Committee's have been dissolved and new Committee's constituted. The requirements for the new Committees' membership include the completion of financial interest disclosure forms that are subjected to a verification process. Service providers in the SCM Unit are also required to complete financial disclosure forms.

The Department has introduced stringent cost containment measures including:

- Essential training must be conducted in-house where possible;
- Moratorium on filling of non-critical posts;
- No purchase of furniture and/or equipment;
- Overseas travel has been rationalised;
- No catering at meetings and workshops;
- Kilometer control has been implemented with a maximum of 1,750 kilometers per month;
- Hiring of outside venues for workshops and meetings is prohibited;
- Air-travel is limited to one officer per meeting where possible;
- Overnight accommodation has been reduced and officials are allowed to book accommodation if the travel is over 500 kilometers;
- Cabinet resolved that no performance bonuses will be paid for the 2009/10 financial year onwards;
- Promotional material such as t-shirts, caps and gifts are prohibited;
- No leave conversion pay-outs will be considered; and
- Capping of monthly cell phone spending has been instituted as well as capping of 3-G card use.

Priority 2: Effective collection, recovery and follow-up of patient fees.

New tariffs were gazetted and implemented on 01 October 2009. The increased revenue enhancement measures resulted in increased revenue collection particular in patient fees and boarding and lodging.

Priority 3: Effective and efficient management and administration of accounts payable.

Monthly bank reconciliation were performed and submitted as per legislative requirements.

Priority 4: Implement and maintain effective monitoring, evaluation and technical support on financial accounting services.

Improved monitoring of suspense accounts achieved the desired results with an increased number of accounts achieving the set targets.

Priority 5: Effective management and administration of banking, tax and reporting functions.

The Department strengthened support to Finance Managers in order to improve alignment of expenditure. Submission of reconciled annual and monthly tax reconciliations were submitted in time and accurate staff tax reconciliations submitted to SARS. This resulted in a SARS penalty of R100 million being avoided.

The Annual Financial Statements were submitted in time as legislated.

- The high vacancy rate of institutional Finance Managers is a serious concern especially in light of the current over-expenditure.

HUMAN RESOURCES MANAGEMENT SERVICES

Compensation of employees accounted for 58% of the total expenditure in 2009/10.

There were 64,924[16] employees in the KwaZulu-Natal Department of Health at the end of the reporting period as compared with 67,594 in 2008/09 and 52,643 in 2005/06.

[16] Data is subject to change as institutions effect backdated service terminations and appointments which will impact on the total staff numbers. In addition, transactions on the suspense file on Persal also impact on the staffing numbers e.g. a service termination may be effected however not all transactions are updated on Persal. Therefore although an employee's salary may be stopped, the post will be reflected as filled

Foreign workers increased from 613 in 2008/09 to 5,040 in 2009/10.[17]

The annual turnover rate showed a slight decrease from 8.3% in 2008/09 to 7.2% in 2009/10. The following table reflects the turnover rate of critical occupations vital for improved service delivery.

Table 12: Annual turnover rate per critical occupation

Critical Occupation	2007/08	2008/09	2009/10[18]
Medical Officers	23%	21.3%	26.5%
Medical Specialists	16%	14.8%	13.3%
Professional Nurses	6.4%	8.6%	6.6%
Pharmacists	25.9%	38.4%	42.5%

Source: HR Oversight Reports

The annual vacancy rate showed a 4.5% increase from 22.9% in 2008/09 to 27.4% in 2009/10. The following table reflects the vacancy rates for some critical occupations.

Table 13: Annual vacancy rates per critical occupation

Critical Occupation	2007/08	2008/09	2009/10
Medical Officers	35.2% *2,987*	38.6% *2,643*	41.6% *2,543*
Medical Specialists	55.8% *624*	69.5% *461*	65.9% *557*
Professional Nurses	39.6% *11,945*	21.4% *12,300*	25.7% *12,600*
Pharmacists	73.8% *443*	75.4% *414*	76.4% *405*

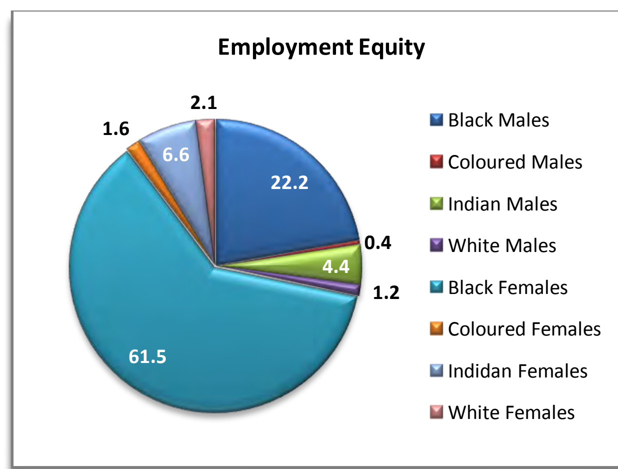
Source: HR Oversight Report

High vacancy rates of Dental Practitioners (33.8%), Dieticians and Nutritionists (73.8%), Occupational Therapists (58.8%), Physiotherapists (58.2%), Psychologists (64.5%), Social Workers (81.7%) and Optometrists and Opticians (62.2%) will impact on the revitalisation of PHC services, especially out-reach services. Scaling up of the integrated HIV & AIDS and TB Programmes will also put tremendous pressure on scarce resources.

There are still significant variances between service delivery points which necessitate an in-depth assessment of staff placement and utilisation. This will inform the re-engineering of health services.

The Department complied with the requirements of the Employment Equity Act, 55 of 1998. An updated and approved Employment Equity Plan was submitted in October 2009.

Graph 5: Employment equity – 2009/10



Source: HR Oversight Report

A Task Team commenced with the development of Minimum staffing establishments for hospitals, including appropriate staffing norms for clinical and non-clinical personnel. This will improve linkage with budget allocation in terms of the ratios for nursing personnel, doctors, administration and allied professionals.

The Terms of Reference for a Persal clean-up strategy have been drafted as part of the Fiscal Adjustment Strategy. The Department commenced with a headcount and employee verification process to identify ghost employees, incorrect HR recruitment processes and the integrity of Persal data. This project will continue in 2010/11.

A total of 2,028 out-of-adjustments were rectified in 2009/10 although the challenge remains to keep the system updated.

The Human Resource Plan for the period 2009/10 – 2011/12 was approved and submitted to the DPSA in September 2009. The Human Resource Implementation Plan has been finalised and approved as per requirement.

[17] HR Oversight Reports 2008/09 and 2009/10
[18] Refers to permanent posts only

HEALTH SERVICE PLANNING, MONITORING & EVALUATION

STRATEGIC PLANNING

2009/10 Priorities

- **Priority 1: Align integrated and evidence-based planning with budget allocation and service delivery imperatives.**

Provincial and District health and poverty profiles were developed using performance information, Stats SA community-based data and GIS coordinates. This will be used to improve evidence-based planning, equity in resource allocation, service delivery and ultimately health outcomes.

District Health Expenditure Reviews (DHER's) were submitted by 8 districts as required by the National Health Act, 2003.

- **Priority 2: Submit the 2010/11 Annual Performance Plan as per Treasury requirements.**

The Annual Performance Plan was submitted, approved and tabled in the Legislature in line with imperatives of the National Health Act, 2003 and Treasury Regulations.

- **Priority 3: Submit the 2008/09 Annual Report as per Treasury requirements.**

The 2008/09 Annual Report has been submitted, approved and tabled in the Legislature as per imperatives of the National Health Act, 2003 and Treasury Regulations.

- **Priority 4: Submit the 5-Year Strategic Plan.**

The 2010-2014 Strategic Plan has been submitted, approved and tabled in the Legislature as per imperatives of the National Health Act, 2003 and Treasury Regulations.

HEALTH RESEARCH & KNOWLEDGE MANAGEMENT

2009/10 Priorities

- **Priority 1: Identify and disseminate Provincial research priorities to inform the health research agenda.**

The Health Research & Knowledge Management webpage makes provision for published information pertaining to research and the research agenda. Although the Department has not as yet formally identified specific research priorities, guidance is given with relation to operational challenges in the Department.

- **Priority 2: Improve the functioning of the Provincial Health Research Committee.**

The Provincial Health Research Committee is not fully functional as per requirements of the National Health Act, 2003. Constitution of the Committee is still a challenge which will be addressed in 2010/11.

Processes commenced for the development of 3 decentralised Health Research Committees (level 1) – one each in the 3 service areas. This aims to reduce identified bottlenecks and improve oversight. Greys Hospital submitted an application for approval as a Level 1 Committee to the National Health Research Council.

- **Priority 3: Improve linkage with the National Research Database.**

The project to link the provincial database with the national system (in collaboration with health Systems Trust) is in an advanced stage of development. Research findings were updated in the Annual Health Research Report for 2009/10 and are available on the webpage. On-line application for research is in the final stages of development.

EPIDEMIOLOGY

2009/10 Priorities

- **Priority 1: Complete the Burden of Disease Study.**

The Burden of Disease Project was divided into three components i.e. hospital-based review, PHC-based review, and community level review. The hospital-based study was under the auspices of UKZN (Public Health Faculty) and a Service Level Agreement (SLA) was signed with the Department of Health and the Italian Co-Operation (sponsors). The SLA with UKZN was subsequently withdrawn. Other partners, including the Health Systems Trust, are being sourced in order to contribute as stakeholders to the project.

The PHC-based study has been completed and the final report is available. The community-based study awaits resource allocation and expertise for implementing the project.

- **Priority 2: Develop an integrated Early Warning System for the Department.**

An Early Warning System has not been developed due to resource limitations.

GEOGRAPHICAL INFORMATION SERVICES

2009/10 Priorities

- **Priority 1: Provide support for the finalisation of the STP.**

GIS support has been provided as per development process of the STP. Review of previous methodologies e.g. catchment populations were undertaken during 2009/10 in response to current needs.

- **Priority 2: Linking GIS with Data Management and M&E to improve reporting and decision-making.**

Mapping of MDR and XDR TB and other communicable diseases has been completed to inform strategic decision-making. Performance information was utilised and information linked with the M&E Framework to facilitate improved monitoring.

- **Priority 3: Disease profiling and mapping in collaboration with Management.**

Actively participated and provided expert technical guidance and support with regards to ward analysis and mapping for the Premier's Flagship Programme. Other departments were able to benchmark from this and ongoing support is sustained to improve the monitoring of the programme.

DATA MANAGEMENT

2009/10 Priorities

- **Priority 1: Implementation of upgraded DHIS version 1.4**

The new version has been rolled out to all facilities (including District Offices, Hospitals, CHC's and clinics) in April 2009. The Department entered into a partnership with Development Partners (facilitated by the National DOH) to improve the data system and data quality. This project will come to conclusion in October 2010.

- DHIS system challenges jeopardised data completeness, timeliness and quality, and delayed effective implementation of the new version.

- **Priority 2: Core indicators included in DHIS and reports submitted as required.**

All core indicators, with exception of TB, CDC and EMRS, have been included in the DHIS in consultation with Programme and Monitoring & Evaluation Managers. Reports are generated and submitted as required.

- **Priority 3: Finalisation of the Data Management Policy.**

The Policy is in draft and will be finalised in 2010/11.

MONITORING & EVALUATION

2009/10 Priorities

- **Priority 1: Establish a reliable Monitoring & Evaluation system.**

The Provincial M&E Framework is approved.

- **Priority 2: Implement the M&E Framework.**

All performance indicators, required for the monitoring of strategic and measurable objectives are included and monitored on a quarterly basis. Reports are generated using district and provincial data.

PERFORMANCE AGAINST TARGETS FROM THE 2009/10 ANNUAL PERFORMANCE PLAN

Table 14: Provincial Objectives and Performance Indicators: Administration

Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
CORPORATE COMMUNICATION					
Goal 3: To strengthen Human- and other key resources in support of optimal public health service delivery.					
Strategic Objective 15: To ensure that key support services are effectively provided.					
Measurable Objective: To provide efficient communication aligned to the Department's core functions.					
1. Number of media briefings	4	4	4	6	Appointment of new MEC and new Administration increased media briefings.
2. Number of campaigns undertaken	4	4	4	5	The advent of H1N1 and renewed prioritisation of HIV, AIDS, TB and Maternal and Child Health increased campaigns.
3. Number of Provincial Council Indaba's coordinated	1	0[19]	1	0	Poor response for nominations. This was referred to the Office of the MEC for intervention.
4. Number of Izimbizo's per area per National Izimbizo Focus Week	12	15	12	2	Cabinet has reduced the number of Izimbizo's as part of cost containment, and was replaced with smaller community consultative forums.
5. Planned IGR services provided	40%	No information	75%	50%	IGR services were re-aligned from Corporate Governance during 2009/10. Cost containment measures impacted on achievement of the target.
6. Compliance with Social Cluster actions	80%	No information	90%	100%	The Social Cluster showed significant improvement in 2009/10 with the implementation of the integrated Flagship Programme.
LEGAL SERVICES					
Goal 3: To strengthen Human- and other key resources in support of optimal public health service delivery.					
Strategic Objective 15: To ensure that key support services are effectively provided.					

[19] The Provincial Health Council Indaba was not held because most members have resigned. A new Council needs to be re-instituted

Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
Measurable Objective: To strengthen and maintain comprehensive legal services.					
1. Completed analysis of litigation trends	370 cases[20]	920 cases	90%	85%	See narrative – Legal Services.
2. Establish a compendium of legislation and policy documents, including the Provincial Health Bill	80%	60%	90%	Compendium not finalised	The KZN Health Act (1 of 2009) was passed in February 2009. Regulations are being finalised and expected to be promulgated in 2010/11.
3. Render ad hoc legal advice in line with the applicable legislative and policy imperatives	See Footnote[21]	65%	70%	85%	
4. Establish and monitor a functional contract management system in the Department	See Footnote[22]	65%	90%	21.5%	A total of 42/195 requests for contracts were finalised. See narrative – Legal Services.
CORPORATE GOVERNANCE AND ISC					
Goal 3: To strengthen Human- and other key resources in support of optimal public health service delivery.					
Strategic Objective 15: To ensure that key support services are effectively provided.					
Measurable Objective: To provide effective ISC collaboration services.					
1. System in place to coordinate donor services	30%	60%	75%	100%	
2. Effective system in place to coordinate youth, gender and special focus services	40%	35%	75%	See comment	This function moved to the Human Resources Management Services in 2009/10 and is currently non-functional. It will form part of the restructuring process in 2010/11.
Measurable Objective: To render effective and efficient corporate services to Head Office.					
3. Coordination of General Administration Services for Head Office	55%	85%	80%	80%	
Measurable Objective: To provide an effective document management system for the Head Office.					
4. Compliance with legal prescripts governing document and archive management	50%	75%	80%	80%	

[20] This is an inappropriate measure for litigation, as legal proceedings against or on behalf of the Department is dealt with as and when it arises. There is no specific "target" during the financial year and it cannot be anticipated when or how many legal proceedings the Department will be party to

[21] This is 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 SMS queries and also advice in respect of Legal Matters

[22] 450 Contracts drafted and managed in 2007/08

Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
5. Forms designed and systems established	20%	45%	60%	See comment	The function was re-located to HRMS in November 2009/10. No information available.
OMBUDSPERSON – POST VACANT					
Goal 3: To strengthen Human- and other key resources in support of optimal public health service delivery.					
Strategic Objective 15: To ensure that key support services are effectively provided.					
Measurable Objective: To ensure the implementation of mechanisms for the management of complaints.					
1. % of complaints acknowledged within 3 days of receipt	No indicator	New indicator	100%	Nil report	Post vacant.
2. % of complaints resolved within 60 days	No indicator	No indicator	100%	Nil report	Post vacant.
INSTITUTIONAL SECURITY RISK MANAGEMENT SERVICE					
Goal 3: To strengthen Human- and other key resources in support of optimal public health service delivery.					
Strategic Objective 15: To ensure that key support services are effectively provided.					
Measurable Objective: To ensure organisational integrity within the Department. [Institutional Security]					
1. High profile investigations conducted in collaboration with Law Enforcement Agencies	See Footnote[23]	80%	100%	Nil report	The mandates of the section changed and new indicators (aligned with job description) were identified.
2. Develop an Anti-Fraud and Corruption Plan	100%[24]	100%	100%	Nil report	
Measurable Objective: To strive towards the establishment of a safe and secure work environment. [Institutional Security]					
3. Finalise Security Manual	Plan under review	Not available	100%	Not completed	Inadequate human resources to comply with targets.
4. Vetting of staff - % related to specified staff category	New indicator	New indicator	80%	Continuous	
5. Conduct a security audit	See Footnote[25]	Not available	80%	Incomplete	
6. Implement an asset protection system at all health institutions	Not measured	Not available	80%	Nil report	

[23] Where the need arises
[24] The plan is being reviewed with the intention of revisiting certain aspects and the process will unfold in 2008/09
[25] Audit not complete at time of reporting

Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
7. Provide security advice for the MEC events	100%	Not available	100%	Continuous	
Measurable Objective: To ensure the provision of effective and efficient risk management support services. [Audit & Risk]					
8. Fully functional Risk Management service established	See Footnote[26]	See Footnote[27]	100%	50%	Service is provided by the Provincial Treasury Internal Audit Unit (PIAU). Inadequate Departmental capacity severely impacted on service delivery and intended output.
9. Departmental Risk Management Policy available	80%[28]	100%	100%	75%	Policy has been finalised – awaiting approval.
10. Risk Management Strategy for the Department available	80%[29]	100%	100%	25%	Due to severe human resources constraints the Department only commenced with the development of the Framework document during the last quarter of 2009/10. Finalisation expected in early 2010/11.
11. Conduct a Departmental Risk Profile Assessment	100%	100%	100%	100%	
Measurable Objective: To foster a risk management culture in the Department.					
12. Develop and implement a Departmental Risk Mitigation Plan	100%	100%	100%	100%	All audit findings led to the development of risk mitigation action plans. Monitoring of implementation was conducted as part of an ongoing process.
13. Conduct risk awareness programmes	Unclear[30]	40%	100%	Nil to report	Staff shortage forced the incumbent to concentrate of audit liaison work.
14. Risk management forms part of the Key Result Areas of relevant staff	60%	30%	100%	See comment	Inclusion is recommended – cannot comment on actual inclusion.
SUPPLY CHAIN MANAGEMENT (SCM)					
Goal 3: To strengthen Human- and other key resources in support of optimal public health service delivery.					
Strategic Objective 14: To ensure that SCM effectively & efficiently supports the service delivery needs of all health institutions.					

[26] Head Office Structure not approved / implemented
[27] Head Office Structure not approved / implemented
[28] Awaiting approval from the acting HOD
[29] Awaiting approval from the acting HOD
[30] Denominator unclear for %

Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
Measurable Objective: To establish and maintain an integrated & developmentally orientated SCM system.					
1. SCM delegations approved and implemented	80%[31]	90%	100%	95%	Delegations have been finalised and are awaiting approval by the CFO and HOD.
2. % of Health Institutions included in training sessions on SCM	100%[32]	95%	100%	100%	The Provincial SCM Unit conducted road shows covering all institutions.
3. % of Procurement Plans completed to guide acquisition of goods and services by Head Office and Institutions	75%	40%	100%	50%	The Plan has been finalised and disseminated although inadequate staffing resulted in delays with rollout.
4. Accurate and updated Asset Register maintained in Institutions	90%	90%	100%	60%	Insufficient financial and human resources impacted negatively on support to institutions to ensure effective implementation.
5. Policies, processes and systems for safeguarding of assets and for inventory control developed and implemented	100%	100%	100%	80%	Asset and Inventory Management function was not fully developed due to a lack of staff in Asset Management.
6. Contract Management System implemented	90%	60%	100%	80%	Institutions failed to comply with contract requirements. Poor performance by contractors, particularly in respect of outsourced services, has been common throughout the year.
7. Updated specifications for the acquisition of transversal goods and services developed and compiled in catalogue	98%[33]	100%	100%	90%	The Specification Register has been compiled however not yet compiled into a Specification Catalogue.
8. Logistical support systems implemented to reduce "stock outs" and improve service delivery	80%	80%	100%	50%	Insufficient funding for the purchase of a suitable Logistics Management System to meet the demands of CPS.
Measurable Objective: To promote business opportunities for emerging business.					
9. Strategic sourcing guidelines for targeted procurement formulated and implemented	+10%	100%	100%	100%	

[31] Interim SCM delegations are being reviewed
[32] In addition to training provided a SCM Help Desk has been established to assist institutions
[33] Specifications are quantified as numbers and are as follows: Services: 5 Specifications; Non-Medical: 23 Specifications; and Medical Equipment: 70 Specifications

Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
10. % of business awarded to Small Medium and Micro Enterprises (SMME's)	+10%	40%	40%	See comment	Source of data for calculation of this indicator is unclear and available district data is questionable.
11. % of businesses awarded to co-operatives	+10%	10%	10%	13.1%	Increased number of co-operatives participated in the bidding process.
12. % of business awarded to persons with disabilities	+10%	10%	+10%	3.5%	A limited number of companies owned by people with disabilities participated in bidding processes.
13. % of business awarded to companies owned by youth	+10%	10%	+10%	9.2%	A limited number of companies owned by youth participated in bidding processes. The definition of "youth" is unclear which skewed reporting.
14. % of business awarded to companies from rural areas	+10%	10%	+10%	14.3%	An increased number of rural companies participated in bidding.
15. % of business awarded to companies owned by women	+10%	10%	+10%	19.4%	An increased number of companies owned by women participated in the bidding process.
Measurable Objective: To establish & maintain performance driven Bid Specification Committees, Bid Adjudication Committees & Bid Award Committees.					
16. Fully functional Bid Specification Committee at Head Office	100%	100%	100%	100%	
17. Fully functional Bid Adjudication Committee at Head Office	100%	100%	100%	100%	
18. Fully functional Bid Award Committee at Head Office	100%	100%	100%	50%	Unavailability of members results in poor performance of the DBAC.
19. Required SCM Committees fully functional at all hospitals	100%	100%	100%	100%	
Measurable Objective: To ensure community awareness on business opportunities in the Department.					
20. Number of awareness campaigns conducted	70	75	85	Nil report	Targeted Enterprises Unit dissolved.
21. % increase of targeted groups participating in the procurement process of the Department	45%	60%	65%	Nil report	Targeted Enterprises Unit dissolved.
Measurable Objective: To establish systems to support the acquisition of goods and services (database).					
22. Database established to support the acquisition	80%	100%	No target	Nil report	Targeted Enterprises Unit dissolved.

Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
of goods and services					
FINANCIAL MANAGEMENT					
Goal 3: To strengthen Human- and other key resources in support of optimal public health service delivery.					
Strategic Objective 13: To ensure appropriate Financial, Procurement Delegations.					
Measurable Objective: To provide effective and efficient collection recovery and follow-up patient fees.					
1. Submission, recovery and follow-up of patient fees	70%	Not available	80%	100%	Good performance attributed to implementation of the Fiscal Adjustment Plan that commenced in 2009/10 aiming to curb over-expenditure and improve financial management.
2. Review and visits to districts	New indicator	Not available	100%	100%	
3. Collection & submission of patient fee statistics	70%	Not available	100%	100%	
4. Gazetting of patient fees manual	100%	Not available	100%	100%	
Measurable Objective: To ensure that all finance systems & budgetary processes are aligned to the Strategic & Service Transformation objectives of the Department.					
5. Budget aligned with service delivery indicators	90%	Not available	100%	100%	
6. Budget management system in place	95%	Not available	100%	98%	Some institutions still require strengthening in budget/ financial management.
7. Mechanism in place to guide prioritisation & budgeting processes for institutions	95%	Not available	100%	100%	
Measurable Objective: To provide effective and efficient management and administration of payable accounts.					
8. Financial systems helpdesk support	100%	Not available	100%	100%	
9. Reconciliation of General Ledger control accounts	New indicator	Not available	100%	100%	
10. Post auditing and archiving of vouchers	100%	Not available	100%	100%	
11. Distribution and post auditing of payrolls	100%	Not available	100%	100%	

Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
Measurable Objective: To implement and maintain effective and efficient monitoring, evaluation and technical support on financial accounting services to all responsibilities within the Department.					
12. Monitoring & evaluation of financial performance	New indicator	New indicator	100%	100%	
13. Provision of financial technical support	50%	Not available	100%	100%	
14. Financial performance reviews and district visits	25%	Not available	100%	100%	
Measurable Objective: To implement and maintain effective management and administration of banking, tax and reporting functions.					
15. Financial accounting information reporting as per prescripts	100%	Not available	100%	100%	
16. Reconciliation of accounts and pay-over of amounts as per prescripts	100%	Not available	100%	100%	
TELEHEALTH AND INFORMATION TECHNOLOGY					
Goal 2: To improve health information systems and data management to ensure rigorous monitoring and evaluation of performance against targets.					
Strategic Objective 9: To ensure equitable & appropriate distribution of tele-health & IT resources.					
Measurable Objective: To expand the provision of clinical services to remote rural communities by December 2008.					
1. Number of tele-health sites operational	33	33	33[34]	33	
2. Number of Telehealth sites facilitating the dissemination of medical research, education & training to rural health providers	3	3	3	3	
3. Number of post graduate training programmes provided	6	6	6	6	
Measurable Objective: To acquire, install and maintain computer equipment, systems and networks supporting seamless service delivery processes.					
4. % redundant/obsolete personal computers (PC's) replaced	100%	60%	100%	10%	No budget available due to cost containment strategy (Fiscal Adjustment Plan). 65% of computers would have automatically been replaced as part of the rental

[34] 33 are active.

Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
					agreement.
5. % of Hospitals, CHC's and Institutions other than PHC clinics that are VPN compliant	100%	100%[35]	100%	100%	
6. % of PHC clinics with PC's and Printers	100%	100%[36]	100%	100%	Although the PHC clinics are computerised there is no budget to connect them with email and intranet access.
7. % of Hospitals with upgraded data lines	0%	0%[37]	100%	0%	No budget available as part of cost containment measures.
8. % of Hospitals with functioning Kiosks	90%	70%	100%	60%	No budget available for expansion due to cost containment measures.
9. % of Health Professionals trained on Funda La online training project	100%	No information available	75%	75%	Lack of funding for training as part of the cost containment measures.
Measurable Objective: To develop a Master Systems Plan by December 2008.					
10. Master Systems Plan approved	0%	See Footnote[38]	100%	0%	Tender cancelled.
11. All IT & Data Management systems being used in the Department aligned to the MSP	0%	MSP not implemented	25%	0%	Pending the Master Systems Plan. See comment above.
Measurable Objective: To implement a uniform electronic Patient Administration System.					
12. All Tertiary Hospitals implementing a uniform electronic Patient Administration System	New indicator	0%[39]	3	2	Pending the Master Systems Plan and allocation of funding.
NATIONAL HEALTH LABORATORY SERVICES (NHLS)					
Goal 3: To strengthen Human- and other key resources in support of optimal public health service delivery.					
Strategic Objective 15: To ensure that key support services are effectively provided.					
Measurable Objective: To monitor the rendering of laboratory services by the NHLS to the Department.					
1. Departmental NHLS Utilisation Protocol	100%	Not available	100%	0%	No staff appointed.

[35] This total excludes PHC clinics
[36] Utilisation of technology is still a challenge due to lack of funding to improve computer literacy at clinic level
[37] No budge available for implementation
[38] Tender awarded in 2008/09 – implementation did not commence due to a lack of funding
[39] No budget available

Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
developed and implemented					
2. Analysis of tariff structure	80%	Not available	100%	50%	Discussion with NHLS commenced in 2009/10.
3. Monitoring and evaluation of Service Level Agreement (SLA) for NHLS	80%	Not available	100%	Nil	The SLA has been finalised and is awaiting approval.
4. Instances of non-compliance with SLA imperatives reported/ resolved	80%	Not available	100%	Nil	Awaiting final approval of the SLA.
OTHER (PRIVATE) HOSPITALS					
Goal 1: To improve health service delivery through optimal allocation and utilisation of resources and collaboration with all stakeholders and partners.					
Strategic Objective 3: To strengthen and increase collaboration with stakeholders involved in the health sector.					
Measurable Objective: To ensure that the Private Health Care industry adheres to National Health Standards.					
1. Percentage of Private Hospitals inspected	100%	100%	100%	100%	
2. Percentage of applications for re-licensing of Private Hospitals services received and processed	100%	No applications processed	100%	100%	
3. Percentage of applications for the provisioning of private services processed	100%[40]	No applications processed	100%	100%	
4. Percentage applications for new licenses reviewed at a quarterly basis	80%	No quarterly meetings held	100%	100%	
5. Fully established & functional Committees at Head Office to review all applications for licenses	80%	Committee not fully functional	100%	25% quarterly meetings	The constitution of the current committee makes it difficult to conduct quarterly meetings as a result of the workload of current members. The constitution of the committee will be reviewed in 2010/11.
Measurable Objective: To develop health policies and systems ensuring seamless and effective health service delivery.					
6. Health Policies guidelines and systems developed, including norms and standards for service delivery	5	No information available	3	3	
7. Develop a framework to improve clinical	80%	No information	100%	100%	Framework and Hospital Governance Policy has been

[40] One application (with more than one site) is still being assessed and not submitted

Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
governance in health facilities		available			finalised and approved.
HEALTH SERVICE PLANNING, MONITORING AND EVALUATION					
Goal 1: To improve health service delivery through optimal allocation and utilisation of resources and collaboration with all stakeholders and partners.					
Strategic Objective 4: To ensure integrated planning for the provision of health services.					
Measurable Objective: To finalise a strategic Plan for the Department for the period 2010-2016 based on the STP by December 2008.					
1. Approved Strategic Plan for 2010 – 2014	0%	Commenced in 2009/10 as per Treasury requirement	90%	100%	2010 – 2014 Strategic Plan approved and tabled in the Legislature.
Measurable Objective: To compile the Annual Performance Plan & District Health Plans (DHP) based on the disease profile & service delivery challenges.					
2. Approved Annual Performance Plan (APP)	100%	100%[41]	100%	100%	The 2010/11 APP was approved and tabled in the Legislature.
3. Approved District Health Plans	100%	See footnote[42]	100%	91% (10/11)	One district did not submit a final signed off plan as a result of management challenges.
4. District Health Expenditure Report (DHER) completed for each District	Not submitted	See previous footnote	100%	73% (8/11)	3 Districts did not finalise DHER Reports due to challenges interfacing with the previous DHER Tool.
Measurable Objective: To implement the Service Transformation Plan.					
5. Updated Service Transformation Plan (STP)	90%: Phase 1 approved by MEC	STP has not been approved	100%	Draft 2 approved	Draft 2 of the revised STP has been approved by the HOD and MEC and submitted to the National Department of Health.
Measurable Objective: To Compile the Treasury Quarterly Reports & Annual Report in line with Treasury & National requirements.					
6. Approved Annual Report in line with prescripts	100%	100%[43]	100%	100%	2008/09 Annual Report approved and tabled in the Legislature.
7. Approved Treasury Quarterly Reports aligned to Treasury prescripts	100%	100%	100%	100%	4 Provincial Quarterly Reports (PQRS) submitted within stipulated Treasury timeframes. All reports were

[41] Approved 2009/10 APP (in accordance with Treasury requirements) – tabling of APP postponed as per National Treasury instruction
[42] DHER not conducted due to inadequate resources for technical support to Districts – costing of services was however included in the DHP template. All DHP's reflect District specific needs and has been signed off by the MEC for health before submission to the National Department of Health
[43] 2007/08 Annual Report approved and tabled as per Treasury requirements

Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
					signed off by the HOD.
Measurable Objective: To undertake and manage research.					
8. Key health trends determined	0%	Data analysis of PHC information commenced	60%	100%	Health profiles, linked with the poverty index, were finalised per Municipality.
9. PHC disease profile in PHC clinics and CHC's and Burden of Disease in Hospitals completed in 2008/09	0%	100% completed	Study completed	50%	The PHC Disease Profile has been completed – report available. The Hospital Burden of Disease study has been postponed due to financial constraints. See narrative – Epidemiology.
10. Number of appropriate in-house research studies conducted	1 completed	1 completed	3	4	The following studies were completed: • Factors influencing the teenage birth rates at public health facilities in KZN. • Evaluating the increasing caesarian section rate in public hospitals in KZN, a retrospective study. • Bed Occupancy Rate and Average Length of Stay in District and Regional Hospitals, KwaZulu-Natal Department of Health. • Hand Hygiene Compliance Survey.
11. Health Research Committee established and functional	0 Meetings	See footnote[44]	4 Meetings	0	The Provincial Health Research Committee (PHRC) has been established, however not fully functional as per requirements of the National Health Act, 2003. Constitution of the Committee will be reviewed in 2010/11.
12. 100% Research applications processed and research findings circulated	100%	100%	100%	100%	A total of 166 research proposals were submitted and reviewed. Four known research studies were completed, research findings were analysed, and recommendations were made in the Annual Health Research Report for 2009/10.

[44] Research Committee composition for review pending final KZN Health Act. All functions of the Research Committee has been fulfilled with assistance from the Health Research and Knowledge Management Component

Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
13. Updated Provincial Research database	100%	100%	100%	100%	
Goal 2: To improve health information systems and data management and ensure rigorous monitoring and evaluation of performance against targets.					
Strategic Objective 6: To provide GIS services for health planning & service delivery.					
Measurable Objective: To provide timely & accurate GIS support.					
14. Compliance with National Spatial Information Framework	100%	100%	100%	100%	
15. Updated STP database	New indicator	New indicator	100%	100%	
Goal 2: To improve health information systems and data management and ensure rigorous monitoring and evaluation of performance against targets.					
Strategic Objective 7: To improve the quality & use of health data.					
Measurable Objective: To manage the effective implementation of the District Health Information System (DHIS).					
16. District Health Information System (DHIS) Version 1.4 implemented in all health facilities	0%	Training commenced for implementation	100%	100%	Trained Data Management (5); District Information Officers (11); Facility Information officers (75) and 17 CHC staff on the new system.
17. Data Management Policy implemented	0%	Draft policy not approved	100%	Draft Policy	Completion expected in 2010/11.
Measurable Objective: To use the M&E Framework for rigorous monitoring of health service delivery.					
18. Approved M&E Framework	40%	80%	100%	100%	
19. Approved Early Warning System established	New indicator	No system	100%	30%	Concept Paper developed.
Goal 1: To improve health service delivery through optimal allocation and utilisation of resources and collaboration with all stakeholders and partners.					
Strategic Objective 2: To improve clinical governance including quality of care & infection prevention & control.					
Measurable Objective: To monitor & assess the implementation of Infection Prevention & Control.					
20. Two modules of the Infection Assessment Tool (ICAT) implemented. Modules: hand washing, labour & delivery, isolation & employee health	Tool outstanding	100% Hospitals implementing	100% Hospitals implementing	100%	
21. Approved implementation plan for Infection Prevention & Control (IPC)	20%		100% Hospitals implementing	100%	

Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
22. Early warning on IPC developed	5%		100%	100%	
Measurable Objective: To monitor & assess health services against the norms and standards of the Quality Improvement Plan.					
23. Quality Assurance (QA) Policy & Integrated QA Tool	Draft Policy & Integrated Tools		100%	100%	
24. External Client Experience Survey conducted	0%	0% (89%)[45]	2 CHC's & 26 Hospitals	0%	Internal Client Satisfaction Surveys were conducted by 77% District Hospitals, 90% CHC's and 87% Regional Hospitals. Due to cost saving measures, the services of an external service provider could not be procured.
25. Waiting time survey conducted at hospitals	No data	63%	65%	See Hospitals & PHC	See Hospitals & PHC.
26. Integrated QA implemented at all Tertiary Hospitals	100%	100%	100%	100%	
HUMAN RESOURCES MANAGEMENT SYSTEMS					
Goal 1: To improve health service delivery through optimal allocation and utilisation of resources and collaboration with all stakeholders and partners.					
Strategic Objective 4: To ensure integrated planning for the provision of health services.					
Measurable Objective: To align Human Resource Planning and consolidate Human Resource Management reports.					
1. Consolidated Human Resources Management Systems (HRMS) input for the APP submitted	New indicator	New indicator	Input submitted by 15/01/2010	Submitted by 26/03/2010	Timeframes changed during the election year – input was submitted as per reviewed timeframe.
2. Consolidated HRMS input for the Annual Report (AR) submitted	New indicator	New indicator	Input submitted by 28/08/2009	Input submitted by 28/08/2009	
3. Approved Employment Equity (EE) Plan	New indicator	New indicator	New EE Plan submitted by 30/06/2009	Submitted and approved on 23/10/2009	
4. Updated Gap Analysis for Human Resources	New indicator	New indicator	Updated Gap Analysis by 30/09/2009	Completed and approved on 30/09/2009	

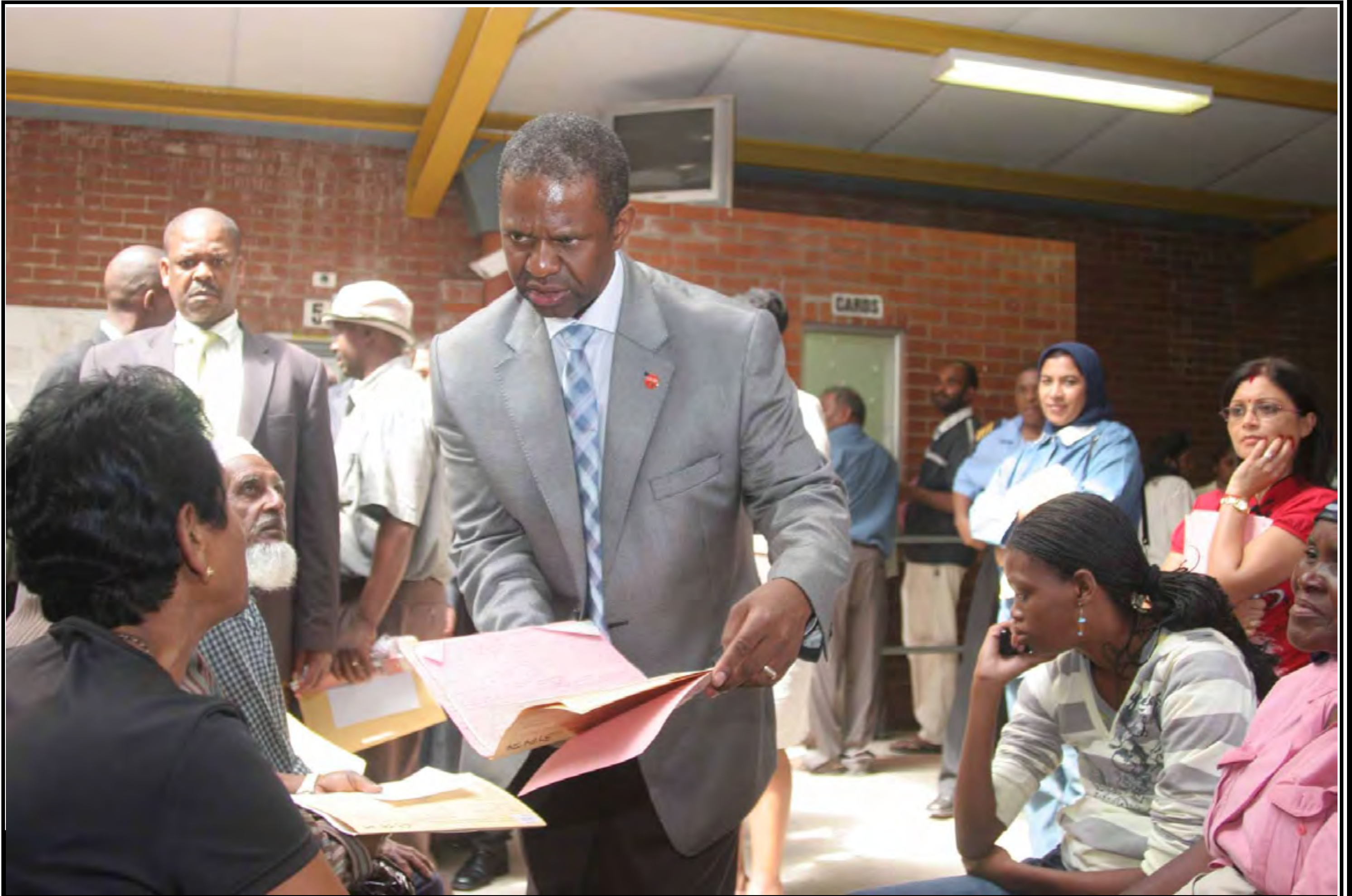
[45] Reflects internal survey done by hospitals

Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
5. 100% of Districts complete the 1st draft of their District HR Plans	New indicator	New indicator	1st Drafts of 11 District HR Plans complete by 30/09/2009	73% of the Districts submitted Plans	3 Districts outstanding and in the process to finalise plans with support from Province.
Goal 3: To strengthen Human- and other Key Resources in support of optimal public health service delivery.					
Strategic Objective 10: To sustain and expand the health workforce through implementation of innovative Human Resources Management strategies.					
Measurable Objective: To expand and monitor the implementation of Occupational Health Programmes.					
6. Number of Hospitals and CHC's with fully functional Occupational Post Exposure Prophylaxis (OPEP) management systems	New indicator	New indicator	67 Hospitals	67 Hospitals	
			14 CHC's	14 CHC's	
Measurable Objective: To expand and monitor Safety Programmes and systems in the workplace.					
7. Number of Hospitals and CHC's with efficient accident recording and investigation systems in place	New indicator	New indicator	67 Hospitals	67 Hospitals	
			14 CHC's	14 CHC's	
Measurable Objective: To strengthen the EAP Volunteer Programme to ensure a functional worksite-based EAP at institutional and district level.					
8. Number of EAP Volunteers trained	New indicator	New indicator	Hospitals: 12	35	Exceeded targets for institutions (considered a priority) hence District Office targets not achieved.
			CHC: 8	14	
			District Offices: 6	1	
			Auxiliary Services: 4	4	
9. Audit of active Volunteers per EAP site completed	New indicator	New indicator	117 EAP sites audited	148 sites audited	
10. Number of Volunteer sites with process evaluation	New indicator	New indicator	Hospital: 58	26	Inadequate resources (both financial & human) to conduct the evaluation.
			CHC: 10	7	
			District Office: 11	8	
11. Number of Hospitals, CHC's and District Offices	New indicator	New indicator	Hospitals: 65	65	Increased awareness and improved monitoring,

Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
submitting EAP statistics			CHC: 7	1	although data submission is still a challenge.
			District Offices: 11	5	
Measurable Objective: To facilitate the roll-out of the Personal Financial Management Programme.					
12. Number of Hospitals, CHC's, District Offices and Auxiliary Services subjected to Personal Financial Management workshops	New indicator	New indicator	Hospitals: 16	53	Increased need necessitated review of targets for hospitals.
			CHC: 10	5	
			District Offices: 7	5	
			Auxiliary Services: 4	2	
Strategic Objective 11: To implement Performance Management & Coaching Programmes.					
Measurable Objective: To improve and monitor the implementation of PMDS.					
13. PMDS Policy approved, implemented and monitored in 11 Districts	New indicator	New indicator	PMDS Policy approved and implemented	Approved and implemented	
14. PMDS audit completed and report submitted	New indicator	New indicator	Audit completed in 11 Districts	Audit completed in 11 Districts	
Measurable Objective: To train Persal users and Managers at Head Office and Institutions.					
15. Number of users and managers trained in Persal	New indicator	New indicator	800	242	Approval of funding for training was obtained during the 3rd Quarter of 2009/10 causing a delay in training.
Measurable Objective: To facilitate the reduction of out of adjustment cases and audit queries.					
16. Number of out-of-adjustments rectified	New indicator	New indicator	760 rectified	2,028 rectified	There needs to be a concerted effort to contain the out-of-adjustments after being rectified.
Measurable Objective: To train Line Managers (LM) and Labour Relations Officers (LRO).					
17. Number of employees successfully trained and accredited	New indicator	New indicator	LM: 40 LRO: 40	0 0	The Labour Relations Directorate could not train officials as planned due to shortage of funding.

Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
Measurable Objective: To devolve the function of Dispute Management to District Offices.					
18. Districts and Institutions manage their own conciliation and arbitration matters	New indicator	New indicator	All disputes in eThekwini & Umgungundlovu Districts devolved	Not achieved	The Labour Relations Directorate could not train officials as planned due to shortage of funding within the Department and could therefore not devolve services.
Strategic Objective 12: To design & implement a totally seamless quality service delivery system for the Department.					
Measurable Objective: To manage the re-engineering of business processes and systems for all Head Office Clusters based on mandatory functions.					
19. Business processes and systems reviewed, approved and implemented in line with mandatory functions	New indicator	New indicator	Processes & systems reviewed, approved and implemented	**Not achieved**	OES commenced with the project. Other unplanned priorities emerged during the course of the year that forced the Component to re-prioritise activities.
Measurable Objective: To develop an evidence-based Redeployment Plan to improve utilisation of available resources.					
20. Evidence-based Redeployment Plan approved and implemented	New indicator	New indicator	Redeployment Plan approved, implemented & monitored	Plan 95% complete	Delays due to additional emerging priorities linked with the Fiscal Adjustment plan.
Measurable Objective: To facilitate the filling of posts in rural institutions as per HRM Circular No 2 of 2009.					
21. Total number of identified vacant clinical posts filled at identified rural institutions	New indicator	New indicator	20% of total vacant posts filled	Not achieved	Moratorium on filling of posts.
22. Number of new appointments verified as a percentage of the total appointments	New indicator	New indicator	100%	100%	

Source: Senior and Programme Managers; Persal



Programme 2: District Health Services

PROGRAMME 2: DISTRICT HEALTH SERVICES

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

To provide service planning, administration (including financial administration), managing personnel, coordination and monitoring of district health services, including those rendered by district councils and non-government organisations (NGOs).

Sub-Programme 2.2: Community Health Clinics

To render a nurse driven primary health care service at clinic level including visiting points, mobiles and local government clinics.

Sub-Programme 2.3: Community Health Centres

To render primary health care services in respect of maternal child and women's health, geriatrics, occupational therapy, physiotherapy, psychiatry, speech therapy, communicable diseases, oral and dental health, mental health, rehabilitation and disability and chronic health.

Sub-Programme 2.4: Community-Based Services

Render a community-based health service at non-health facilities in respect of home based care, abuse, mental and chronic care, school health, etc.

Sub-Programme 2.5: Other Community Services

To render health services at community level including environmental and port health services.

Sub-Programme 2.6: HIV and AIDS

To render primary health care services related to the comprehensive management of HIV and AIDS and other special projects.

Sub-Programme 2.7: Nutrition

To render nutrition services.

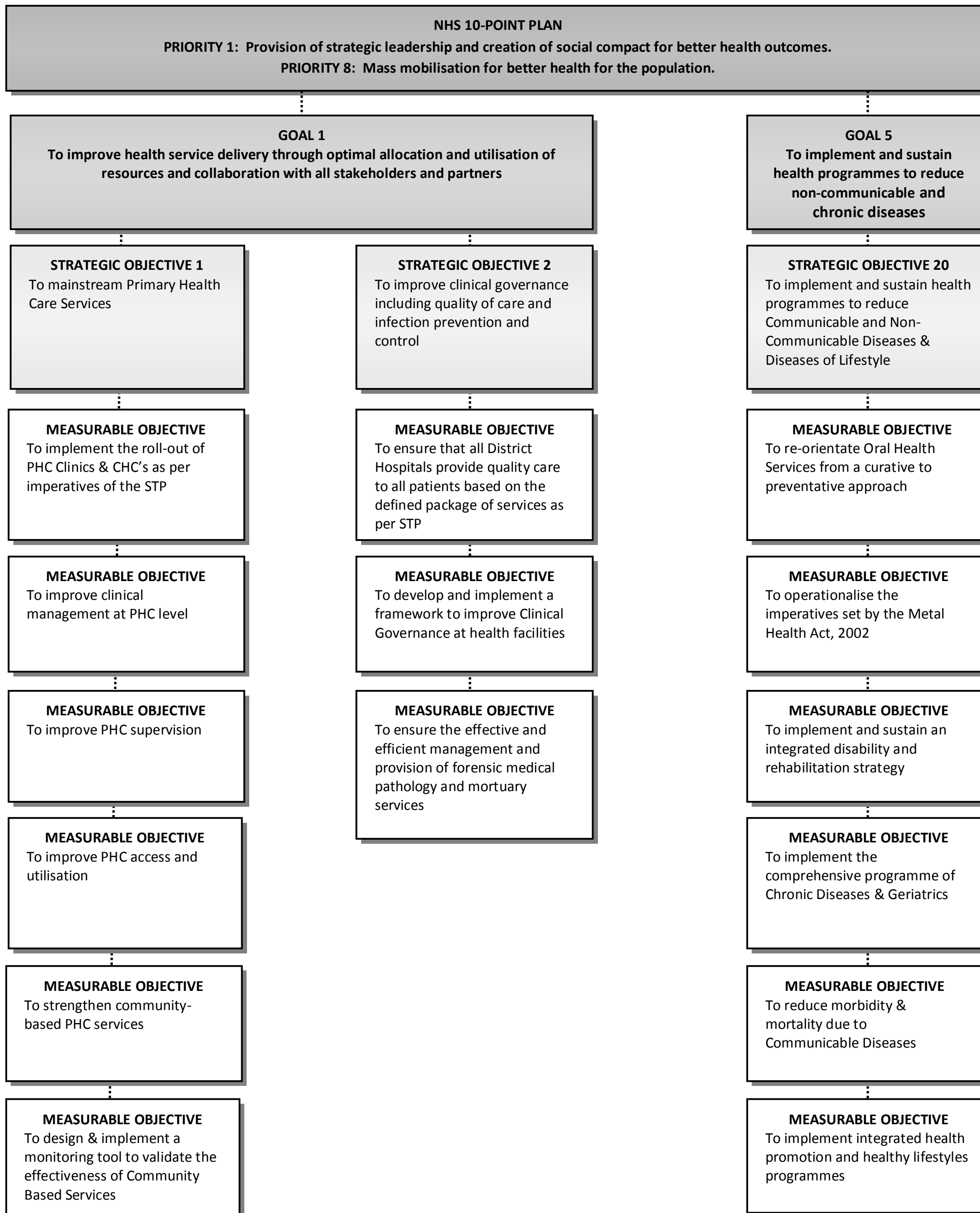
Sub-Programme 2.8: Forensic Pathology Services

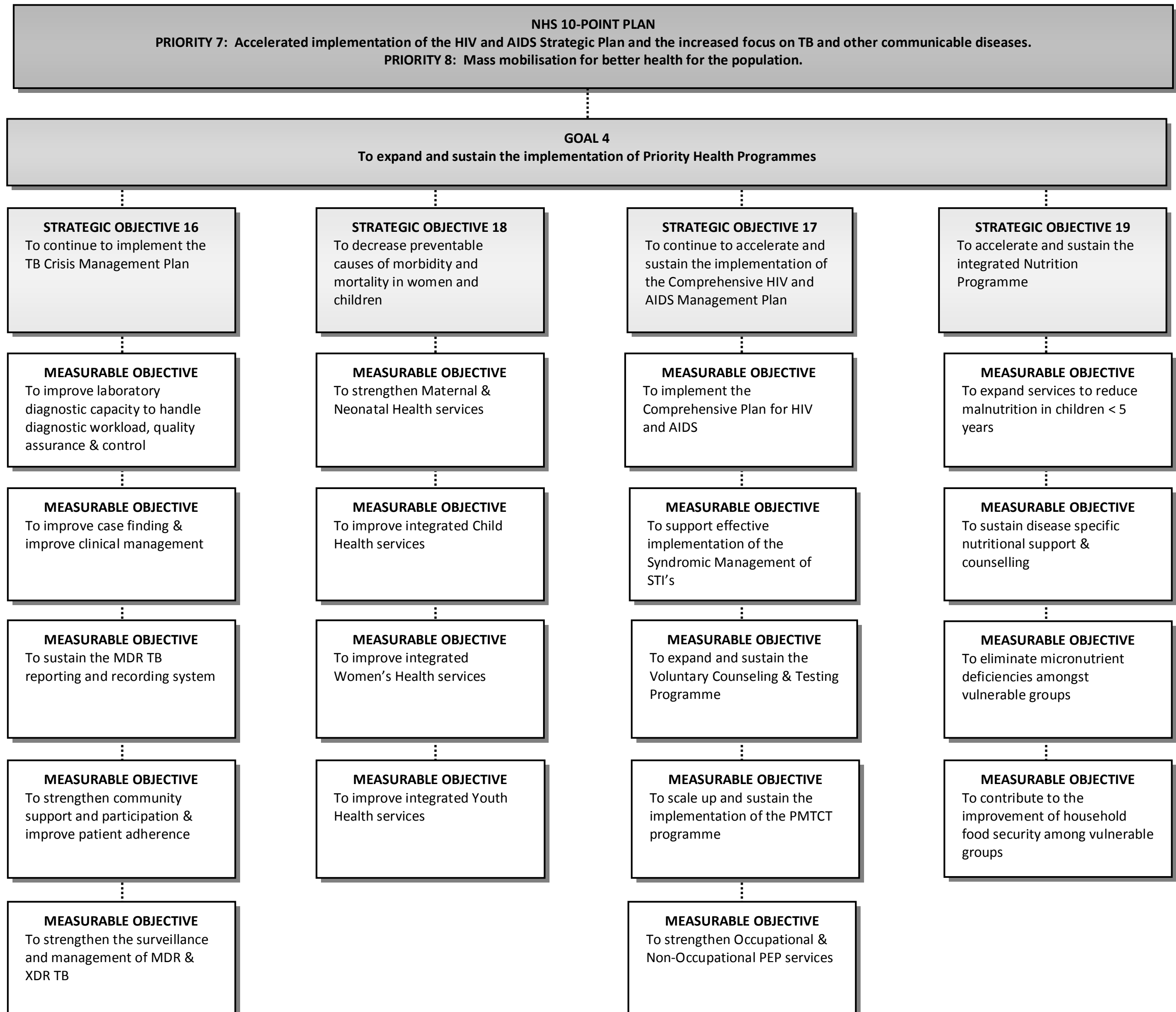
To render forensic pathology and medico-legal services at district level.

Sub-Programme 2.9: District Hospitals

To render hospital services at general practitioner level.

GOALS AND STRATEGIC/ MEASURABLE OBJECTIVES




NHS 10-POINT PLAN
PRIORITY 7: Accelerated implementation of the HIV and AIDS Strategic Plan and the increased focus on TB and other communicable diseases.
PRIORITY 8: Mass mobilisation for better health for the population.
GOAL 4
To expand and sustain the implementation of Priority Health Programmes
STRATEGIC OBJECTIVE 16
To continue to implement the TB Crisis Management Plan
MEASURABLE OBJECTIVE
To improve laboratory diagnostic capacity to handle diagnostic workload, quality assurance & control
MEASURABLE OBJECTIVE
To improve case finding & improve clinical management
MEASURABLE OBJECTIVE
To sustain the MDR TB reporting and recording system
MEASURABLE OBJECTIVE
To strengthen community support and participation & improve patient adherence
MEASURABLE OBJECTIVE
To strengthen the surveillance and management of MDR & XDR TB
STRATEGIC OBJECTIVE 18
To decrease preventable causes of morbidity and mortality in women and children
MEASURABLE OBJECTIVE
To strengthen Maternal & Neonatal Health services
MEASURABLE OBJECTIVE
To improve integrated Child Health services
MEASURABLE OBJECTIVE
To improve integrated Women's Health services
MEASURABLE OBJECTIVE
To improve integrated Youth Health services
STRATEGIC OBJECTIVE 17
To continue to accelerate and sustain the implementation of the Comprehensive HIV and AIDS Management Plan
MEASURABLE OBJECTIVE
To implement the Comprehensive Plan for HIV and AIDS
MEASURABLE OBJECTIVE
To support effective implementation of the Syndromic Management of STI's
MEASURABLE OBJECTIVE
To expand and sustain the Voluntary Counseling & Testing Programme
MEASURABLE OBJECTIVE
To scale up and sustain the implementation of the PMTCT programme
MEASURABLE OBJECTIVE
To strengthen Occupational & Non-Occupational PEP services
STRATEGIC OBJECTIVE 19
To accelerate and sustain the integrated Nutrition Programme
MEASURABLE OBJECTIVE
To expand services to reduce malnutrition in children < 5 years
MEASURABLE OBJECTIVE
To sustain disease specific nutritional support & counselling
MEASURABLE OBJECTIVE
To eliminate micronutrient deficiencies amongst vulnerable groups
MEASURABLE OBJECTIVE
To contribute to the improvement of household food security among vulnerable groups

INTRODUCTION

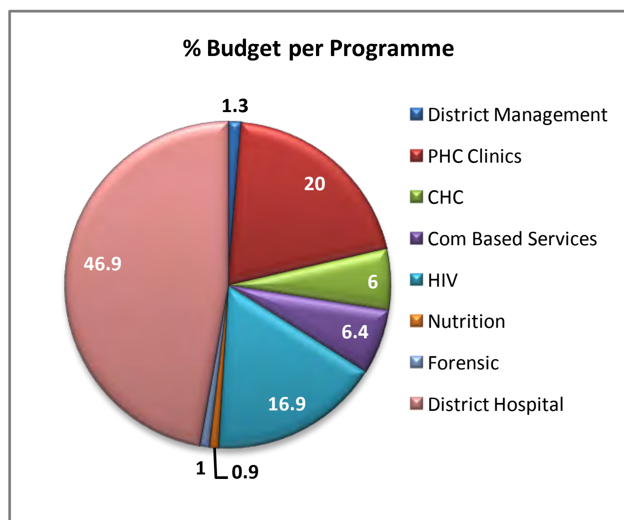
The key principles of the Alma Ata Declaration (PHC) have been captured in the National Health Act, 2003. Principles include: equity; access; overcoming fragmentation; quality; effectiveness; comprehensive services; efficiency; local accountability; community participation; developmental and inter-sectoral approach; and sustainability.

The Flagship Programme, under stewardship of the Office of the Premier, commenced in 2009/10. The focus of the project is the integration of community-based services rendered by Community-Based Carers and volunteers at ward level to scale up development processes and to enable individuals to become owners of development. Priority wards were identified using Provincial indices of multiple deprivation to ensure equity in service delivery.

Four Municipalities were identified as part of the National 18 Priority District Project i.e. Nongoma in Zululand, Maphumulo in Ilembe, Umhlabuyalingana in Umkhanyakude, and Dannhauser in Amajuba. The project commenced in 2009/10 and aims to improve maternal, neonatal, child and women's health and nutrition, HIV, AIDS, TB, and non-communicable diseases (diabetes, hypertension, trauma, alcohol and substance abuse).

Programme 2 received 49.5% of the total budget and reported an over expenditure of 8.5% during the 2009/10 financial year. The following graph reflects the percentage of the budget per budget sub-programme.

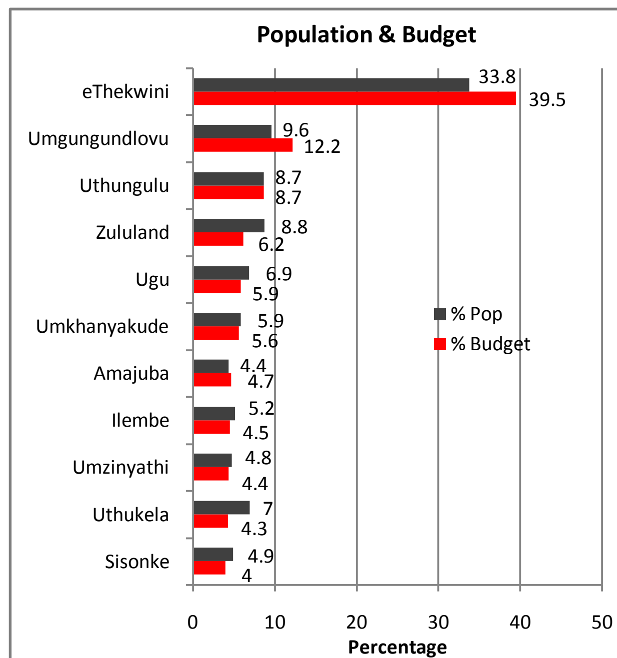
Graph 6: % Budget per Budget Sub-Programme



Source: 2009/10 Annual Financial Statements

The next graph reflects the district budget allocation compared with catchment population (% of total Provincial population).

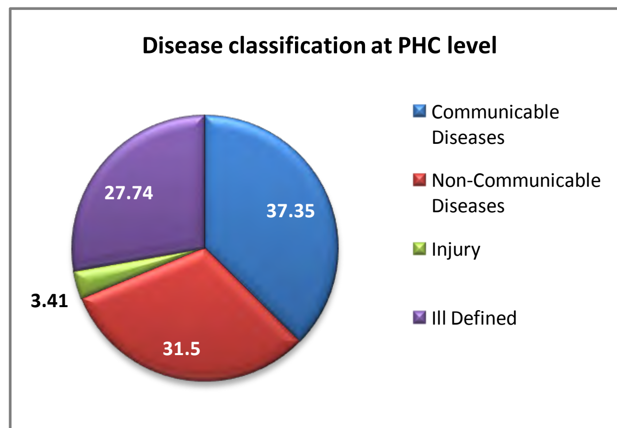
Graph 7: Population versus Budget per District



Source: 2009/10 Annual Financial Statements

Non-communicable diseases are still a major contributor to the burden of disease, and largely attributed to preventable and modifiable risk factors. According to the KZN PHC disease profile,[46] non-communicable conditions/ illnesses represented 31.54% of the conditions seen at PHC clinics in 2009.

Graph 8: PHC disease classification at PHC level

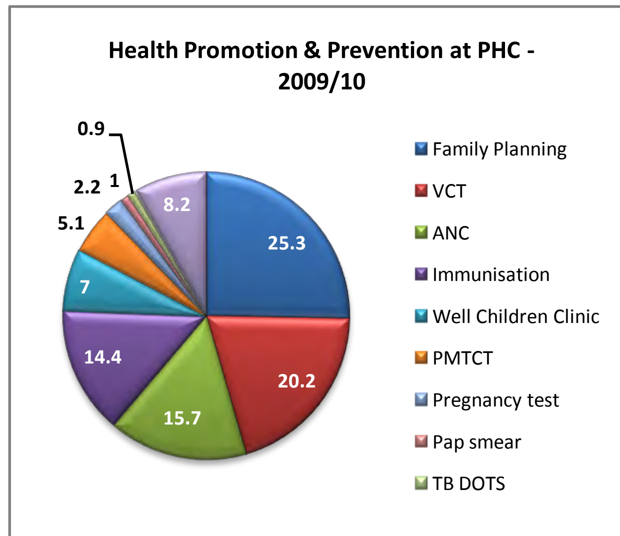


Source: KZN PHC Disease Profile

[46] KwaZulu-Natal Department of Health Disease Profile: PHC clinics and Community Health Centres – 2009, Dr A Tefera

According to the profile, 25% of people visiting PHC services for reasons other than illness came for Family Planning, followed by VCT (20.2%), antenatal care (15.7%) and immunisation (14.4%). Adolescents (15 – 19 years) comprised 11.8% of the clients utilising Family Planning, while 24% of this age group attended PHC for pregnancy related conditions. The next graph illustrates the breakdown of PHC visits for reasons other than illness.

Graph 9: PHC visits for reasons other than illness – 2009/10



Source: KZN PHC Disease Profile 2009

The PHC expenditure per uninsured person increased with R27.97 to R260.26, and the expenditure per PHC headcount increased with R6 to R95 in 2009/10.

The expenditure per patient day equivalent in District Hospitals increased from R1 441 in 2008/09 to R1 639 in 2009/10 compared with the national average of R1 511.

PROGRAMME REVIEW

SUB-PROGRAMME 2.1: DISTRICT MANAGEMENT

7 out of 11 Districts had District Managers appointed at the end of the reporting period. 10/11 Districts submitted signed off District Health Plans and 8/11 submitted approved District Health Expenditure Reviews as required by the National Health Act, 2003.

SUB-PROGRAMMES 2.2 – 2.5

Sub-Programmes include: Community Health Clinics (2.2); Community Health Centres (2.3); Community-Based Services (2.4); and Other Community Services (2.5).

Policies, Protocols and Guidelines

- Supervisors Policy.
- Guidelines for Patient Record Maintenance and Storage.
- Guidelines for the role of doctors consulting at PHC.
- Guidelines for Community Clinic Committees: Final draft.
- Provincial Policy on Clinical Governance: Concept Paper.
- Provincial Policy and Guidelines on Monitoring & Evaluation of NPO's contracted to the Department: In 2nd draft.

2009/10 Priorities

Priority 1: Expedite the prioritisation and implementation of PHC structures.

Reviewed PHC structures have not been finalised, and current structures fall short of the urgent demand to expand PHC services. This is expected to be finalised in early 2010/11.

Priority 2: Improve mobile services and PHC out-reach programmes.

There were 170 mobiles and 2,520 mobile stopping points, of which 467 points were visited twice monthly. Inclement weather and poor road infrastructure affect the regularity of visits.

Very high vacancy rates of 53.2% (596/1,663) for Medical Officers at District Health Services (including PHC and District Hospitals) impacted on out-reach services and general health outcomes. Variances in vacancy rates will be investigated as part of the revitalisation of PHC services to inform resource allocation. The project to determine minimum establishments for District Hospitals (project commenced in late 2009/10) should reduce vacancy rates and improve equity, efficiency and quality.

Clinical out-reach services improved with 274 (47%) clinics visited monthly by Dieticians and Nutritionists, 87 (15%) by Oral Health Practitioners and 320 (55%) by Therapists. Out-reach by Medical Officers was low at 244 clinics (42%) being visited weekly (against the national target of 100%) and 367 clinics (64%) being visited monthly. Sisonke 21%, Umzinyathi 32%, and eThekwini 38% reported the lowest out-reach during 2009/10. According to Persal data, the vacancy rates for Medical Officers

in these 3 districts were 71.03%, 63.08%, and 59.47% respectively which partly explains the low out-reach.

Priority 3: Expand service hours at designated clinics.

154/582 PHC clinics provided on-call services in 2009/10. Utilisation and cost will be considered in forward planning to ensure optimal utilisation of resources.

Priority 4: Improve accessibility and utilisation of PHC.

PHC services were provided in 17 Community Health Centres (CHC's) and 582 PHC clinics (including 11 new clinics completed during the reporting period, Local Government clinics, state aided clinics and gateways).

The PHC headcount increased from 23,838,854 in 2008/09 to 25,786,245 in 2009/10 (8% increase). The PHC utilisation rate remained at 2.5 visits per client per year (compared with the national target of 3.5), and the under-5 utilisation rate increased slightly from 4.4 to 4.5 visits per child per year compared with the national target of 5.

Priority 5: Strengthen supervision.

The supervision rate increased slightly from 60% in 2008/09 to 61.8% in 2009/10 which is well below the national target of 100%. Job Descriptions of PHC Operations Managers have been amended to improve supervision and the results of the 2009/10 survey on supervision (*Survey on the span of supervision in PHC services)* will be utilised to inform strategies in 2010/11.

Checklists in the Supervisors Manual have been updated to stay current with evolution of services. 92% of supervisors used the Manual in 2009/10, although compliance with quality improvement requirements needs significant improvement.

Priority 6: Establish coordination and cooperation between clinics and community-based services.

The Department funded 84 NIP sites. 25 NGO's were sub-contracted to manage Community Based Care Givers. There were 4,653 active Community Health Workers (CHW's) with 4,640 of those receiving stipends. A total of 2,352,858 homes were visited; 3,107,180 patients were served; and 221,248 patients referred for follow-up. A total of 3,839 community projects were initiated through this project.

A total of 9,724 active Home-Based Carers (HBC's) visited 2,352,858 homes serving 3,107,180 patients. 3,835 of these HBC's received stipends.

275 youth from the National Youth Service Project were recruited and trained towards the Accredited Ancillary Health Care Qualification. The Department paid the stipends and the Department of Social Development paid for the training.

There were 72,292 orphans and vulnerable children and 27,695 child-headed households in health programmes in 2009/10.

- The lack of a career path for volunteers results in unsustainable programmes.
- Monitoring & evaluation of community-based programmes is a challenge and oversight arrangements need to be finalised.
- Late or non-payment of stipends and delays in certification of learners affect the sustainability of the community-based care programme.

Priority 7: Improve access to services through the establishment of health posts.

Health posts increased from 40 in 2008/09 to 49 in 2009/10.

Priority 8: Facilitate surveys to determine patient waiting times.

Patient Waiting Time Surveys were conducted in 92% of CHC's and 90% of District Hospitals. According to District Quarterly Reports, results from these surveys indicated average waiting times of between 1 to 6 hours in PHC services. According to the General Household Survey the main complaint from PHC clients was long waiting times.

Priority 9: Improve community participation through governance structures.

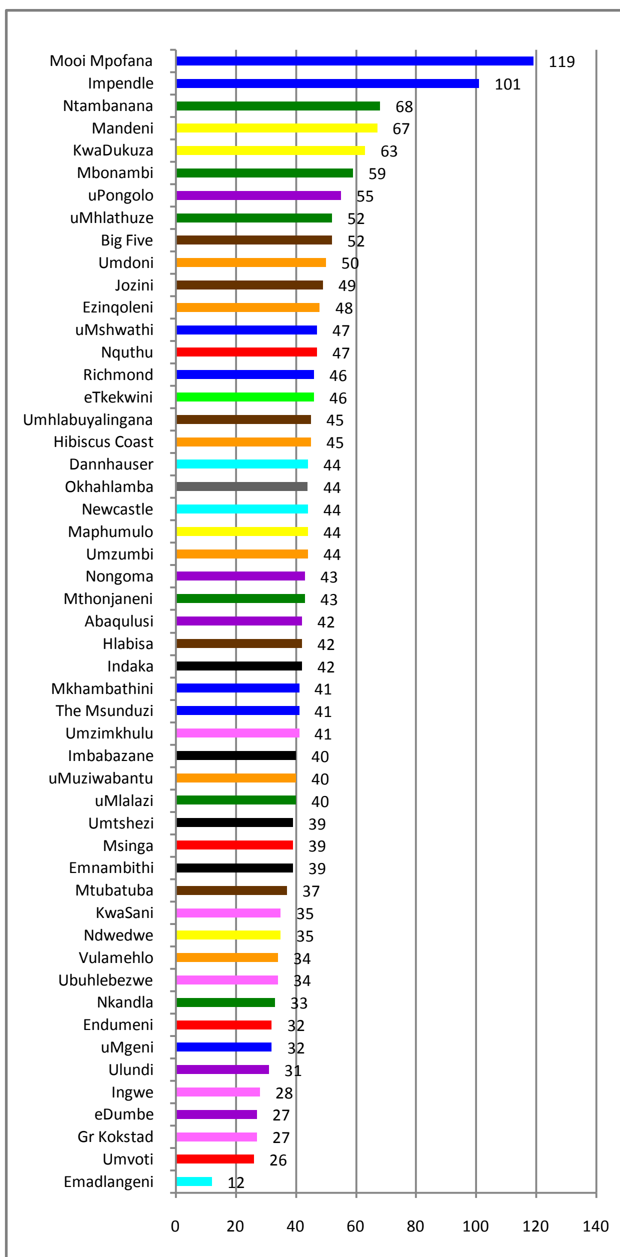
Interim Clinic Committees have been appointed in 81% PHC clinics and 81% CHC's. Appointment of governance structures, as determined by the National Health Act of 2003, commenced in 2009/10 and will continue in 2010/11. The training of Committees commenced through CUPB in 2009/10, with follow-up training through the contract with KwaZulu-Natal Progressive Primary Health Care. Operations Managers at facility level were not trained which jeopardised the effective functioning of the Committees. The final Guidelines for Committees are available for implementation.

Priority 10: Improve quality of care.

The allocation and placement of staff, taking into consideration the service volumes, burden of disease, and appropriate staffing norms forms part of the revitalisation strategy. Great variances between service points are a concern especially referring to the escalating cost due to under-utilisation of resources.

The doctor clinical workload of 17 patients per doctor per day is well below the national target of 30. High vacancy rates in District Hospitals however curtail out-reach services which will account for the low workload. The Professional Nurse (PN) workload of 43 patients per PN per day exceeds the national target of 35. Significant variances is however a concern that will be addressed through the revitalisation process.

Graph 10: Professional Nurse Workload per Municipal Area



Source: DHIS

Ugu ■; Umgungundlovu ■; Uthukela ■; Umzinyathi ■; Amajuba ■; Zululand ■; Umkhanyakude ■; Uthungulu ■; Ilembe ■; Sisonke ■; eThekwini ■

All PHC clinics and CHC's have quality assurance focal persons to facilitate the development of quality assurance plans. Improved supervision, based on the new approved policy, is expected to improve quality.

Priority 11: Recruitment and retention of critical skills.

No progress.

Priority 12: Ensure that baseline equipment is available at all levels of care.

A 2009 survey revealed large gaps in the availability of essential equipment at PHC clinics, supported by findings from the Public Service Commission Report. The equipment replacement and repair systems remained a challenge in 2009/10 resulting in extensive waiting times.

Priority 13: Establish a component and strategy for Traditional Medicine.

An officer has been transferred to the programme in 2009/10 and development of the strategy commenced. Consultation with Practitioners improved and the training programme at the University of KZN has been well received.

The PEPFAR (United States President's Emergency Plan for Aids Relief) Project on the collaboration of Biomedical and Traditional Healing in the prevention of HIV is ongoing. Traditional Health Practitioners (THP's) are being trained on basic HIV and AIDS information; prevention of infections (including STI's using traditional methods of prevention); assessment of clients for referral to health facilities; condom education; PMTCT; HCT and record keeping. A total of 1,200 THP's were trained in three districts i.e. Ilembe, eThekwini and uMgungundlovu.

iTeach (based at Edendale Hospital) in collaboration with ATIC, trained THP's as HIV and AIDS Master Trainers. KZNPPHC is coordinating a similar programme in Ilembe.

Priority 14: Strengthen the Community Health Worker Programme.

The CHW Programme was decentralised and 25 district-based NPO's were contracted to improve supervision. Supervision was improved with a ratio of 1 supervisor per 25 CHW's, and an additional 25 CHW Facilitators were appointed to ensure more effective coordination of activities.

Data elements for the CHW Programme have been aligned with DHIS, and the monitoring & evaluation tools reviewed to ensure more effective reporting on performance information. Both the monitoring and the supervision tools include risk mitigation

aspects at different levels of care to ensure a more pro-active response to challenges.

The Department improved access to a web-based dataset that is in line with the EPWP requirements for reporting. *See Priority 6 for additional information.*

- **Priority 14: Readiness for the 2010 FIFA World Cup including emergency care, isolation facilities and equipment.**

Dedicated Communicable Disease Control Unit/Structure to coordinate and manage Communicable Disease Control activities and programmes.

Dedicated CDC Coordinators have been appointed in 9 of the 11 districts.

Alert and effective disease surveillance system.

All districts have implemented the early warning case log book system to investigate all rumors or suspected cases/outbreaks. The new draft of the Notifiable Medical Conditions Regulations has been disseminated with training. The notifiable medical conditions data base is still non-functional and a temporary excel database have been developed in the interim.

Provide a fully operational epidemic preparedness and outbreak response system.

The Provincial and District CDC teams were all trained on Epidemic Preparedness (EPR) and Outbreak Response (OBR) further enhanced with a two week training course in Field Epidemiology. Plans are in place at Provincial and District levels.

EPR/OBR Committees and teams have been appointed at Provincial and District levels and were all tested and fully functional during the H1N1 and measles outbreaks in 2009/10.

Guidelines are in place for Anthrax, Cholera, Hepatitis, Avian Flu, H1N1 (Swine flu), Leprosy, TB, VHF's, Measles, Tetanus, AFP, Polio, Plague, Malaria, SARS, Meningitis, Food Poisoning and Rabies.

Training courses have been conducted on Food Poisoning and H1N1, and training updates have been conducted for EPR/OBR, Rabies, Meningitis, Avian Flu, Measles, AFP, Cholera, Shigella and Typhoid.

Provide isolation facilities and infection control practices/strategies to manage and control any highly contagious or infectious diseases such as VHF's, SARS and Avian Influenza.

Border line risk assessments have been completed and all risk areas for disease importation have been identified. Strategically located facilities have been identified and are on full alert. All areas are part of the enhanced surveillance systems.

The design of the isolation facilities has been completed and construction has started on the 3 identified facilities namely Addington, Ngwelezane and Manguzi Hospitals. Completion is scheduled for the first week of June 2010.

Provide disease importation control by vaccine control strategies (Yellow Fever).

The Yellow Fever vaccine is only available in the private sector at the moment.

The Healthy Lifestyle Component was part of 14 expert working groups that made up the KwaZulu-Natal 2010 FIFA World Cup Health Steering Committee. Promotional material including pamphlets/ flyers on H1N1, posters on HIV & AIDS, Hand Washing, Healthy Lifestyles, Food Safety, TB, Healthy Lifestyle cards, an A3 Tourist Brochure that includes several health messages, important contact numbers of service providers, disaster management hospitals and a map outlining the 11 health districts have been widely distributed.

Youth Ambassadors employed by the Department were used to execute Health Promotional tasks during the World Cup.

- Transfer of Personal Health Services from Local Municipalities to the Provincial Department of Health has not been finalised.

COMMUNICABLE DISEASES CONTROL

2009/10 Priorities

- **Priority 1: Establish isolation wards.**

See information under Primary Health Care - Priority 14.

Food poisoning (26%), suspected measles (14%), and bilharzia (12%) were the most common notified conditions in 2009/10. There is still significant under-reporting of measles data to CDC mainly due to vertical systems being implemented by Programme Managers.

CHRONIC DISEASES & GERIATRICS

2009/10 Priorities

Priority 1: Improve the cataract surgery rate.

Targets for cataract surgery could not be met due to financial and human resources constraints and the reduction of elective surgery as part of the cost containment measures. The average waiting time for surgery increased to 6 - 12 months in 2009/10.

The cataract surgery training for Medical Officers was discontinued as a result of the high complication rate.

Table 15: Cataract Surgery Rate 2007 - 2009

Year	Cataract Operations	Cataract Surgery Rate Target	Cataract Surgery Rate
2007	8,154	1,400	1,057
2008	8,217	1,600	1,082
2009	**7,924**	**1,800**	**1,003**

Source: Chronic Diseases Programme. Data is inclusive of surgeries performed by private partners and reported directly to the Chronic Diseases Programme (not reported in DHIS).

Table 16: Cataract Surgery Output per District 2009

District	Target	Actual	Deviation
Ugu	1,050	381	-669
Umgungundlovu	1,383	1,268	-115
Uthukela	980	88	-892
Umzinyathi	681	431	-250
Amajuba	698	438	-260
Zululand	1,199	0[47]	-1,161
Umkhanyakude	855	402	-453
Uthungulu	1,321	965	-356
Ilembe	835	422	-413
Sisonke	682	1,087	+405
eThekwini	4,608	2,442	-2,166
KZN	**14,291**	**7,924**	**-6,326**

Source: Chronic Diseases Programme. Data is inclusive of surgeries performed by partners and reported directly to the Chronic Diseases programme (not reported in DHIS).

Refractive services are not available in all districts mainly because current post establishments only make provision for Optometrists at Regional and Tertiary Hospital level. The high Optometrist vacancy rate of 62.2% compromised delivery.

The Giving Sight Project employed 4 Optometrists and donated equipment to the value of R1 million to Sight Saver Hospitals to improve access. 600 PHC Nurses had been trained on primary eye care, contributing to the screening of 21,870 patients of which 9,753 received glasses in 2009/10.

The Mahatma Ghandi Memorial Hospital renders eye care services in collaboration with the Giving Sight Project. The project provided a full time Optometrist to the hospital, and the ICEE provided equipment to ensure free screening services. The ICEE, with the Bureau for the Prevention of Blindness, conducted 208 cataract surgeries in 2009/10.

The KZN Eye Care Coalition seconded an Ophthalmologist from the United Kingdom to train Registrars on Small Incision Cataract Surgery (SICS). A theatre was made available for two days per week where two registrars from UKZN conducted cataract surgery. The ICEE donated R300 000 to the project for portable cataract operation equipment to be used via Air Mercy services.

The Child Eye Care Project developed a vision screening model where the training of community-based vision screeners catapulted the role of Community Health Workers to the centre stage. A total of 237,556 children were screened and 1,900 received spectacles through the Child Eye Care Project in 2009/10.

13 Sight Saver Hospitals provided services in the Province, although all hospitals were not able to provide the full package of eye care services due to the lack of resources.

Priority 2: Define the service delivery platform and package of services for eye care.

This has not been achieved and will be addressed as part of PHC revitalisation.

Priority 3: Improve systems for chronic care.

Active screening for chronic illnesses at all levels of care improved early detection of chronic conditions. Hypertension,

[47] Cataract surgeries referred to Ngwelezane Hospital

diabetes and asthma are still the most common chronic illnesses in the Province. According to the PHC Disease Profile[48] hypertension (12.4%) is the most common condition seen at PHC level.

The number of new hypertension cases increased from 75,164 in 2008/09 to 84,183 in 2009/10 (+11.9%). New diabetes cases decreased with 5.9% to 32,372 in 2009/10. Improved detection and screening will increase numbers and have a significant impact on effective management.

A model for the supply of chronic medication is being piloted in the eThekwini Metro to reduce patient waiting times. *Details of this project have been included in Programme 7 – Pharmaceutical Services (Priority 3)*.

Promotion of active ageing is being implemented through Inter-sectoral collaboration with other departments and NGO's. The Department hosted the first parliament for Senior Citizens in 2009 where the Provincial structure was launched.

- **Priority 4: Improve quality of chronic care.**

Diabetes awareness and screening improved through partnerships with Novo Nordirks and the South African Sugar Association. Amputee clinics are functional at King Edward Vlll, Addington, Prince Mshiyeni War Memorial, RK Khan and Clairwood Hospitals and the Phoenix Assessment Therapy Centre. A total of 350 amputations were done on people with diabetes in 2009/10.

HEALTHY LIFESTYLES

2009/10 Priorities

- **Priority 1: Develop and implement an integrated strategy for the delivery of key health messages.**

The National Integrated Health Promotion Strategy has not been finalised for implementation. Health information material were distributed to 7,422 outlets (including schools, Department of Education Resource Centers, taxi ranks, churches and other government departments) to increase awareness.

- **Priority 2: Expand the Health Promoting Schools (HPS) Programme.**

Assessment and accreditation of HPS's were fast-tracked through effective partnerships. The HPS database (developed in-house) was finalised in 2009/10 to improve monitoring and reporting.

Table 17: Health Promoting Schools per District 2009/10

District	Implement	Accredit	Launch
Ugu	80	19	16
Umgungundlovu	81	14	6
Uthukela	18	17	13
Umzinyathi	108	20	11
Amajuba	20[49]	32	20
Zululand	742	16	11
Umkhanyakude	13	5	5
Uthungulu	67	24	15
Ilembe	104	11	5
Sisonke	41	7	7
eThekwini	105	5	4
KZN	**1,379**	**170**	**113**

Source: Healthy Lifestyles Programme database.

All HPS's implemented sustainable programmes using HIV & AIDS board games; "Kids & Care" diabetes books for children with diabetes (sponsored by partner in the Western Cape with funding from the Netherlands); and establishing food gardens.

- **Priority 3: Expand the Health Promoting Clinic Programme.**

The following table compares district performance during the reporting period.

Table 18: Health Promoting Clinics per District – 2009/10

District	Implement	Accredited
Ugu	9	0
Umgungundlovu	23	0
Uthukela	6	0
Umzinyathi	4	2
Amajuba	5	3

[48] Dr A Tefera, KwaZulu-Natal PHC Disease Profile 2009

[49] Refers to new schools implemented the HPS concept – not taking into consideration the previously accredited or launched schools

District	Implement	Accredited
Zululand	15	0
Umkhanyakude	4	0
Uthungulu	4	0
Ilembe	4	0
Sisonke	10	0
eThekwini	4	0
KZN	**88**	**5**

Source: Healthy Lifestyles database

Health Promoting Homes, linked with HPS and clinics, are implemented in 4 districts.

- Ugu (16) linked the programme with HPS's.
- Umzinyathi (9) linked the programme with the Premier's Flagship Programme.
- eThekwini (30) linked the programme with the Premier's Flagship Programme.
- Umgungundlovu (7) is in the development phase.

Priority 4: Strengthen inter-departmental collaboration to improve healthy lifestyles.

The Provincial Healthy Lifestyle Forum is active and comprise of members from the legislature, non-governmental organisations, other government organisations and health programmes. The Forum seeks to explore the use of private/public partnerships in line with the statement made by the President in the State of the nation address; explore trend towards meeting the targets of the Millennium Development Goals; and create healthy and sustainable communities through partnerships.

The annual Essay Writing Project, aimed at re-enforcing relevant health themes in schools (as part of the curriculum), was implemented in 132 schools in 2009/10. The South African Sugar Association (SASA) and Department of Education Virgin Active supported the project in Area 2, and the Paraffin Safety Association of Southern Africa (PASASA), the Department of Education and Department of Sports & Recreation supported the project in Area 3.

- The lack of an integrated Health Promotion Strategy (national framework still in draft) resulted in duplication, missed opportunities and increased costs.

ORAL HEALTH

2009/10 Priorities

Priority 1: Revise the Oral Health strategy.

The Provincial strategy will be aligned with the national strategy expected to be finalised by October 2010.

Priority 2: Define the service delivery platform and package of services for Oral and Dental Health.

Free services at Primary Health Care level includes:

- Examination and charting;
- Bitewing and periapical radiographs;
- Scaling, polishing and oral hygiene instruction and education;
- Simple (1-3 surface) fillings; and
- Emergency relief of pain and sepsis, including dental extractions.

At District level (in addition to the above) a fee paying service is available for:

- General anesthetic facilities for children;
- Provision of dentures; and
- Minor oral surgery.

At Central Hospital level a service is provided for:

- Treatment of cranio-facial deformities and repair of cleft lip and palate for adults and children.

Priority 3: Service Delivery Platform.

The service delivery platform will be addressed as part of the revitalisation of Provincial services.

Priority 4: Improve the tooth restoration rate.

The extraction to restoration ratio increased from 25:1 in 2007/08 to 29:1 in 2009/10. This is due to various reasons from patient apathy to inadequate human and financial resources. The use of National RT Tenders to procure dental instruments, material and consumables was approved in November 2009.

The Child Oral Health Centre at Imbalenhle Clinic continues to thrive and can be used as a best practice model.

MENTAL HEALTH & SUBSTANCE ABUSE

Policies, Protocols & Guidelines

The following policies are in draft:

- Seclusion and Restraint Policy;
- NGO Policy;
- Integration Policy;
- Dual Diagnosis Policy; and
- EAP Substance Abuse Policy & Guidelines.

2009/10 Priorities

- **Priority 1: Prioritise seclusion rooms for safety of patients and staff.**

All District Hospitals and 3 Regional Hospitals were providing 72 hour assessments in the Province. The limited bed allocation for psychiatric users (2%) and seclusion rooms that are not designed according to National specifications jeopardised implementation of the Mental Health Care Act.

- **Priority 2: To improve services for substance abuse.**

A Provincial Drug Master Plan has been developed and provides the framework for service delivery with regards to the promotion, prevention, treatment and aftercare of substance abusers. The Provincial Protocol on Detoxification has been developed and a Dual Diagnosis Policy is in draft which will serve to regulate management of these patients.

The minimum standards for in-patient treatment centres are being piloted in 3 centres in the Province in partnership with the Department of Social Development. The Ke Moja Substance Abuse Prevention Training Programme was conducted in all districts and capacitated 75 Primary Health Care workers, Community Health Workers and Youth Ambassadors to commence with prevention programmes in schools.

The Department has funded R12 003 000 for 29 NGO's that deliver residential care, day care, half-way house facilities and psycho-social clubs to mental health care users. Licenses were awarded to 5 unfunded organisations.

- **Priority 3: Develop a Mental Health Information System.**

The Information management pilot project, in partnership with the University of Cape Town, was completed in 2009/10. Indicators for Mental Health and Substance Abuse have been accepted onto the DHIS to improve recording and reporting of mental health performance.

Four (4) Mental Health Review Boards was established and oriented by the MEC for Health in 2009/10. Training was conducted in October 2009.

Seven Regional Hospitals have functional Psychiatric Units i.e. Addington, King Edward VIII, Mahatma Ghandi Memorial, Prince Mshiyeni War Memorial, RK Khan, St Francis and Ngwelezane Hospitals.

There are 7 Specialised Psychiatric Hospitals in the Province situated in Umgungundlovu (3), Sisonke (1), Amajuba (1), and eThekwini (1). Distribution of the hospitals and inadequate step-down facilities might contribute to the delay in shifting from custodial to community care. The Provincial mental health bed norms of 139 beds for District Hospitals and 75 for Regional Hospitals are under review.

The Provincial Forensic Mental Health Forum, inclusive of the South African Police Service, Department of Correctional Service, Department of Justice and the Department of Health has been established to address challenges in managing awaiting trial detainees and State Patients.

The two Child and Adolescent Units at King George V and Town Hill Hospitals are ready for commissioning. At present Psychiatrists and Psychologists are providing outreach services to 14 clinics. Two Private Hospitals have been licensed to provide electro convulsive therapy.

REHABILITATION & DISABILITY

2009/10 Priorities

- **Priority 1: Improve the provision of assistive devices i.e. wheel chairs, hearing aids and white sticks.**

A total of 2,302 wheelchairs (including 2 motorized wheelchairs issued in Zululand), 851 hearing aids and 500 white canes were issued at district level.

Departmental guidelines for assistive devices prioritise children and the working indigent adults. The non-finalisation of the Provincial wheelchair and hearing aid tenders created significant delays in ordering of assistive devices.

The Department has 23 wheelchair repair sites that provide free services for indigent patients for the repair of their wheelchairs,

thus minimizing the need to replace broken wheelchairs with new issues.

- **Priority 2: Improve physical access to facilities.**

Due to financial constraints only 3 hospitals made the necessary adjustments in 2009/10 to improve access – cumulative total of 41 hospitals.

- **Priority 3: Training & development of health workers and people with disabilities.**

The Disability and Rehabilitation Programme is working with the Human Resources Development (HRD) Unit to train and upgrade Physiotherapy and Occupational Therapy Assistants in the Department to mid-level workers as per the Human Resources for Health Plan. The Occupational Therapy top-up training (upgrade assistants to technicians) has commenced with UKZN.

Concerted efforts were made to increase health worker's understanding of disability, disability language and etiquette, effective management of disability in the workplace, improving services for persons with disability and disability and HIV management in the public sector. Workshops have been conducted for HR and EAP personnel, social workers and other health care providers. An average of 52 health care providers attended these sessions. Orientation, mobility and independence training is provided to visually impaired persons on a monthly basis.

Twenty (20) persons with disabilities were trained as Lay Counselors in HIV & AIDS management. The Msunduzi and Umgungundlovu District Municipalities were assisted with the drafting of their Disability Management Plan.

A total of 7 Professional Nurses at Hlabisa Hospital were trained on Common Ear Pathologies by the hospital Speech and Language Therapist. Home Based Carers (70) received in- service training by the Mseleni Rehabilitation Team on support of stroke patients and their families at home.

A total of 173 blind and partially sighted clients in Zululand were trained on orientation and mobility with the help of facilitators from the Natal Blind and Deaf Society.

A total of 80 health care workers in eThekwini were trained in sign language – targeting PRO's, Social Workers, Therapists, Help Desk Personnel and Admission Clerks. Addington and Hillcrest Hospitals embarked on back education (lifting techniques) for nursing staff including students to reduce back injuries for employees.

Therapists from all institutions in Ilembe have been trained on orientation and mobility, and training on disability and rehabilitation has been conducted for Community Health Facilitators for Home Based Care services.

- **Priority 4: Motivate for the provision of human resources especially Therapists.**

The Department gets an average of 150 Community Service Therapists per year (Physiotherapy, Speech Therapy and Audiology and Occupational Therapy). This has significantly improved access to services for persons with disabilities, those at risk and their families.

The level of posts (level 6) does not attract and retain therapists. There is still an exodus to Department of Education (higher salary levels), shorter hours and benefit with school holidays. Provinces such as Eastern Cape are also attracting Therapists with higher post levels.

The Department has employed 22 Community Based Workers through a Service Level Agreement to improve access to services for persons with disabilities in their community and homes using the community based rehabilitation approach.

MATERNAL, CHILD & WOMEN'S HEALTH

2009/10 Priorities

- **Priority 1: Reduce child deaths from preventable causes.**

The ASSA2003[50] estimated the Provincial under-5 mortality rate at 88.4/1000 live births, and the infant mortality 56.5/1000 live births in 2009/10.

ChIP (Child Healthcare Information Programme) is implemented by 32 hospitals to improve the monitoring of child health in institutions.

The Department prioritised the implementation of the Integrated Management of Childhood Illnesses (IMCI) at PHC and hospital levels. The fixed facilities implementing IMCI increased from 82% in 2008/09 to 96% (558 PHC facilities) in 2009/10. The Community Component is implemented in 31 Local Municipalities which increased access to basic health messages at household level.

[50] Actuarial Society of South Africa

Acute Flaccid Paralysis (AFP) case detection improved with 115 cases detected in 2009/10 (target of 66 cases per calendar year). A total of 92/115 (80%) cases were fully investigated.

A total of 5,950 suspected measles cases were reported in 2009/10, of which 1,767 were confirmed measles. The following table summarises the number of confirmed measles cases per district against measles 1 and 2 coverage.

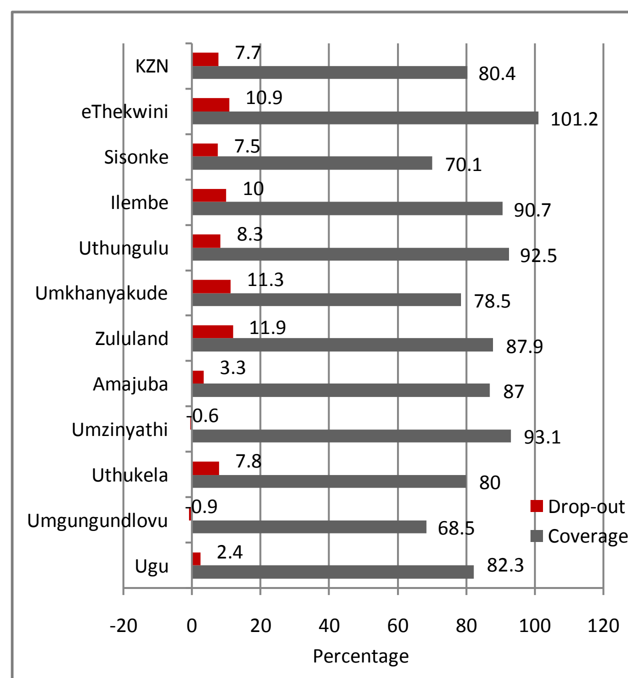
Table 19: Measles coverage versus confirmed measles cases

District	Measles 1	Measles 2	Confirmed Measles cases 2009/10
Ugu	82.3	81.2	11
Umgungundlovu	68.5	68.6	453
Uthukela	80	73.2	109
Umzinyathi	93.1	95.1	59
Amajuba	87	82.7	151
Zululand	87.9	78.4	137
Umkhanyakude	78.5	69.2	364
Uthungulu	92.5	84.3	116
Ilembe	90.7	80.7	7
Sisonke	70.1	67.3	16
eThekwini	101.2	89.4	231
KZN	**87.3**	**80.5**	**1,767**

Source: DHIS

The measles coverage for children under 1 year decreased with 4.1% to 80.4% in 2009/10. Four districts exceeded the national target of 90% and 3 districts reported coverage of less than 80% as illustrated in the following graph.

Graph 11: Measles coverage & drop-out rate

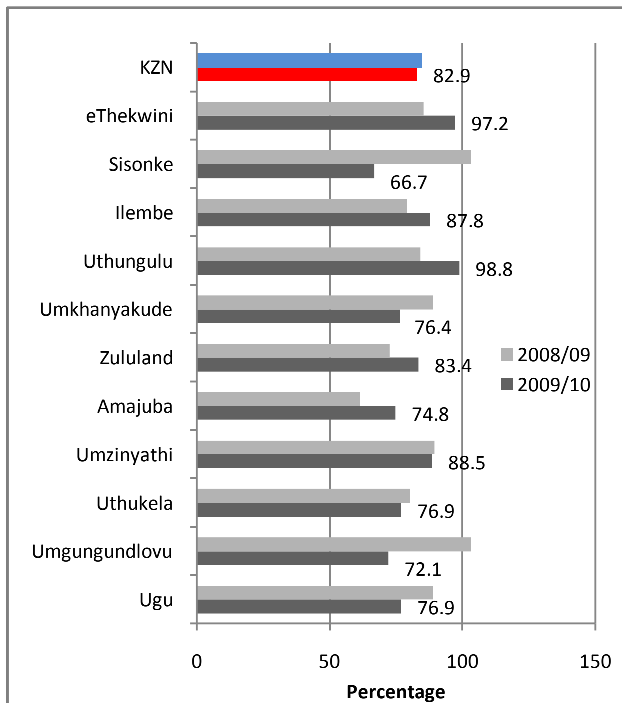


Source: DHIS

The immunisation coverage under 1 year decreased by 2.1% to 82.9% in 2009/10. Six districts reported coverage below 80% and two districts (eThekwini and Uthungulu) exceeded the national targets of 90% as illustrated in the next graph.

Implementation of the Reach Every District (RED) strategy (9 districts) proved effective in improving immunisation coverage. Immunisation coverage in eThekwini improved from 67% in 2005/06 (before implementation of the RED Strategy in 2005) to 97.2% in 2009/10. The coverage in Ilembe improved from 75% in 2005/06 (before implementation of RED in 2006) to 87.8%.

Graph 12: Immunisation Coverage



Source: DHIS

Pneumonia and diarrhoea are the two leading causes of morbidity and mortality in children under-5 years. During 2009/10, the number of children under-5 years reporting to public health services with diarrhoea with dehydration increased from 46,511 in 2008/09 to 50,471 (+8.5%). Of these, 9,092 (18%) children were admitted.

The number of pneumonia cases in children under-5 years seen at public health facilities increased from 194,914 in 2008/09 to 209,920 (+7.6%) in 2009/10. Of these, 8,924 (4.2%) children were admitted.

The Department introduced the Pneumococcal Conjugate Vaccine in April 2009 and the Rotavirus Vaccine in August 2009. Table 7 reflects the Pneumococcal and Rota virus coverage per district. Diarrhoea and pneumonia profiles will be monitored to determine the impact on health outcomes.

Table 20: PCV 1 and RV 1 coverage per district

District	PCV 1	RV 1
Ugu	74.4	54.6
Umgungundlovu	67.1	46
Uthukela	77.2	59.5
Umzinyathi	85.3	60.1
Amajuba	76.5	51.2
Zululand	76.5	58.4
Umkhanyakude	65.7	47.1
Uthungulu	76.7	50.6
Ilembe	88.5	62.9
Sisonke	56.1	40.2
eThekwini	78.9	66.2
KZN	**76%**	**58%**

Source: DHIS

There were 56 Birth Defect reporting sites in the Province with specialised services available in all Regional Hospitals.

Priority 2: Improve the quality of antenatal care.

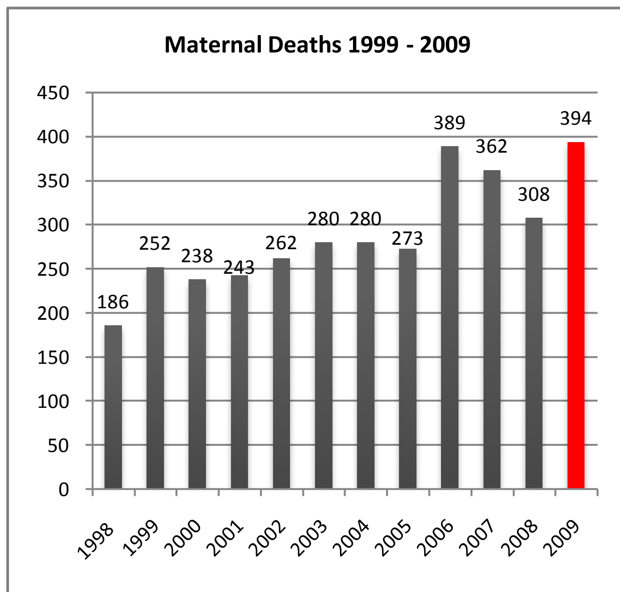
Early booking for antenatal care (before 20 weeks) improved slightly from 32% in 2008/09 to 34.3% in 2009/10, with the lowest reporting in Umzinyathi, Uthungulu and Sisonke Districts. Approximately 42% of women attended ANC at least 5 times during their pregnancy. The Basic Antenatal Care (BANC) package to improve antenatal care services was implemented in 84% of facilities in 2009/10.

Priority 3: Improve the quality of intra-partum care.

A total of 394 maternal deaths were reporting during the reporting period compared with 308 in 2008/09. According to the Confidential Enquiry into Maternal Deaths 2004 – 2007 Report, the leading causes of death were non-pregnancy related infections (49%) with AIDS contributing to 18% of deaths, hypertension 12% and obstetric haemorrhage 8.3%. Maternal health campaigns were conducted in all the districts to raise awareness regarding issues of maternal health.

The following graph reflects the number of maternal deaths reported for the period 1998 to 2009. The late reporting of deaths results in fluctuating numbers.

Graph 13: Reported maternal deaths 1998 - 2009



Source: Confidential Enquiries into Maternal Deaths; DHIS

According to DHIS data, 87% of deliveries were in health facilities during the reporting period. Inadequate transport, poor health seeking behaviour and inadequate distribution of health facilities were considered the main reasons for women still delivering at home.

- **Priority 4: Improve the quality of care of the newborn.**

The facility perinatal mortality rate decreased slightly from 30/1000 in 2008/09 to 29.4/1000 live births, and the neonatal mortality rate showed a significant decrease from 10.2/1000 in 2008/09 to 4.8/1000 live births in 2009/10. This is however not considered an indication of the overall mortality in the Province.

A total of 31 hospitals provide regular reports on the Perinatal Problem Identification Programme (PPIP) and 14 submitted complete monthly reports.

- **Priority 5: Improve the quality of postnatal care.**

42% of women and babies attended postnatal care within 6 weeks of delivery in 2009/10.

- **Priority 6: Reduce mother to child transmission of HIV.**

The proportion of HIV exposed babies who tested PCR positive was 10.1% according to DHIS data. A study conducted by the Centre for Rural Health (2008/09), reported a reduction in the mother to child transmission rate from 20.8% in 2004/05 to as low as 4.3% in one district and 7% on average in the study sites.

The baby cotrimoxazole uptake was 74.6% (AZT discontinued due to policy changes); Nevirapine newborn uptake rate was 88% (compared with national target of 70%); Nevirapine uptake for antenatal clients decreased from 85% in 2008/09 to 80% in 2009/10.

- **Priority 7: Reduce maternal deaths due to HIV and AIDS.**

99% of ANC clients were pre-test counselled for HIV, 93% were tested and 29% tested positive for HIV.

- **Priority 8: Increase the uptake of contraception.**

The women year protection rate decreased from 23% in 2008/09 to 22.5% in 2009/10. The Department commenced with the implementation of a contraceptive strategy to improve uptake. A survey will be conducted in 2010/11 to determine the reasons for the low uptake of contraception in spite of the service being available in 100% facilities.

The institutional delivery rate for women under the age of 18 years decreased from 9.4% in 2008/09 to 8.5% in 2009/10 which is lower than the national target of 13%.

- **Priority 9: Prevent maternal deaths as a result of unsafe termination of pregnancy.**

37.5% (21/56) designated public health facilities offered termination of pregnancy services in 2009/10. A total of 15 providers were trained as Choice on Termination of Pregnancy Practitioners and 2 as Trainers.

According to the 2004-2007 Maternal Death Report, septic abortion accounted for 3.6% of maternal deaths compared with 3.2% in 2002-2004. To this end, septic abortion showed an increase of 57.7% (305 – 317) between 2007/08 to 2009/10 and incomplete abortions 33.6% (11,343 – 11,840) during the same period.

- **Priority 10: Provide comprehensive care and management for sexual assault survivors.**

Post exposure prophylaxis (PEP) services for sexual assault are available at 100% of hospitals and 82% of CHC's in the Province. Two Thuthuzela Centres were operational in 2009/10 with an additional 6 planned.

The number of sexual assault cases reporting to health facilities increased by 854 to 8,472 in 2009/10. During the same period, 39% (3,304) of new cases were children under the age of 12 years. A total of 4,429 (52.2%) new clients received PEP. One of the main concerns is the late reporting to health facilities (after

72 hours) which impact on effective management and prevention strategies.

- **Priority 11: Reduce deaths from cervical cancer.**

The Department launched the Phila Ma project in 2009/10 to improve screening and management of cervical and breast cancer. Cervical cancer screening coverage improved significantly from 0.5% in 2008/09 to 5.9% in 2009/10.

The smear adequacy rates are still very low at 68% (against target of 90%) which increased the cost and treatment outcomes.

TUBERCULOSIS

2009/10 Priorities

- **Priority 1: Implementation of the Provincial TB Crisis Management Plan.**

A total of 118,000 new TB cases were reported in 2009, with a TB incidence of 1,156/100 000 population - compared with 600-700/100 000 population[51] nationally.

The TB treatment interruption rate decreased with 1.8 percentage points to 8.1% in 2009/10. The defaulter rate ranged between 1% in Umzinyathi to 12% in eThekwini.

The TB cure rate increased with 0.9 percentage points to 62.9% in 2009/10 which is still far below the national target of 85%. The new smear positive PTB cases cured at first attempt increased from 55.5% in 2008/09 to 62.9% compared with the national target of 60%. Variation between districts ranged between 54% in Umkhanyakude and eThekwini to 83% in Umzinyathi District.

There were 77 microscopy sites (54 laboratory sites and 23 stand alone sites) in 2009/10. Only 58% of facilities reported a turn-around time of less than 48 hours for TB sputa specimens, mainly attributed to inadequate daily transport and the increasingly high workload at laboratories. An SMS system is being installed and all facilities with cell phone reception will be operational by March 2011. The NHLS is implementing a transport system to all facilities (5 days a week) – expected by March 2011.

The suspect register was implemented in 94% of facilities and 60% of facilities have effective patient tracking systems in place. A total of 752 facilities are on the TB reporting system including provincial, local government, state aided and private hospitals, prisons, SADF, etc. The current ETR.Net software platform is an access programme that cannot cope with the size of the KZN database resulting in constant corruption and loss of data. The new sequel server software programme is due in July 2010.

During 2009/10, a total of 11,298 TB patients were tested for HIV and 25% of HIV-positive TB patients put on ART. 67% of HIVTB co-infected patients were on cotrimoxazole preventive therapy.

- Stock-out of TB medicines due to challenges with national tender systems; no buffer stock of TB medicines (6 months buffer stock recommended by the WHO); insufficient budget and storage space.

MDR and XDR TB increased with 7.7% and 73.3% respectively as shown in the following table.

Table 21: MDR and XDR TB 2000 - 2009

YEAR	MDR TB	XDR TB
2000	205	1
2001	273	4
2002	391	7
2003	481	6
2004	467	6
2005	555	35
2006	690	83
2007	1,128	168
2008	1,372	109
2009	1,478	189
Total	**7,040**	**608**

Source: TB Programme

Beds for MDR TB increased from 240 in 2005 to 826 in 2009 - 204% increase. Cases still exceed available beds with a significant shortfall of 121 beds. The shortfall resulted in an average waiting list of 150 – 190 patients and an average waiting time of 3 to 6 weeks.

The Community-Based MDR TB Management Project was expanded although the pace is dependent on appointment of tracing and injection teams. Injection teams are functional at M3 Greytown (10 teams), Manguzi (1 team) and Hlabisa (2 teams).

[51] Tuberculosis Strategic Plan for SA, 2007-2011 - DOH

- **Priority 2: Developing effective information systems for TB, MDR and XDR TB.**

The MDR TB reporting and recording registers were implemented in 2008, and the MDR EDR (Web-Based MDR TB Electronic Register) in July 2009. Due to internet connection challenges, only 4 of the 5 MDR TB treatment sites implemented the EDR in 2009/10. The TBHIV component of the ETR.Net is not functional. All data is collected and collated manually which impacted on data quality.

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ENVIRONMENTAL HEALTH

2009/10 Priorities

- **Priority 1: Develop capacity and systems to implement the Hazardous Substances Act.**

Due to the moratorium on the filling of posts the necessary posts could not be filled to implement the intended strategy.

- **Priority 2: Improve food safety management.**

The Food Safety Protocol, which defines the roles and responsibilities of Environmental Health Practitioners, Organizers of Events, Food Handlers, Caterers and other relevant role players, was developed and approved for implementation in April 2009.

A training programme on the Food Safety Protocol was rolled out to all Environmental Health Practitioners (EHP's) in Districts from May to October 2009. The training covered all aspects relating to safe food preparation, handling storage, transportation and the 5 Keys to Safe Food (WHO concept) aimed at ensuring that Safe Food preparation is easier to understand.

- **Priority 3: Strengthen the implementation of the Malaria Elimination Strategy in support of the Africa Malaria Elimination campaign.**

The implementation of different malaria control intervention strategies, including Vector to Parasite Control, Surveillance to Health Promotion, contributed to the low incidence of malaria. A total of 348 cases with 1 death were reported in 2009/10 as compared with 429 cases and 4 deaths in 2008/09. Successful implementation of the strategy achieved a reduction of 18% in morbidity and 75% in mortality.

The Millennium Development Goal to halve malaria morbidity and mortality by 2010 was exceeded. This clearly denotes the need to sustain and strengthen the control measures in order to transform the Provincial **Malaria Control Programme into Malaria Elimination Programme** in line with the SADC Health Minister's agreement in support of the Africa Malaria Elimination Campaign.

The indoor residual spraying coverage for malaria increased from 86% in 2007/08 to 93% ensuring that more than 280,000 people in malaria risk areas were protected from malaria. More than 26,700 community members at household and facility level were seen during malaria health promotion activities.

A Provincial Malaria Programme Review was conducted in collaboration with the National Malaria Control Programme, Global Malaria Control Programme, MRC-Malaria Lead Programme, NICD Vector Control Reference Unit and other Malaria Experts. The purpose of the review was to identify major achievements, best practices and lessons learnt, critical issues, priority problems and investigate the causes of the problems and propose solutions. Review results will allow programme re-design to achieve better performance regards access, equity, coverage, quality and impact in terms of employing the recommended malaria key intervention strategies.

The National Malaria Control Programme is in the process to finalise the country Malaria Elimination Strategy in consultation with the Provincial Malaria Control Programme.

The Malaria Control Programme has difficulty in recruiting and retaining Entomogists due to low salary levels and private sector demand.

- **Priority 4: Improve Health Risk Waste Management.**

A Policy for the Management of Health Care Risk Waste in the Province was developed and approved for implementation by the Head of Department.

A Provincial Waste Management Committee was established to facilitate the establishment of Waste Management Committees in all Districts. Training to facilitate effective roll-out of the policy was not approved due to cost containment measures and districts were advised to roll out the Policy without the training.

The current Health Care Risk Waste Management contract must be reviewed and updated (new tender) to cater for the new legislative developments in the country and the Province. It therefore follows that the state of the management of health care risk waste in the Province has not been improved. Basic training has been undertaken in all Districts to implement the Policy. Time-frames were agreed upon for the Districts to

facilitate the establishment of Waste Management Committees in all the Department's institutions.

- Unreliable household data compromised performance monitoring.
- Delayed implementation of the Health Care Waste Management Plan. Training was postponed as a result of cost containment.

Challenges with the transfer of Municipal Health Services to district and metropolitan municipalities were not resolved in 2009/10. The Premier's Technical Coordinating Forum in collaboration with the Department of Health, Provincial Treasury and Local Government and Traditional Affairs is still dealing with issues pertaining to funding and allocation to municipalities.

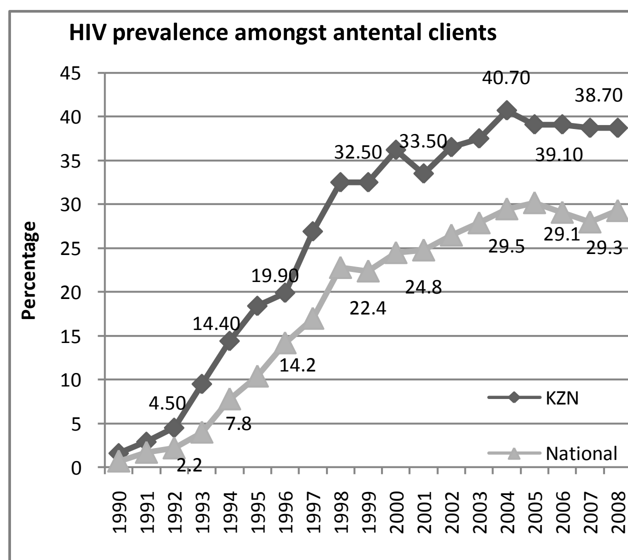
SUB-PROGRAMME 2.6: HIV, AIDS AND STI's

2009/10 Priorities

Priority 1: Implementation of the Comprehensive Plan for HIV & AIDS and STI's.

KZN has consistently recorded the highest HIV prevalence for antenatal care women since 1990. The epidemic curve however shows evidence of stabilization over the past 3 years. The 2008 HIV prevalence (antenatal women) was 38.7% compared with 29.3% nationally. The following graph compares provincial and national prevalence rates over the period 1990 to 2008.

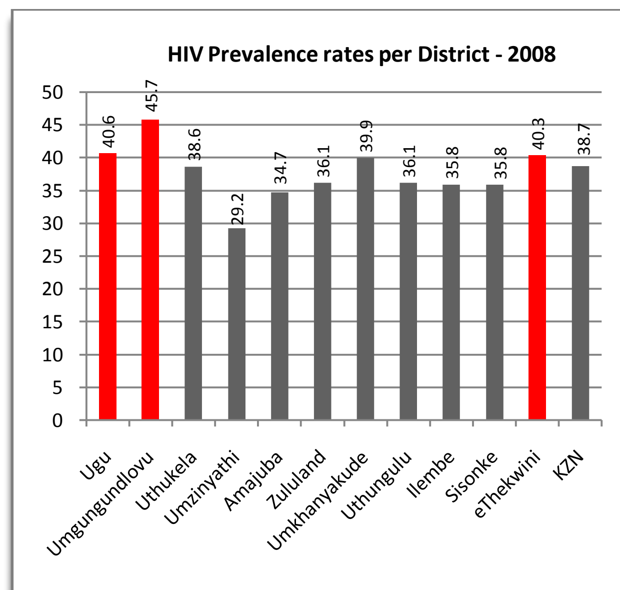
Graph 14: HIV prevalence of antenatal clients



Source: National HIV prevalence trends amongst antenatal clinic attendees, South Africa 2009 – 2008

In 2008, three districts had prevalence's above 40% i.e. Umgungundlovu (40.8% - 45.7%), Ugu (37.3% - 40.6%) and eThekwini (41.6% - 40.3%). Only Umzinyathi District recorded a prevalence below 30% (31.6% - 29.2%). Graph 14 illustrated the prevalence rates per district in 2008. The 2009 survey results have not been published at the time of finalising the report.

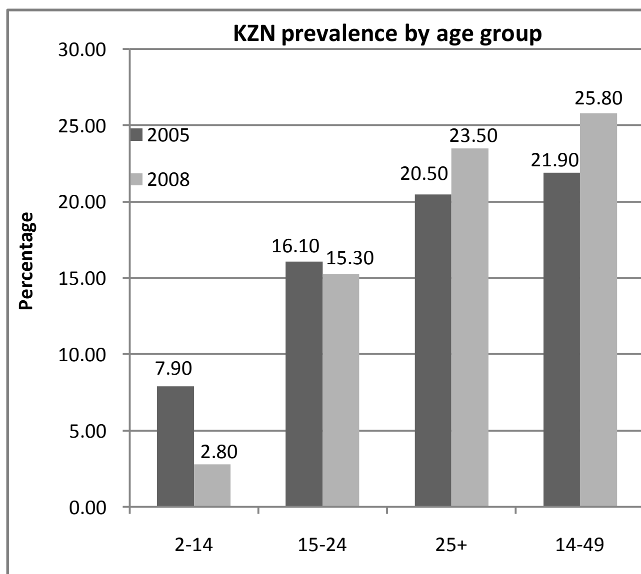
Graph 15: HIV Prevalence rates per District – 2008



Source: National HIV prevalence trends amongst antenatal clinic attendees, South Africa 2009 – 2008

The following graph illustrates the trends for the period 2005 – 2008 between age groups.

Graph 16: HIV prevalence by age group



Source: National HIV prevalence trends amongst antenatal clinic attendees, South Africa 2009 – 2008

ART

At the end of the reporting period there were 319,015 active patients on ART including 192,975 (60.4%) females; 95,094 (29.8%) males and 30,946 (9.7%) children. The cumulative total (ever initiated on ART including de-registered patients due to deaths, loss to follow up, transfer out, or stopping treatment) was 370,038 (63.8% increase from 2008/09).

It is estimated that approximately 60% of persons requiring ART have accessed treatment from the public sector as compared with the NSP target of 80%.

The Department is funding 8 Step-Down Facilities run by NGO's, offering an additional 2,556 beds for step-down care.

There were 6 truck stop clinics providing VCT and STI services based at Uthukela, Mooiriver, Kokstad, Marburg, Pongola and Pinetown. The High Transmission Intervention Sites increased from 19 in 2007/08 to 39 in 2009/10 and included sites at correctional services, tertiary institutions, hostels, taxi ranks and 1 mobile unit targeting farming areas.

The high workload in laboratories affect the turn-around time for CD4 tests with 9.8% of facilities reporting turn-around times of more than 6 days. This affects effective management and treatment outcomes.

The male condom distribution rate is low at 8 condoms per male per year which is a concern taking into consideration the high burden of disease due to STI's and HIV & AIDS. The number of STI's treated in ART patients (new episode) increased from 24,862 in 2008/09 to 28,474 in 2009/10. The STI partner treatment rate decreased with 2% to 19% in 2009/10. Variation between districts ranged from 14% in Sisonke to 28% in Uthungulu District.

The proportion of PHC clients that were pre-test counselled (excluding ANC) increased from 3% in 2008/09 to 7% in 2009/10 which indicated the missed opportunities at PHC level. A total of 63 non-medical sites and 91% of mobile services offered VCT in 2009/10.

37% of HIV-positive persons were screened for TB; 62% of newly diagnosed HIV-positive persons were diagnosed with confirmed TB; and 73% of TB patients were tested for HIV. A total of 3,526 staff received training for HIV and AIDS.

- Facilities reporting on sputum screening and not symptomatic screening – contributing to poor data.
- Integration of HIV and TB services still resulted in patients being lost between being referred for TB management.

SUB-PROGRAMME 2.7: NUTRITION

2009/10 Priorities

- **Priority 1: Management of Severe Malnutrition in Hospitals.**

Malnutrition remains a major co-morbidity contributing significantly to the under-5 morbidity and mortality. A total of 9,252 children under-5 years were diagnosed with malnutrition in 2009/10 and 2856 admitted with malnutrition (6.5% of total admission) showing a decrease of 6.5% from the previous year.

24 Doctors and other categories of staff (including dieticians and nurses) were trained on the WHO 10-step Protocol for the Management of Severe Malnutrition. The aim of the programme is to reduce the case fatality rate to below 10%, with the Province reported a case fatality rate of 14.9% in 2009/10.

Approximately 400 clinic gardens have been established, with most districts having food gardens in more than 80% of health facilities.

- **Priority 2: Improvement of Infant & Young Child Feeding Practices with emphases on supporting hospitals to become baby friendly.**

84% Institutions with maternity beds were accredited as Baby Friendly compared with 76% in 2008/09, although the challenge remains to sustain breastfeeding in the community.

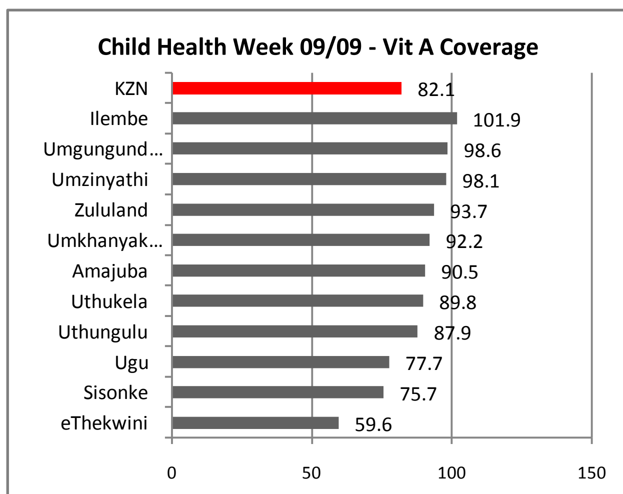
51.9% of HIV-positive women selected exclusive breastfeeding as feeding option although the challenge remains to sustain this choice post discharge of the women.

- **Priority 3: Vitamin A supplementation for Micronutrient Malnutrition Control.**

Improved Vitamin A status of children can increase child survival and reduce child mortality by up to 25%. The Vitamin A coverage for children 12-59 months increased by 7.8% to 37.4% in 2009/10 which is well below the Provincial target of 55%. Children of this age group do not visit health services regularly hence the importance of community-based services.

The 2009/10 Vitamin A campaign achieved coverage of 82.1%. The next graph provides the district breakdown.

Graph 17: Vitamin A Coverage – Child Health Week



Source: DHIS

- **Priority 4: Improving the status of food served in our Hospitals through proper Foodservice Management and monitoring of contracts.**

The appointment of the Principal Technical Advisor for Food Services improved monitoring of foodservice contracts. Approximately 60% of facilities have qualified Foodservice Managers.

- **Priority 5: Support adherence to treatment through procuring Nutritious Fortified porridge to patients on treatment of TB & HIV, thus improve treatment outcomes.**

A total of 43,592 under-nourished children under the age of 5 years received therapeutic supplements; 22,099 HIV-positive children under 5 years received porridges/food packs; 147,884 adults with TB received porridge/food packs; 16,891 HIV-positive lactating women received porridge/food packs; 130,504 underweight HIV-positive adults and 87,500 underweight adults with TB received supplements.

SUB-PROGRAMME 2.8: FORENSIC PATHOLOGY

Implementation of the Forensic Pathology Services does not incorporate Clinical Forensic Services (i.e. assaults, sexual assault, driving under the influence, etc) which are performed by hospitals.

The post mortem coverage ratio was 44% (13,470/30,315) against a target of 60%. Post mortem examinations are conducted on instruction of the South African Police Service (SAPS) and the number can therefore not be predicted.

Insufficient funding resulted in:

- Inadequate number of compliant medico-legal mortuaries;
- Inadequate storage facilities and/or body repository;
- Slow pace in implementing the Mortuary Infrastructure Development Plan;
- Difficulty in recruitment and training of medical and support staff; and
- Prolonged periods to establish the identity of the deceased and large numbers of unclaimed corpses which resulted in shortages of storage space for new admissions.

SUB-PROGRAMME 2.9: DISTRICT HOSPITALS

Policies, Protocols and Guidelines

- Policy on Hospital Governance; and
- Policy on Patient Escorts and Planned Patient Transport.
- Standing Operating Procedure for Accidents and Emergencies.

2009/10 Priorities

There are 37 District Hospitals providing both clinical and non-clinical outreach services to PHC facilities in their drainage areas. District beds increased from 8,708 in 2008/09 to 9,305 in 2009/10.

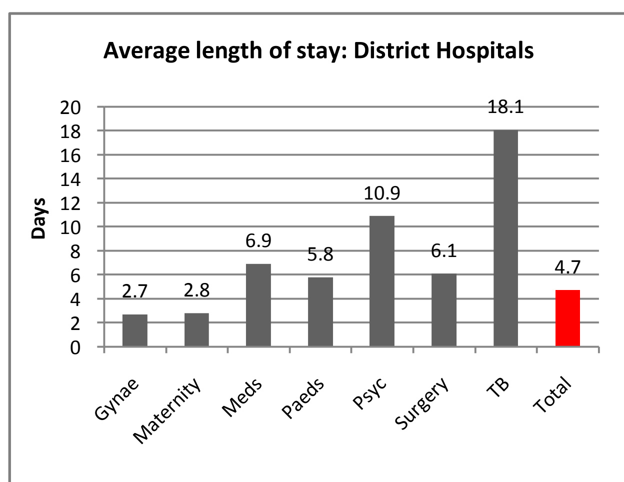
Out-patient headcounts increased to 3,069,671 (19.6%) patients in 2009/10. The patient day equivalent increased by 9.9% to 3,084,247, and separations decreased from 361,244 to 360,524. The high OPD headcounts might be an indication that a significant number of patients still need to be relocated to PHC services, not disregarding the increasing burden of disease.

Expenditure per patient day equivalent increased from R1 441 in 2008/09 to R1 639 (13.7%) in 2009/10 compared with the national target of R814. Costing of services are being reviewed as preliminary projections indicated that more than R 1.1 million PDE from Regional Hospitals must go to District Hospitals – making expenditure per PDE lower for District Hospital services.

The average length of stay (ALOS) still exceeds the national target of 3.2 days although it shows a decrease from 5.6 days in 2008/09 to 4.7 in 2009/10. There were significant variances of 2.9 to 10.9 days between hospitals, with 3 hospitals reporting ALOS below the national target. The highest ALOS were reported for medical (6.9 days), surgery (6.1 days) and paediatrics (5.8 days). This might be an indication of the burden of disease and poor health seeking behaviour of patients (reporting late at health facilities).

The following graph illustrates the ALOS per speciality.

Graph 18: Average length of stay per speciality – 2009/10

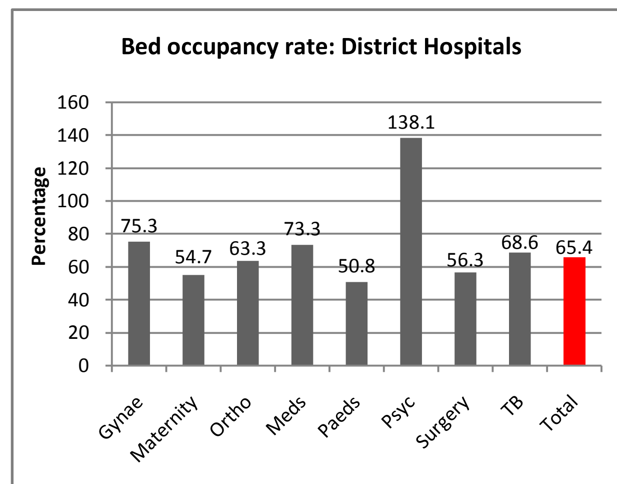


Source: DHIS

The bed occupancy rate increased slightly from 62.6% to 65.4% which is still below the national target of 72%. There were significant variances of between 6.3% and 92% with 6 hospitals exceeding the national target.

The high BOR for psychiatry is a concern and raise questions regarding the bed norms, step-down care and/or community-based facilities. Utilisation rates for gynaecology (75.3%), medicine (73.3%) and psychiatry (138.1%) exceeded the national target for District Hospitals.

Graph 19: Bed occupancy rate per category – 2009/10

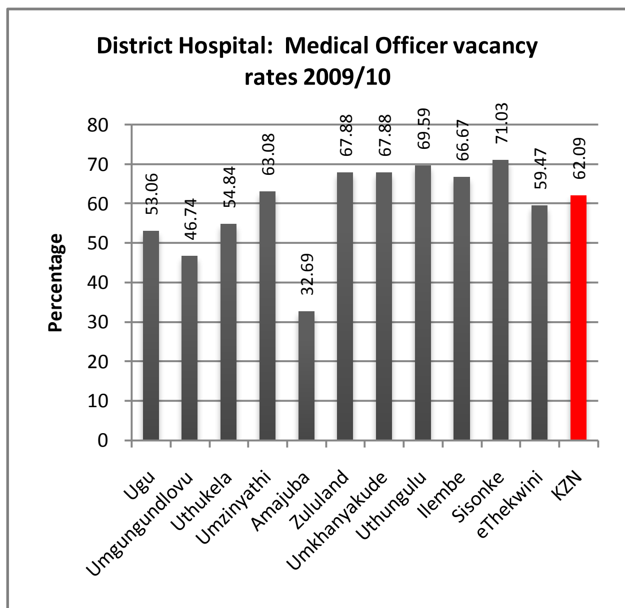


Source: DHIS

In 2009/10 an average of 42% of clinics were supported by a doctor once a week (national target of 100%) and 64% once a month compared with the provincial target of 100%. The targets were unrealistic and unachievable due to the high vacancy rates for Medical Officers in District Hospitals. The clinical workload of 17 patients per doctor per day is therefore understandable as doctors do not visit PHC services regularly.

Vacancy rates in District Hospitals are extremely high with a definite knock-on effect on service delivery including out-reach services to PHC clinics. According to Persal data, the vacancy rate for Medical Officers was 62.09% (541/1,427 posts filled) in 2009/10. Extreme variations between 32.69% in Amajuba to 71.03% in Sisonke are a concern that will be addressed in the new planning cycle.

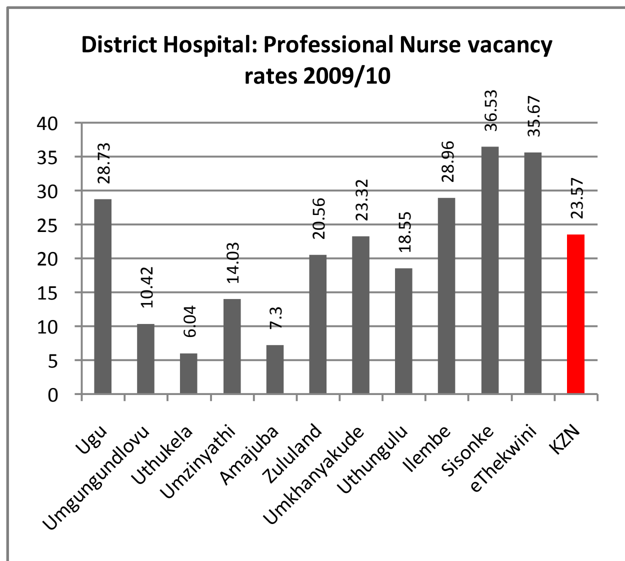
Graph 20: Vacancy rates for Medical Officers – 2009/10



Source: Persal

According to Persal data the vacancy rate for Professional Nurses in District Hospitals was 23.57% (3,950/5,168 posts filled).

Graph 21: Vacancy rates for Professional Nurses – 2009/10



Source: Persal

A task team was established in 2009/10 to determine minimum staff establishments for all hospitals. This process has not been concluded and finalisation is expected in 2010/11. The revised establishments will address equity and begin to align staffing norms with the current burden of disease.

Priority 1: Improving quality of care & clinical governance.

Four (4) District Hospitals participated in the *"Make me look like a Hospital Project"* launched by the MEC for Health in 2009/10. Hospitals developed Hospital Improvement Plans to reduce waiting times, improve staff attitudes, improve availability of medicines, improve cleanliness in hospitals, and improve Infection Prevention and Control and Patient Safety.

The new national core standards were piloted in Northdale Hospital and the results of the pilot, expected in 2010/11, will be utilised to facilitate national accreditation of hospitals. Implementation of the Core Standards, including improved clinical governance, will have an impact on the quality of care.

100% of hospitals conducted monthly morbidity and mortality and clinical audit meetings, although quality improvement plans to address challenges need to be improved. The case fatality rate for surgery separations is still very high at 4.6% in spite of regular clinical audit meetings.

The percentage of hospitals that conducted Patient Satisfaction Surveys increased from 87% in 2008/09 to 100%, and 73% of complaints were resolved within 25 days exceeding the target of 60%.

The caesarean section rate increased from 22.7% in 2008/09 to 26.5% in 2009/10 compared with the national target of 11%.

- Lack of an on-line Early Warning System for IPC. *All hospitals conduct surveillance for early warning. UKZN & NHLS engaged in the process of developing an on-line system for IPC.*

Table 22: (DHS 1) District Health Service facilities by Health District: 2007/08 – 2009/10

Health District	Facility Type	Actual number of facilities 2007/08	Actual number of facilities 2008/09	Actual number of facilities 2009/10	Total population per District 2009	Average catchment population 2009/10[52]	Actual utilisation rate 2007/08	Actual utilisation rate 2008/09	Actual utilisation rate 2009/10
Amajuba	Fixed Clinics	25	26	25	508,353	17,458	2.2	2.0	**2.2**
	CHC	0	0	0					
	Sub-Total: Clinics & CHC	**25**	**26**	**25**					
eThekwini	Fixed Clinics	112	116	116	3,403,195	23,213	2.1	2.6	**2.7**
	CHC	6	8	8					
	Sub-Total: Clinics & CHC	**118**	**124**	**124**					
Ilembe	Fixed Clinics	31	30	31	621,960	15,525	2.5	2.6	**3.0**
	CHC	2	2	2					
	Sub-Total: Clinics & CHC	**33**	**32**	**33**					
Sisonke	Fixed Clinics	37	36	36	503,422	11,513	2.5	2.1	**2.2**
	CHC	2	1	1					
	Sub-Total: Clinics & CHC	**39**	**37**	**37**					
Ugu	Fixed Clinics	52	52	54	755,453	12,395	2.2	2.5	**2.3**
	CHC	0	0	0					
	Sub-Total: Clinics & CHC	**52**	**52**	**54**					
Umgungundlovu	Fixed Clinics	49	51	52					

[52] 2010/11 APP – average catchment population per PHC facility

Health District	Facility Type	Actual number of facilities 2007/08	Actual number of facilities 2008/09	Actual number of facilities 2009/10	Total population per District 2009	Average catchment population 2009/10[52]	Actual utilisation rate 2007/08	Actual utilisation rate 2008/09	Actual utilisation rate 2009/10
	CHC	4	3	4					
	Sub-Total: Clinics & CHC	**53**	**54**	**56**	1,048,099	15,724	2.2	3.1	**3.0**
Umkhanyakude	Fixed Clinics	53	52	54					
	CHC	0	0	0					
	Sub-Total: Clinics & CHC	**53**	**52**	**54**	645,491	10,076	2.2	2.7	**3.0**
Umzinyathi	Fixed Clinics	41	44	44					
	CHC	1	0	0					
	Sub-Total: Clinics & CHC	**42**	**44**	**44**	509,852	10,161	2.2	3.0	**2.5**
Uthukela	Fixed Clinics	37	36	38					
	CHC	0	0	0					
	Sub-Total: Clinics & CHC	**37**	**36**	**38**	693,972	15,305	2.2	2.1	**2.0**
Uthungulu	Fixed Clinics	56	54	54					
	CHC	1	1	1					
	Sub-Total: Clinics & CHC	**57**	**55**	**55**	957,818	15,010	2.2	2.3	**3.0**
Zululand	Fixed Clinics	60	61	61					
	CHC	1	1	1					
	Sub-Total: Clinics & CHC	**61**	**62**	**62**	842,685	11,199	2.2	2.3	**2.5**
KwaZulu-Natal	Fixed Clinics	**556**	**553**	**565**					

Health District	Facility Type	Actual number of facilities 2007/08	Actual number of facilities 2008/09	Actual number of facilities 2009/10	Total population per District 2009	Average catchment population 2009/10[52]	Actual utilisation rate 2007/08	Actual utilisation rate 2008/09	Actual utilisation rate 2009/10
	CHC	**17**	**16**	**17**	**10,490,300**	**15,560**	**2.3**	**2.5**	**2.5**
	Sub-Total: Clinics & CHC	**573**	**569**	**582**					

Source: 2007/08 and 2008/09 data from the 2010/11 APP; 2009/10 DHER Reports; DHIS

Note: Rural Development Nodes are highlighted in light grey (including Umzimkhulu Municipality in Sisonke District)

Table 23: (DHS 2) Personnel in District Health Services by Health District for 2009/10

District	Personnel Category	Posts Filled 2009/10	Posts Approved 2009/10	Vacancy Rate (%) 2009/10	Number in post per 1000 uninsured people
Ugu **Uninsured Population** 711,637 (94%)	**PHC facilities**				
	Medical Officers	-	-	-	-
	Professional Nurses	153	227	32.5%	0.2
	Pharmacists	-	-	-	-
	District Hospitals				
	Medical Officers	46	98	53.06%	0.06
	Professional Nurses	253	355	28.73%	0.35
	Pharmacists	5	40	87.50%	0.007
Umgungundlovu **Uninsured Population** 890,884 (85%)	**PHC facilities**				
	Medical Officers	5	51	90.19%	0.005
	Professional Nurses	234	284	17.6%	0.26
	Pharmacists	2	7	71.42%	0.002
	District Hospitals				
	Medical Officers	49	92	46.74%	0.05
	Professional Nurses	258	288	10.42%	0.28

District	Personnel Category	Posts Filled 2009/10	Posts Approved 2009/10	Vacancy Rate (%) 2009/10	Number in post per 1000 uninsured people
	Pharmacists	7	29	75.86%	0.008
Uthukela	**PHC facilities**				
	Medical Officers	0	38	100%	0
Uninsured Population 659,273 (95%)	Professional Nurses	137	187	26.74%	0.2
	Pharmacists	-	-	-	-
	District Hospitals				
	Medical Officers	28	62	54.84%	0.04
	Professional Nurses	171	182	6.04%	0.25
	Pharmacists	5	24	79.16%	0.007
Umzinyathi	**PHC facilities**				
	Medical Officers	-	-	-	-
Uninsured Population 484,359 (95%)	Professional Nurses	116	177	34.46%	0.23
	Pharmacists	-	-	-	-
	District Hospitals				
	Medical Officers	48	130	63.08%	0.09
	Professional Nurses	429	499	14.03%	0.88
	Pharmacists	4	47	91.49%	0.008
Amajuba	**PHC facilities**				
	Medical Officers	-	-	-	-
Uninsured Population 472,768 (93%)	Professional Nurses	129	154	16.23%	0.27
	Pharmacists	-	-	-	-
	District Hospitals				
	Medical Officers	35	52	32.69%	0.07
	Professional Nurses	201	217	7.37%	0.42

District	Personnel Category	Posts Filled 2009/10	Posts Approved 2009/10	Vacancy Rate (%) 2009/10	Number in post per 1000 uninsured people
	Pharmacists	2	15	86.66%	0.004
Zululand **Uninsured Population** 792,124 (94%)	**PHC facilities**				
	Medical Officers	3	7	57.14%	0.003
	Professional Nurses	230	499	53.9%	0.29
	Pharmacists	2	2	0%	0.002
	District Hospitals				
	Medical Officers	53	165	67.88%	0.06
	Professional Nurses	564	710	20.65%	0.71
	Pharmacists	8	66	87.88%	0.01
Umkhanyakude **Uninsured Population** 614,507 (95%)	**PHC facilities**				
	Medical Officers	0	1	100%	0
	Professional Nurses	146	248	41.13%	.23
	Pharmacists	0	1	100%	0
	District Hospitals				
	Medical Officers	53	165	67.88%	0.08
	Professional Nurses	421	549	23.32%	0.68
	Pharmacists	5	59	91.52%	0.008
Uthungulu **Uninsured Population** 840,006 (88%)	**PHC facilities**				
	Medical Officers	5	11	54.55%	0.005
	Professional Nurses	147	250	41.2%	0.17
	Pharmacists	0	4	100%	0
	District Hospitals				
	Medical Officers	66	217	69.59%	0.07
	Professional Nurses	562	690	18.55%	0.66

District	Personnel Category	Posts Filled 2009/10	Posts Approved 2009/10	Vacancy Rate (%) 2009/10	Number in post per 1000 uninsured people
	Pharmacists	6	82	92.68%	0.007
Ilembe	**PHC facilities**				
Uninsured Population 572,563 (92%)	Medical Officers	7	18	61%	0.01
	Professional Nurses	155	200	22.5%	0.27
	Pharmacists	4	11	63.63%	0.007
	District Hospitals				
	Medical Officers	25	75	66.67%	0.04
	Professional Nurses	157	221	28.96%	0.27
	Pharmacists	2	29	93.10%	0.003
Sisonke	**PHC facilities**				
Uninsured Population 473,217 (94%)	Medical Officers	0	3	100%	0
	Professional Nurses	133	229	41.92%	0.28
	Pharmacists	1	3	66.66%	0.002
	District Hospitals				
	Medical Officers	31	107	71.03%	0.06
	Professional Nurses	238	375	36.53%	0.50
	Pharmacists	5	36	86.11%	0.01
eThekwini	**PHC facilities**				
Uninsured Population 2,783,814 (82%)	Medical Officers	35	104	66.35%	0.1
	Professional Nurses	685	877	21.89%	0.24
	Pharmacists	30	46	34.78%	0.01
	District Hospitals				
	Medical Officers	107	264	59.47%	0.03
	Professional Nurses	696	1,082	35.67%	0.25

District	Personnel Category	Posts Filled 2009/10	Posts Approved 2009/10	Vacancy Rate (%) 2009/10	Number in post per 1000 uninsured people
	Pharmacists	43	118	63.56%	0.01
KwaZulu-Natal Province **Uninsured Population 9,295,152**	**PHC facilities**				
	Medical Officers	55	236	76.69%	0.005
	Professional Nurses	2,265	3,335	32.08%	0.24
	Pharmacists	39	74	47.29%	0.004
	District Hospitals				
	Medical Officers	541	1427	62.09%	0.05
	Professional Nurses	3,950	5,168	23.57%	0.42
	Pharmacists	92	545	83.12%	0.009

Source: Persal; Uninsured population (Stats SA – 2009/10 DHER Reports)

Note: Rural Development Nodes are highlighted in light grey (including Umzimkhulu in Sisonke District)

Table 24: District comparisons for District Health Services

Indicator	Ugu	Umgungundlovu	Uthukela	Umzinyathi	Amajuba	Zululand	Umkhanyakude	Uthungulu	Ilembe	Sisonke	eThekwini
Uninsured population	711,637 (94%)	890,884 (85%)	659,273 (95%)	484,359 (95%)	472,768 (93%)	792,124 (94%)	614,507 (95%)	840,006 (88%)	572,563 (92%)	473,217 (94%)	2,783,814 (82%)
Households with access to piped water[53]	67.79%	88.78%	64.07%	43.42%	88.01%	53.07%	58.03%	75.03%	69.43%	47.34%	97.55%
Households with access to sanitation[54]	21.85%	53.95%	29.44%	22.15%	50.95%	19.58%	14.13%	27.71%	23.3%	13.78%	69.71%
PHC budget as % of total district budget	40%	56%	45%	40%	57%	54%	49%	50%	56%	32%	53%
District Hospital budget as % of total PHC budget	58%	41%	52%	55%	39%	45%	49%	48%	42%	64%	41%
Doctor clinical workload	17	28	14.8	17.6	13.6	18.2	13.1	15.6	38	14	11
Professional Nurse clinical workload	45.3	42.5	39.9	35.7	45	35.6	44.5	48.3	57.6	33.4	45.5
HIV prevalence (2008 survey)	40.6	45.7	38.6	29.2	34.7	36.1	39.9	36.1	35.8	35.8	40.3

Source: DHIS; Stats SA 2007 Community Survey

[53] Adequate access to piped water: Piped water inside the dwelling; inside the yard; on community stand with a distance less than 200m from the dwelling; and access point outside the yard (2007 Community Survey Stats SA)
[54] Adequate access to sanitation: Flush toilet connected to a sewerage system and flush toilet with a septic tank (2007 Community Survey Stats SA)

PERFORMANCE AGAINST TARGETS FROM THE 2009/10 ANNUAL PERFORMANCE PLAN

Table 25: (DHS 6) Situation analysis and performance indicators for District Health Services

Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
Input					
1. Provincial PHC expenditure per uninsured person	R184.39	R232.29	* R249.81	R260.26	Under-utilisation of some services.
2. Sub-Districts offering the full package of PHC services	100%	100%	100%	100%	
Output					
3. PHC total headcount	21,260,261	23,838,854	23,967,500	25,786,245	The increasing burden of disease has had a significant impact on PHC utilisation.
4. Utilisation Rate – PHC	2.3	2.5	2.5	2.5	The utilisation rate equals the national average of 2.5.
5. Utilisation Rate - PHC under-5 years	4.2	4.4	*4.5	4.5	Intensified child health programmes including integrated nutrition and child health weeks, campaigns for immunisation, vitamin A, etc. The Provincial performance is still below the national average (4.7) and target of 5 visits per child per year.
Quality					
6. Supervision rate	54%	60%	100%	61.8%	The span of supervision (number of service points per supervisor) is still too great; supervisors rendered clinical services due to shortage of staff; transport to clinics remained a challenge.
7. Fixed PHC facilities supported by a doctor at least once a week	73% per month	53%	50%	42% = 244 clinics	High vacancy rates of Medical Officers at District Hospitals, ranging between 32.69% in Amajuba to 71.03% in Sisonke, impact on outreach services.
Efficiency					
8. Provincial PHC expenditure per headcount	R97.46	R89	*R98	R95	Acceptable variance.

Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
9. Complaints resolved within 25 days	New indicator	Not available	100%	78.3% = 2,468	Carry-over of complaints influence recording.

Source: 2007/08 and 2008/09 data from 2008/09 Annual Report; *2010/11 APP; DHIS; DQPR; BAS

Note: The *data reflect reviewed targets for 2009/10

Table 26: Provincial Objectives and Performance Indicators for District Health Services

Performance Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
DISTRICT HEALTH SERVICES					
Goal 1: To improve health service delivery through optimal allocation and utilisation of resources and collaboration with all stakeholders & partners.					
Strategic Objective 1: To mainstream Primary Health Care services.					
Measurable Objective: To implement the roll-out of PHC clinics and CHC's as per imperatives of the STP.					
1. Number of PHC clinics (including CHC)	PHC: 556 CHC: 17	PHC: 553* CHC: 16*	PHC: 621 CHC: 18	PHC: 565 CHC: 17	Infrastructure projects stopped due to cost containment.
2. Number of mobile service points	2,390	3,449*	2,400	2,520	
3. Number of Health Posts	40	47*	42	49	
Measurable Objective: To improve PHC access and utilisation.					
4. Provincial PHC expenditure per PHC headcount	R97.46	R89	*R98	R 95	Acceptable variance.
5. PHC under-5 years case load	New indicator	New indicator	Footnote[55]	19.5%	
6. PHC referral rate	New indicator	New indicator	3%	2.6%	Trends are being monitored.
Measurable Objective: To improve PHC supervision.					
7. PHC Clinics implementing the Supervisors Manual	64%	84%	100%	92%	Clinical governance structures are not yet fully operational in all areas.
Measurable Objective: To improve clinical management at PHC level.					
8. PHC facilities supported by a Medical Officer at	79%	56%	100%	64% = 372	The high vacancy rates of Medical Officers in District

[55] New indicator with no baseline data to inform target – trend will be monitored to inform future targets

Performance Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
least once a month					Hospitals impact on outreach services.
9. Number of PHC clinics and CHC's compliant with the Infection Prevention & Control Policy	New indicator	125 clinics implement	PHC: 132 CHC: 17	PHC: 236 CHC: 17	
10. Fixed facilities with functioning Clinic Committees	New indicator	PHC clinics: 81% CHC: 81%	100%	PHC: 81% CHC: 81%	The data refer to interim committees.
Measurable Objective: To strengthen Community-Based PHC services.					
11. Number of active Community and Home Based Carers	15,700	14,525	No target	14,377	4,653 Community Health Care Workers + 9,724 Home Based Carers.
12. Number of Community Health Workers (CHW)	New indicator	New indicator	5,500 (NB)	4,653	Volunteers provided community-based out-reach services during immunisation campaigns; traced defaulters on chronic medication; assisted in mobilizing communities to attend services at mobile clinics; and provided support to clients to adhere to treatment. An incentive grant of R2.6 million has been attained from the Expanded Programme of Public Works to pay stipends to volunteers.
13. Number of active Home Based Carers (HBC)	New indicator	New indicator	No target	9,724	
14. Number of patients served by HCBC	22,000	Not available	No target	3,107,180	
15. Number of home visits by HCBC	1,274,911	Not available	No target	2,352,858	
16. Number of patients referred by HCBC	New indicator	New indicator	No target	221,248	
17. Number of patients served by CHW	New indicator	New indicator	No target	3,107,180	
18. Number of patients referred by CHW	New indicator	New indicator	No target	221,248	
19. Total number of orphans and vulnerable children in the HBC programme	New indicator	New indicator	No target	72,292	
20. Total number of child headed families served by HBC	New indicator	New indicator	No target	27,695	
Measurable Objective: To design and implement a monitoring tool to validate the effectiveness of community-based services.					
21. Number of Districts implementing the standard monitoring tool for registered HCBC	Not developed	Not developed	11	11	
22. Established and updated Provincial HBC database	No database	No database	Updated database	Partly done	Database not finalised due to cost containment.

Source: 2007/08 and 2008/09 data from 2008/09 Annual Report (page 75, 76); *2010/11 APP; DQPR; IPC; BAS

Table 27: (PREV3) Performance Indicators for Non-Communicable Diseases Control

INDICATOR	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
Input					
1. Number of Trauma Centres for victims of violence	36	37	38	43	Including 2 Thuthuzela Care Centres.
Output					
2. Health Districts with Health Care Waste Management Plan implemented	11	8	11	7	Not implemented in Ilembe, Umgungundlovu, Umzinyathi and Uthungulu according to the Annual District Reports. Training has not been approved due to cost containment measures.
3. Hospitals providing Occupational Health Programmes	100%	100%	100%	100%	
4. Schools implementing the Health Promoting Schools (HPS) Programme	165	1,032	230	1,379	
5. Integrated Epidemic Preparedness and Response Plans	Yes	Yes	Yes	Yes	
Quality					
6. Outbreak response time	1 Day	1 Day	< 1 Day	< 1 Day	
Outcome					
7. Malaria fatality rate	1.5% DHIS 0.8% EH	1.1% = 5/429	0.3%	0.3%	
8. Cholera fatality rate	0%	50% = 1/2	<1%	0%	
9. Cataract surgery rate. (Number per million population)	7,715	9,315[56]	14,100	1,003 per million population	Cataract surgery has been affected by: Staff and skills shortage that resulted in a 6 - 12 month waiting time for surgery; Non-renewal of the SLA with the Bureau for the Prevention of Blindness; and The reduction of selective surgery; limited theatre time

[56] Vertical reporting systems jeopardise data quality – the cataract surgery rate reported in the DHIS is 7,085

INDICATOR	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
					and inadequate resources/ equipment.

Source: 2007/08 and 2008/09 data from 2008/09 Annual Report (page 179); Programmes; DHIS; CDC Notifiable Condition database; DQPR

Table 28: (PREV3) Performance Indicators for Non-Communicable Diseases Control [Rural Development Nodes highlighted in light grey]

Indicator	Ugu 2009/10	Umgungundlovu 2009/10	Uthukela 2009/10	Umzinyathi 2009/10	Amajuba 2009/10	Zululand 2009/10	Umkhanyakude 2009/10	Uthungulu 2009/10	Ilembe 2009/10	Sisonke 2009/10	eThekwini 2009/10
Input											
1. Trauma centres for victims of violence	4	2	3	4	0	6	2	7	1	4	5
2. Health Districts with Health Care Waste Management Plan implemented	1	0	1	0	1	1	1	0	0	1	1
3. Hospitals providing Occupational Health Programmes	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
4. Schools implementing the Health Promoting Schools (HPS) Programme	80	81	18	108	20	742	13	67	104	41	105
5. Integrated Epidemic Preparedness and Response Plans implemented	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Quality											
6. Outbreak response time	1 Day	1 Day	1 Day	1 Day	1 Day	1 Day	1 Day	1 Day	1 Day	1 Day	1 Day
Outcome											
7. Malaria fatality rate	25%	0%	0%	0%	50%	0%	1%	0%	0%	0%	0%
8. Cholera fatality rate	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
9. Cataract surgery rate	446	1,106	105	613	449	0[57]	534	406	232	607	3,017

Source: Data from 2009/10 District Annual Reports; DQPR; CDC; Healthy Lifestyles

[57] No cataract surgeries done in 2009/10 – clients referred to Ngwelezane Hospital

Table 29: Provincial Objectives and Performance Indicators

Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
COMMUNICABLE DISEASES CONTROL					
Goal 5: To implement and sustain health programmes to reduce non-communicable and chronic diseases.					
Strategic Objective 20: To expand programmes and services to reduce non-communicable & chronic diseases and diseases of lifestyles.					
Measurable Objective: To reduce morbidity and mortality due to communicable diseases.					
1. Number of facilities implementing the Diarrhoea Programme	4 Sentinel sites per District	508 = 92%	85%	100%	The Flagship Programme is supporting basic programmes to prevent diarrhoea.
2. Number of Districts implementing the Disaster Management Flash Reporting System	11	11	11	11	
3. Malaria incidence	New indicator	New indicator	<1/1000	<1/1000	
4. Structures sprayed – malaria (coverage in %)	86%	93%	No target	93%	
CHRONIC DISEASES AND GERIATRIC CARE					
Goal 5: To implement and sustain health programmes to reduce non-communicable and chronic diseases.					
Strategic Objective 20: To expand programmes and services to reduce non-communicable & chronic diseases and diseases of lifestyles.					
Measurable Objective: To implement the comprehensive programme for chronic diseases & geriatrics.					
1. Number of amputations to people with diabetes mellitus	New Indicator	519	Footnote[58]	350	Not in DHIS - obtained from the Chronic Diseases Manager.
2. Number of hypertension - new	74,302	75,164	No target[59]	84,183	Active case finding improved the early identification and management of hypertension.
3. Number of diabetes cases – new	39,187	34,411	No target[60]	32,372	
4. Defaulter rate – chronic cases	New Indicator	New indicator	Footnote[61]	5%	Estimated - Registers not yet implemented.
HEALTHY LIFESTYLES					

[58] No baseline – trend will be monitored to inform future targets
[59] Trends are being monitored
[60] Trends are being monitored
[61] No baseline – trend will be monitored to inform future targets

Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
Goal 5: To implement and sustain health programmes to reduce non-communicable and chronic diseases.					
Strategic Objective 20: To expand programmes and services to reduce non-communicable & chronic diseases and diseases of lifestyles.					
Measurable Objective: To implement integrated health promotion and healthy lifestyle programmes.					
1. Number of schools accredited as Health Promotion Schools (HPS)	79	131	230	170	Inadequate resources for decentralisation of accreditation.
2. Number of accredited Health Promoting Clinics	0	3	22	5	Provincial programmes working in silos preventing the formation of expert teams to accredit health facilities.
ORAL HEALTH					
Goal 5: To implement and sustain health programmes to reduce non-communicable and chronic diseases.					
Strategic Objective 20: To expand programmes and services to reduce non-communicable & chronic diseases and diseases of lifestyles.					
Measurable Objective: To re-orientate oral health services from a curative to a preventive approach.					
1. Extraction to Restoration ratio	25:1	28:1	24:1	29:1	Lack of resources and budgetary constraints. Equipment is not maintained and/or repaired timeously. Patient apathy and follow up failures also contributed to the increase.
2. Numbers of schools with a 'brushing" programme	20%	18%	50%	35%	High vacancy rates of Oral Hygienists (moratorium on filling of posts). District Offices procure supplies but lack capacity to sustain services.
MENTAL HEALTH & SUBSTANCE ABUSE					
Goal 5: To implement and sustain health programmes to reduce non-communicable and chronic diseases.					
Strategic Objective 20: To expand programmes and services to reduce non-communicable & chronic diseases and diseases of lifestyles.					
Measurable Objective: To operationalise the imperatives set by the Mental Health Care Act, 2002.					
1. Percentage of District Hospitals providing a 72-hour assessment service	100%	100%	100%	100%	
2. Number of institutions providing detoxification services	64 = 100%	16 = 25%	100%	100%	
3. Percentage of planned Child and Adolescent	50%	33%[62]	100%	50%	Financial constraints have limited the commissioning of the

[62] Services are not fully functional with a limited number of beds available

Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
services operational					two units.
DISABILITY AND REHABILITATION					
Goal 5: To implement and sustain health programmes to reduce non-communicable and chronic diseases.					
Strategic Objective 20: To expand programmes and services to reduce non-communicable & chronic diseases and diseases of lifestyles.					
Measurable Objective: To implement and sustain an integrated disability and rehabilitation strategy.					
1. Number of wheelchairs dispensed	1,437*	1,988	1,200 (Programme)	2,302	Demand still outweighs provision. The 2009 audit reveals a backlog of 869 standard wheelchairs; 135 buggies and 19 motorized wheelchairs, mainly attributed to increased injuries and HIV&AIDS related cases.
2. Number of hearing aids dispensed	1,184*	1,113	No target	851	Waiting lists are increasing. The 2009 audit reveals a backlog of 1,899 hearing aids (children 0-5 years = 56; school children 6-18 years = 123; young adults = 206; adults 35-60 years = 702 and geriatrics >60 years = 812). More patients are being seen with hearing loss associated with HIV & AIDS related conditions and ototoxic TB drugs. The fact that hearing defects inhibits the development of communication skills (speech and language) and scholastic performance of learners, this should be prioritised.
3. Number of diagnostic Audiology Clinics	19	24	28	31	Equipment needs urgent review. Thulasizwe Hospital (Zululand) has established an Audiology Unit. Clients are attended to by a visiting Audiologist from Nkonjeni Hospital once a week. Expansion of Audiology Services to all hospitals managing clients with MDR and XDR TB is critical. Stanger Hospital (Ilembe) is the only facility in Ilembe offering audiology services.
4. Percentage of facilities with appropriate access for persons with disabilities.	60%[63]	60%	90%	63%	None of the districts were able to meet the 90% target due to financial constraints that put infrastructure projects on hold.

Source: 2007/08 and 2008/09 data from 2008/09 Annual Report (page 88); DQPR; Mental Health Programme

[63] Audit result (2007)

Table 30: (MC&WH 1) Situational analysis Indicators for Nutrition and Maternal, Child and Women's Health

Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
Input					
1. Number of Hospitals offering TOP Services	18* = 32%	22[64]	35 = 62%	21/56 = 37.5%	Staff attrition and high staff turn-over of trained practitioners; conscientious objection to CTOP; and limited support for the programme.
2. Number of CHC's offering TOP services	0	0	3 = 16%	0	Same as above as well as infrastructural challenges. Three CHC's have trained staff but no space.
Process					
3. Fixed PHC facilities with DTP-Hib vaccine stock out	1.2% = 7	3.8%	0%	1.3%	National stock-out (supply from manufacturer) and inadequate medicine control at facility level.
Output					
4. Immunisation coverage under 1 year	81.1% = 180,301	85%	90%	82.9% = 196,089	Population data questioned; missed opportunities at facility level compounded by the lack of integrated services and staff shortages in some facilities. Integrated community out-reach programmes is insufficient to improve health-seeking behaviour – influenced by lack of resources. Poor data management at facility level (collection, collation, analysis & verification). The Rotavirus vaccine has been out of stock in quarter 4 of 2009/10.
5. Vitamin A coverage under 1 year	111.6% = 248,054	126%	80%	132.4% = 252,941	Cross-border flow of children. Calculation of the indicator i.e. conversion of 2 indicators.
6. Measles coverage under 1 year	84.5% = 187,824	89.3%	90%	80.4% = 201,757	Same comments as immunisation.
7. Cervical cancer screening coverage	4.3%[65] = 63,776	0.5%[66]	7%	5.9% = 93,797	The Phila Ma campaign was launched in 2009/10 to improve screening and management of cervical and breast cancer.
8. Total deliveries in facilities	193,564	202,685	No target	214,664	

[64] Data confirmed by MC&WH Programme Manager (direct reporting & monitoring). DHIS reporting is inconsistent with 11 Provincial & 6 Private Facilities submitting monthly data
[65] DHIS data is questionable (0.4%) - NHLS (Cytology Unit) regarded as more accurate reporting coverage of 4.3%
[66] Cytology data (considered accurate) reporting coverage of 5.2%

Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
Quality					
9. Facilities certified as Baby Friendly	76%[67]	76% = 44/58	79%	84% = 49	Sustaining breastfeeding at the community level remains a challenge.
10. Fixed PHC facilities certified as youth-friendly	39 = 6.8%	27[68]	40 = 6.9%	0	Due to financial constraints Youth Friendly Service training did not occur in 2009/10. Previously reported on NAFSI accredited facilities. The accreditation of the 39 NAFI clinics (accredited in 2005) expired in 2007.
11. Fixed PHC Facilities implementing IMCI	82%	82%	85%	96% = 558	Robust implementation of the IMCI strategy as part of the integrated child health strategy - more training was done for hospital care workers.
Outcome					
12. Facility delivery rate	New indicator	New indicator	Footnote[69]	87% = 214,664	Patient-related (poor health seeking behaviour, late booking); health services (access & equity); and lack of resources contributed to low facility delivery rate.
13. Institutional delivery rate for women under 18 years (N = 13%)	8.4% = 16,259	9.4%	7%	8.5% = 18,401	The results of an in-house research study on Teenage Pregnancy in Public Health Facilities will be finalised in early 2010/11.

Source: 2007/08 and 2008/09 data from the 2008/09 Annual Report (page 185); DHIS; MC&WH; DQPR; Nutrition

[67] 44/58 Hospitals, as well as 1 CHC and 3 PHC Clinics certified as Baby-Friendly
[68] Data from the District Quarterly Reports – MC&WH indicated that the number of clinics refer to NAFCI and not YFS (same standards and criteria however apply
[69] No baseline to inform a target – trend will be monitored for future targets

Table 31: (MCWH 1) Situational Analysis Indicators for Nutrition and Maternal, Child and Women's Health per Health District [Rural Development Nodes highlighted in light grey]

Indicator	Ugu 2009/10	Umgungundlovu 2009/10	Uthukela 2009/10	Umzinyathi 2009/10	Amajuba 2009/10	Zululand 2009/10	Umkhanyakude 2009/10	Uthungulu 2009/10	Ilembe 2009/10	Sisonke 2009/10	eThekwini 2009/10
1. Hospitals offering TOP services	25%	100%	67%	0%	33%	40%	20%	38%	25%	50%	38%
2. CHC's offering TOP services	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
3. Fixed PHC facilities with DTP-Hib vaccine stock out (days)	0.5%	0.8%	0.5%	3.1%	2.0%	2.6%	4.3%	1.0%	1.0%	2.4%	1.4%
4. Immunisation coverage under 1 year	76.9%	72.1%	76.9%	88.5%	74.8%	83.4%	76.4%	98.8%	87.8%	66.7%	97.2%
5. Vitamin A coverage under 1 year	110.6%	120.2%	109.0%	105.5%	123.1%	175.2%	105.0%	135.5%	113.5%	103.1%	166.1%
6. Measles coverage under 1 year	82.3%	68.5%	80.0%	93.1%	87.0%	87.9%	78.5%	92.5%	90.7%	70.1%	101.2%
7. Cervical cancer screening coverage	8.0%	5.9%	5.5%	16.8%	4.2%	10.1%	10.5%	4.5%	8.0%	6.0%	3.7%
8. Deliveries in facilities	16,477	16,450	14,630	18,146	8,607	17,990	14,312	22,249	10,937	10,433	64,437
9. Facilities certified as baby friendly	5	4	3	4	3	8	5	1	2	2	6
10. Fixed PHC facilities certified as youth friendly	0	0	0	0	0	0	0	0	0	0	0
11. Fixed facilities implementing IMCI	99%	80%	100%	100%	100%	100%	98%	100%	100%	100%	89%
12. Facility delivery rate	87.8%	64.2%	85.0%	123.0%	76.7%	76.8%	72.5%	92.5%	75.6%	69.8%	102.4%
13. Institutional delivery rate for women under 18 years	8.5%	9.3%	9.1%	6.2%	9.4%	9.0%	10.7%	7.3%	10.5%	7.6%	8.5%

Source: 2009/10 District Annual Reports; DQPR; DHIS; MC&WH; Nutrition

Table 32: Provincial Objectives and Performance Indicators for Maternal, Child and Women's Health

Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
MATERNAL, CHILD & WOMEN'S HEALTH					
Goal 4: To expand and sustain the implementation of Priority Health Programmes.					
Strategic Objective 18: To decrease preventable causes of morbidity and mortality in women and children.					
Measurable Objective: To strengthen Maternal and Neonatal health services.					
1. Number of maternal deaths reported at facilities	362	308	No target	394	Late reporting of maternal deaths (for assessment and entry into MAMMAS programme for submission to National Health) result in variances in reports.
2. Percentage of women attending ANC before 20 weeks	37% = 71,498	32%	75%	34.3% = 81,026	Late reporting; teenagers reporting late; and inadequate community-based services.
3. Women attending post-natal care within 6 weeks of delivery	New indicator	New indicator	No target	42% = 81,798	The indicator was introduced late in 2009/10 and should therefore be interpreted with caution.
4. Peri-natal mortality rate in facility	30/ 1000	*30/1000	30/ 1000	29.4/1 000	The slight reduction is not an indication of mortality in the Province.
5. Number of Hospitals implementing PPIP	53 Registered 10 Active	50 Registered 26 Active	53 Registered 30 Active	31	Two hospitals report less than 100 deliveries per year and do not qualify for the implementation of PPIP; 7 hospitals are not active; 31 hospitals reports regularly; and 14 hospitals submit complete monthly reports.
6. Neonatal mortality rate in facility	9.5/ 1000	10.2/1000	8.5/ 1000	4.8/1000	The reduction is not an indication of mortality in the Province.
Measurable Objective: To improve integrated Child Health services.					
7. Number of AFP cases detected	43/66 = 65%	62/66	67 cases	115	Improved surveillance.
8. Number Acute Flaccid Paralysis (AFP) cases fully investigated	32/43 = 75%	32/62 = 51.8%	67/67	92/115 = 80%	Improved surveillance - equal to national target.
9. Number of facilities implementing the Child Health Problem Identification Programme (ChIP)	17	27	30	32	
10. Number of active Birth Defects Reporting Sites	49	56	All Hospitals with Maternity	41 Provincial, 2 Subsidised and	The inclusion of the dataset into the DHIS has improved reporting and follow-up. 4 Regional

Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
			Units	3 Private Hospitals and 10 clinics with Maternity Units	Hospitals have at least 1 Professional Nurse trained in Medical genetics education Programme part 2; 6 Regional Hospitals have at least 1 PN trained in Hemophilia care; and 7 Regional Hospitals offer Amniocentesis.
11. Number of Diarrhoea cases with dehydration - children under 5 years	48,172	46,511	Footnote[70]	50,471	Ambulatory = 50,471 Admitted = 9,092
12. Number of pneumonia cases – children <5 years	188,477	194,914	Footnote[71]	209,920	Ambulatory = 209,920 Admitted = 8,924
Measurable Objective: To improve integrated Youth Health services.					
13. School Health Services (school) coverage	57%	46%	80%	74%	School Health Teams participated in the polio & measles campaign during the last quarter of 2009/10, and assisted during the measles outbreak which impacted on routine school programmes.
Measurable Objective: To improve integrated Women's Health services.					
14. Cervical Cancer Screening coverage	0.4% = 84,191	0.5%[72]	7%	5.9% = 93,797	Although the target has not been met, there is a marked increase contributed to the Phila Ma campaign launched in 2009/10.
15. Women-Year Protection rate	22.1%	23%	60%	22.5%	The Contraception Strategy commenced in late 2009/10. Research will be conducted to determine reasons for low uptake.
16. Number of septic abortions	201*	305	No target	317	Might be an indication of poor access to contraceptive and CTOP services.
17. Number of incomplete abortions	8,860*	11,343	No target	11,840	The actual reason for the high number of incomplete abortions is not known.

Source: 2007/08 and 2008/09 data from 2008/09 Annual Report (pages 153, 154, 157, 158); DHIS; MC&WH

[70] At the time of finalising the report there were no baselines to inform target – data added for purpose of this reporting period
[71] At the time of finalising the report there were no baselines to inform target – data added for purpose of this reporting period
[72] Cytology data (considered reliable) 5.2%

Table 33: (HIV 3) Performance indicators for HIV, AIDS, and STI & TB Control

Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
Input					
1. Fixed PHC facilities offering PMTCT	96%	96%	98%	99%	A clinic in Uthungulu and some Municipal Clinics in eThekwini and Umgungundlovu are not currently providing ANC services due to infrastructural & resource deficiencies.
2. Fixed PHC facilities offering VCT to non-ANC clients	100%	100%	100%	100%	
3. Hospitals offering PEP for occupational HIV exposure	100%	100%	100%	100%	
4. Hospitals offering Post Exposure Prophylaxis (PEP) for sexual abuse	88% [73] = 51	100%	95%	100%	82% (13/16) CHC's also offer PEP for sexual abuse. Some hospitals manage rape survivors in OPD. Poor completion of the J88 jeopardise evidence in court; Health Care Workers lack confidence to testify in court; inadequate Psychologists and Social Workers to provide support to survivors.
5. ART service points registered	80 (+21%)	86	86	89	The Provincial ART Scale-up Plan aims to increase access to ART at PHC level. Readiness assessments are being conducted for PHC clinic ART scale up.
6. ART patients – total registered	143,526	225,863	255,000	319, 015 active patients on ART	The 2009/10 target was increased to 315,772 due to the unexpected increase in patient numbers. The target was still exceeded due to the high demand and increased access to ART.
Process					
7. TB cases with a DOT Supporter	79%	72%	95%	72%	Some TB patients are reluctant to have DOT supporters due to the stigma associated with TB. DOT supporters have a high turn-over rate due to lack of stipends being paid.
8. Male condom distribution rate from public sector health facilities	7 = 64,827,440	7	10	8	Poor recording.
9. Fixed facilities with any ARV drug stock out	2.7%	0%	0%	0%	
10. Fixed facilities referring patients to ARV sites for	100%	100%	100%	100%	

[73] PEP for Sexual Assault also offered at 9 CHC's

Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
assessment					
Output					
11. STI partner treatment rate	21.2%	21%	30%	19%	It is suspected that clients use private doctors, traditional practitioners or workplace clinics for treatment.
12. Nevirapine newborn uptake rate	72%	85%	98%	88%	Data integrity was compromised with the switch-over to the DHIS system from the previous vertical reporting system. Births before arrival (BBA's); deliveries to HIV-positive women outside the facilities; and women reporting after 72 hours also impacted on performance.
13. Nevirapine uptake – antenatal clients	67%	85%	80%	80%	Some clients present at hospital with head on perineum therefore not qualifying for NVP.
14. Clients' HIV pre-test counselled rate in fixed PHC facilities	100%	100%	100%	100%	
15. HIV testing rate (excluding antenatal)	88%	95.5%	96%	92.3%	A number of clients refused to be tested.
16. TB treatment interruption rate	12.9%	9.9%	8%	8.1%	Inadequate TB tracing teams. TB point of service counselling needs to be strengthened.
Quality					
17. CD4 test at ARV treatment service points with turnaround time >6 days	0%	No data	0%	9.8%	High workload in some laboratories and periodic challenges with communication systems and transport.
18. TB sputa specimens with turnaround time <48 hours	68%	60.3%	90%	58%	Inadequate transport to reach facilities on a daily basis, and high workload in some laboratories.
Efficiency					
19. HIV and AIDS budget spent (25% per quarter)	105%	100%	100%	100%	
Outcome					
20. New smear positive PTB cases cured at first attempt	44.9%[74]	55.5%[75]	55%	62.9%	The significant improvement can be contributed to improved TB management.
21. New MDR TB cases reported - % annual change	1,128 cases =	1,134 cases =	5% increase per	1,478 cases =	The increase is positive since it indicates that case finding is

[74] Updated since last reporting – update of data system
[75] Updated since last report – system updated

Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
	+63%	+0.5%	annum	+7.7%	improving towards the expected case finding.
22. New XDR TB cases reported – annual % change	168 cases = +102%	109 cases = +35%	Need at least another 2 years to establish trends	189 cases = +82%	The XDR TB figures should be interpreted with caution as the numbers are low. The previous year there was a 35% increase and data is therefore needed for a few years to establish a trend.

Source: 2007/08 and 2008/09 data from 2008/09 Annual Report (page 181, 182); ETR.Net; BAS; DHIS; DQPR; HAST

Table 34: (HIV 1) Situation Analysis Indicators for HIV, AIDS, and STI & TB Control per Health District

Indicator	Ugu 2009/10	Umgungundlovu 2009/10	Uthukela 2009/10	Umzinyathi 2009/10	Amajuba 2009/10	Zululand 2009/10	Umkhanyakude 2009/10	Uthungulu 2009/10	Ilembe 2009/10	Sisonke 2009/10	eThekwini 2009/10
Input											
1. Fixed PHC facilities offering PMTCT	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	96%
2. Fixed PHC facilities offering VCT to non-ANC clients	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
3. Hospitals offering PEP for occupational HIV exposure	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
4. Hospitals offering PEP for sexual abuse	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
5. ART service points registered	4	11	3	4	4	9	5	10	8	7	24
6. ART patients – total registered	32,005	41,126	26,722	15,984	16,557	22,910	34,302	37,437	20,576	15,076	77,861
Process											
7. TB cases with a DOT Supporter	86%	81%	89%	52%	96%	88%	78%	81%	58%	81%	63%
8. Male condom distribution rate from public sector health facilities	9	5	11	11	14	12	11	5	12	10	15
9. Fixed facilities with any ARV drug stock out	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

Indicator	Ugu 2009/10	Umgungundlovu 2009/10	Uthukela 2009/10	Umzinyathi 2009/10	Amajuba 2009/10	Zululand 2009/10	Umkhanyakude 2009/10	Uthungulu 2009/10	Ilembe 2009/10	Sisonke 2009/10	eThekwini 2009/10
10. Fixed facilities referring patients to ARV sites for assessment	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Output											
11. STI partner treatment rate	17%	23%	17%	19%	23%	15%	22%	28%	20%	14%	16%
12. Nevirapine newborn uptake rate	110%	82%	114%	100%	77%	72%	92%	86%	97%	75%	87%
13. Nevirapine uptake – antenatal clients	70%	77%	100%	78%	92%	73%	93%	70%	95%	84%	81%
14. Clients HIV pre-test counselled rate in fixed PHC facilities	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
15. HIV testing rate (excluding antenatal)	94%	97%	98%	95%	97%	92%	98%	92%	96%	90%	96%
16. TB treatment interruption rate	8%	8%	0%	1%	2%	2%	4%	No data	9%	7%	10%
Quality											
17. CD4 test at ARV treatment service points with turnaround time >6 days	29%	1%	0%	3.4%	9%	8%	24%	13%	3.5%	10.2%	21.8%
18. TB sputa specimens with turnaround time <48 hours	51%	49%	89%	76%	83%	25%	37%	No data	42%	31%	76%
Efficiency											
19. HIV and AIDS budget spent	100% of the budget spent = R1 534 546										
Outcome											
20. New smear positive PTB cases cured at first attempt	63%	62%	60%	83%	71%	70%	54%	75%	70%	67%	54%
21. New MDR TB cases reported - annual % change[76]	60	45	38	122	9	211	540	61	78	31	734
22. New XDR TB cases reported – annual % change[77]	5	4	3	77	3	12	18	17	0	1	69

[76] Refer to the number of cases

Source: 2009/10 District Annual Reports; DQPR; MC&WH; DHIS

Note: Rural Development Nodes highlighted in light grey

Table 35: Provincial Objectives and Performance Indicators for HIV, AIDS and STI

Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	20009/10 Actual	Comments
ANTI-RETROVIRAL THERAPY					
Goal 4: To expand and sustain the implementation of Priority Health Programmes.					
Strategic Objective 17: To continue to accelerate and sustain the implementation of the Comprehensive HIV and AIDS Management Plan.					
Measurable Objective: To implement the Comprehensive Plan for HIV and AIDS.					
1. Number of registered ART clients (on treatment) - total	143,526	225,863	255,000	319,015 active patients	Previous comment refers.
2. Number of registered ART clients on treatment – adult female	88,056	Not available	No target	192,975	
3. Number of registered ART clients on treatment – adult male	42,498	Not available	No target	95,094	
4. Number of ART clients on treatment - child	12,972	21,329	28,050	30,946	
5. Number of STI treated new episode: ART patients	22,209	24,862	3,500	28,474	Suspected that the target was an error.
6. Number of clients referred from PMTCT	New indicator	New indicator	No target	19,367	
7. Proportion of HIV+ patients screened for TB	New indicator	100%	100%	37 %	Poor integration of services.
SEXUALLY TRANSMITTED INFECTIONS					
Goal 4: To expand and sustain the implementation of Priority Health Programmes.					
Strategic Objective 17: To continue to accelerate and sustain the implementation of the Comprehensive HIV and AIDS Management Plan.					
Measurable Objective: To support the effective implementation of the Syndromic Management of STI's.					
8. Male condom distribution rate	7	7	11	8	Previous comment refers.
9. STI treated – new episode	424,452	456,043	268,000	428,006	Unrealistic target.

[77] Refer to the number of cases

Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	20009/10 Actual	Comments
10. Syphilis prevalence among antenatal clients tested	5%	3%	2%	3.5%	Great variance between this data and the National ANC HIV Prevalence Study. DHIS data will be investigated.
VOLUNTARY COUNSELLING AND TESTING					
Goal 4: To expand and sustain the implementation of Priority Health Programmes.					
Strategic Objective 17: To continue to accelerate and sustain the implementation of the Comprehensive HIV and AIDS Management Plan.					
Measurable Objective: To expand and sustain the Voluntary Counselling and Testing Programme.					
11. Proportion PHC clients HIV pre-test counselled (excluding ANC)	2%	3%	12%	7%	The HIV & AIDS Unit reviewed the target and changed it to 4% for the DORA Report. Missed opportunities at health services are evident partly due to shortage of staff and lack of integration.
12. Number of non-medical sites offering VCT	65	63	117	63	The HIV & AIDS Unit reviewed the target to 65 in the DORA Report.
13. % of mobile clinics offering VCT	80%	Footnote[78]	100%	91%	Shortage of staff.
PREVENTION OF MOTHER TO CHILD TRANSMISSION (PMTCT)					
Goal 4: To expand and sustain the implementation of Priority Health Programmes.					
Strategic Objective 17: To continue to accelerate and sustain the implementation of the Comprehensive HIV and AIDS Management Plan.					
Measurable Objective: To scale up and sustain implementation of the PMTCT Programme.					
1. Proportion of women receiving NVP in labour	New indicator	New indicator	No target	80%	See previous comment.
2. Proportion of ANC clients pre-test counselled for HIV	63%	Not available	100%	99%	Some clients have to be booked for pre-test counselling for the following visit due to high volumes of 1st time clients in under-staffed facilities.
3. Proportion of ANC clients tested for HIV	96%	Not available	90%	93%	
4. Proportion of ANC clients tested positive for HIV	New indicator	New indicator	No target	29%	
5. Proportion of HIV exposed babies testing PCR positive	3,478	No data	44,115	10.3%	After verification = 8.1%.

[78] The HAST Programme stopped to monitor this indicator

Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	20009/10 Actual	Comments
				44,115	
6. Ratio of HIV positive mothers choosing to exclusively breastfeed	37%	52%	67%[79]	52%	Most mothers in rural districts opt for breast feeding. Infant feeding messages remain confusing and poorly understood by both communities and health care workers. There is a need for greater social mobilization on infant feeding to reach the target and to improve child survival.
7. Ratio of HIV positive mothers choosing to exclusively formula feed	62%	48%	35%	48%	Most mothers in urban districts opt for formula feeding. As indicator 6 above.
8. Number of PCR tests done on babies born to HIV positive mothers (at 6 weeks)	30,850	No data	55,000	46,692 at 6/52 and 3,118 after 6 weeks	The DORA target was 45,000. Testing rate is low mainly due to late booking. Postnatal Stamp SOP will ensure consent for PCR testing post delivery.
9. Proportion of HIV exposed babies receiving AZT prophylaxis	New indicator	New indicator	No target	98.7%	AZT at 7 days (15,852) + AZT at 28 days (48,802) = 64,654. Total births to women with HIV = 65,440
10. Proportion of HIV+ ANC clients receiving AZT prophylaxis	New indicator	New indicator	No target	87%	Late booking for ANC hinders access to PMTCT.
11. Proportion of HIV exposed babies receiving NVP prophylaxis	98%	85%	No target	88%	BBA's and babies born outside the facilities reporting after 72 hours.
POST EXPOSURE PROPHYLAXIS (PEP)					
Goal 4: To expand and sustain the implementation of Priority Health Programmes.					
Strategic Objective 17: To continue to accelerate and sustain the implementation of the Comprehensive HIV and AIDS Management Plan.					
Measurable Objective: To strengthen Occupational and Non-Occupational PEP services.					
1. Number of occupational HIV exposure cases – new	371	No data	Reduce by 10%	262	
2. Occupational HIV exposure case given ARV prophylaxis – new	335	No data	No target	180	
3. Number of sexual assault cases – new	10,948	7,618	1,600	8,472	Unrealistic target from DORA.
4. % of children <12-years sexual assault cases -	New Indicator	New indicator	No target	39% = 3,304	

[79] Data inconsistencies will receive attention – supported by implementation of Monitoring & Evaluation Framework/ system

Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	20009/10 Actual	Comments
new					
5. Number of ARV Prophylaxis to sexual assault case – new	4,507	1,892	1,300	4,429	Some rape survivors still report after 72 hours.

Source: 2007/08 and 2008/09 data from 2008/09 Annual Report (pages 126 & 159); DHIS; HAST

Note: *Refers to reviewed targets

Table 36: Provincial Objectives and Performance Indicators for TB Control

Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
TB PROGRAMME					
Goal 4: To expand and sustain the implementation of Priority Health Programmes.					
Strategic Objective 16: To continue to implement the TB Crisis Management Plan.					
Measurable Objective: To improve case finding and improve clinical management.					
1. Facilities implementing the Suspect Register	72% = 460	94%	100%	94%	Inadequate HR capacity at facility level.
2. Facilities with an effective patient tracking system	52% = 332	Not available	100%	60%	Budget constraints, no diaries, and shortage of trained staff at facility level.
3. Smear conversion rate at 2 months	54.9% *55,4%	52.1%[80] *62.3%	70%	68,7%	Lag in data - data incomplete.
4. Smear conversion rate at 3 months	66% *67,0%	*72,4%	85%	68,7%	Lag in data - system being updated.
5. TB defaulter rate	12.9% *10,1%	9.6% *9,8%	8%	8,1%	Insufficient tracing teams and a need to strengthen point of service TB counseling.
6. TB cure rate	*40%	*62%	75%	62.9%	Lag in data – system being updated.
Measurable Objective: To improve laboratory diagnostic capacity to handle workload & quality assurance and control.					
7. Laboratories implementing quality assurance	100%	100%	100%	100%	

[80] Incomplete data

Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
protocols and controls					
8. Bacteriological coverage	85% *72,3%	*73,9%	90%	75%	Training backlog as a result of doctor rotation resulting in poor compliance with guidelines.
9. Institutions provided with transport three times per week for sputum collection	100%	No data	90%	98%	Improved management.
10. Percent of newly diagnosed TB cases tested for HIV	New indicator	New indicator	100%	85%	The TBHIV function of the ETR.Net is not functional at present. The data is being collected/ collated manually, and should be read with caution – used as a rough guideline. The last data from the ETR.Net (2007) gave the figure as 67%.
Measurable Objective: To strengthen community support and participation and improve patient adherence.					
11. Number of DOT Supporters trained	1,200	1,473	1,500	1,316	Cost containment impacted negatively on training.
12. Number of TB Door to Door campaigns	22	33	33	46	Increased focus on door to door campaigns.
Measurable Objective: To sustain the MDR TB reporting and recording system					
13. Number of MDR TB sites implementing the MDR Electronic Register	*0	*5 sites implemented the Register and 0 the MDR EDR	*5 sites	5 sites implement the Registers 4 sites implement EDR	The MDR TB reporting and recording registers were implemented in 2008 and the MDR EDR (Web-Based MDR TB Electronic Register) in July 2009. Due to internet connection problems, only 4 of the 5 MDR TB treatment sites have implemented the EDR.
Measurable Objective: To strengthen surveillance and management of MDR and XDR TB.					
14. Number of MDR TB decentralised sites	4	5	*6	5	Due to delays in the finalisation of design, the construction on the Catherine Booth MDR TB Unit was delayed and started in February 2010.

Source: 2007/08 and 2008/09 data from 2008/09 Annual Report (pages 134); data with * from 2010/11 APP – reviewed targets; TB Programme (ETR.Net)

Table 37: Provincial Objectives and Performance Indicators for Nutrition

Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
NUTRITION					
Goal 4: To expand and sustain the implementation of Priority Health Programmes.					
Strategic Objective 19: To accelerate and sustain the Integrated Nutrition Programme.					
Measurable Objective: To expand services to reduce malnutrition in children under-5 years.					
1. Number of children <5 years admitted with malnutrition as underlying factor	New indicator	New indicator	150/1000	636	The actual data for 2009/10 data is incomplete and should be read with caution. This target was theoretically calculated using the estimated number of HIV positive children as a proxy.
2. Number of undernourished children <5 years receiving therapeutic supplements	New indicator	New indicator	80 000	43,592	The district budget allocation has been decreased.
3. Number of underweight children <5 years HIV+ receiving therapeutic supplements	New indicator	New indicator	Based on HIV+ children	25,943	
4. % of HIV + women selecting exclusive breastfeeding	37%	52%	67%[81]	51.9%	See previous comments.
5. % of HIV + women selecting exclusive formula feeding	62%	48%	35%	48.1%	See previous comments.
Measurable Objective: To eliminate micronutrient deficiencies amongst vulnerable groups.					
6. Number of Vitamin A curative doses issued	17,320	11,509	7,000	11,460	The target is based on the need to decrease the number of children with diagnosed severe malnutrition – poverty had a contributory effect.
7. Vitamin A coverage 6-11 months	75%	126%	100%	146.4%	Problem with the denominator.
8. Vitamin A coverage 12-59 months	45%	29.6%	55%	37.4%	Children of this age group do not routinely visit the clinic.
9. Vitamin A coverage 0-5 months (non-breastfed)	50%	42%	80%	32.4%	Target was set using a different denominator.
10. Vitamin A coverage - new mothers	75%	105.2%	90%	83.2%	Home deliveries and BBA's.
Measurable Objective: To contribute to the improvement of household food security among vulnerable groups.					

[81] Accurate data pending improved monitoring & evaluation strategies and systems

Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
11. Number of HIV+ children <5 years receiving porridges/ food packs	38,229	63,811	60,000	22,099	Decentralised - proportion of stock allocated to children is determined by the District.
12. Number of adults with TB receiving porridges/ food packs	54,324	106,155	100,000	147,884	
13. Number of HIV+ lactating women receiving porridges/ food packs	12,095	16,370	15,000	16,891	
Measurable Objective: To sustain disease specific nutrition support and counselling.					
14. Number of underweight adults who are HIV + receiving supplements	20,475[82]	142,615	120,000	130,504*	
15. Number of underweight adults with TB receiving supplements		107,099	80,000	87,500	

Source: 2007/08 and 2008/09 data from the 2008/09 Annual Report (page 144, 145); DHIS; Nutrition Programme

[82] Data for these indicators were collected as collective

Table 38: Performance Indicators for Forensic Services

Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
FORENSIC SERVICES					
Goal 3: To strengthen Human- and other key resources in support of optimal public health service delivery.					
Strategic Objective 15: To ensure that key support services are effectively provided.					
Measurable Objective: To ensure the effective and efficient management and provision of forensic medical pathology and mortuary services.					
1. Number of functional Mortuary facilities in the Province	39	Not available	46	40	Funding constraints limited the Department's ability to increase the number of facilities beyond 40. 8/40 Medico-Legal Mortuaries were upgraded/ rebuilt and 16 building projects are progressing well with 8 completed and the remainder due for hand-over within 2010/11. 24 Projects are on hold due to a lack of funding.
2. % Objectives and targets set for the Business Plan to access Conditional Grant resources accomplished	100%	Not available	100%	See footnote[83]	Covered under narrative.
3. Policies, norms, standards and protocols decentralised provision implemented	80%	Not available	100%	100%	All policies, protocols and norms & standards are available.

Source: Forensic database

Table 39: (NDHS 7) Performance indicators for District Hospitals

Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
Output					
1. Caesarean section rate	21%	22.7%	19%	26.5%	An in-house research study on the reasons for the high Caesarean Section Rate in Public Health Facilities will be available early 2010/11.

[83] Indictor was unclear and was therefore replaced with the post mortem coverage ratio indictor which is the actual number of post mortems. The theoretical number of post mortems based on a ratio of 3 unnatural deaths per 1 000 population per annum

Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
2. Separations - total	329,406	361,244	417,000	360,524	Target based on projections.
3. Patient day equivalents	2,756,285	2,804,928	*2,950,000	3,084,247	Burden of disease.
4. OPD total headcount	2,168,440	2,775,255	2,626,000	3,069,671	Although a more in-depth analysis is required to determine the increase, it is suspected that clients still by-pass PHC.
Quality					
5. District Hospitals with Patient Satisfaction Survey using DOH template	36 = 88%	36 = 87%	37 = 100%	37 = 100%	
6. District hospitals with mortality and morbidity meetings every month	16 = 40%	100%	37 = 100%	37 = 100%	
7. District hospitals with monthly clinical audit meetings every month	17 = 42%	37 = 95%	37 = 100%	37 = 100%	
8. Complaints resolved within 25 days	New indicator	72.5%	60%	73%	
Efficiency					
9. Average length of stay in District Hospitals	4 Days	5.6 Days	5 Days	4.7 Days	Burden of disease; admission & discharge policy not adhered to.
10. Bed utilisation rate (based on usable beds) in District Hospitals	68%	62.6%	70%	65.4%	Bed allocation will be re-considered.
11. Expenditure per patient day equivalent in District Hospitals	R1 351	R1 441	R1 508	R1 639	
Outcome					
12. Case fatality rate in District Hospitals for surgery separations	4.5%	4.5%	4%	4.6%	Implementation of the Core Standards for quality and improved clinical governance should serve to improve quality.

Source: 2007/08 and 2008/09 data from 2008/09 Annual Report (page 187); DHIS; BAS; IPC & QA Programmes; DQPR

*Refers to reviewed targets

Table 40: Provincial Objectives and Performance Indicators for District Health Services

Performance Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
DISTRICT HOSPITALS					
Goal 1: To improve health service delivery through optimal allocation and utilisation of resources and collaboration with all stakeholders & partners.					
Strategic Objective 1: To mainstream PHC services.					
Measurable Objective: To ensure that all District Hospitals provide quality care to all patients based on the defined package of services as per STP.					
1. Number of District Hospitals compliant to the Infection Prevention and Control Policy	Policy approved	41 = 100%	37 = 100%	37 =100%	A total of 11 Nurse Specialists graduated from UKZN Department of Microbiology for the BSC Honours Degree with Infection Control as major.
Measurable Objective: To develop and implement a framework to improve clinical governance at health facilities.					
2. Number of District Hospitals implementing the integrated Quality Assurance tool	New indicator	New indicator	37 = 100%	37 = 100%	
3. Number of District Hospitals implementing strategies to reduce preventable causes of morbidity and mortality	16 = 39%	41 = 100%	37 = 100%	37=100%	

Source: 2007/08 and 2008/09 data from 2008/09 Annual Report (page 171); IPC; Q

Programme 3: Emergency Medical Rescue Services

PROGRAMME 3: EMERGENCY MEDICAL RESCUE SERVICES

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 the stabilization 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.

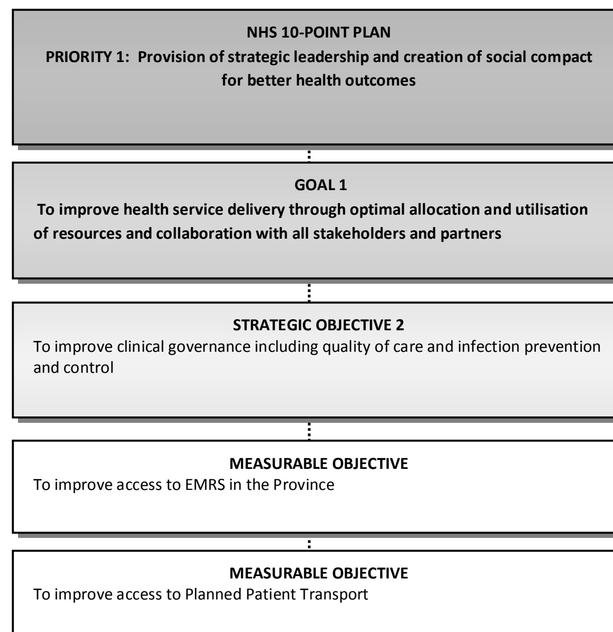
Sub-Programme 3.2: Planned Patient Transport (PPT)

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.

GOALS AND STRATEGIC/ MEASURABLE OBJECTIVES



INTRODUCTION

Emergency Medical Rescue Services (EMRS) render emergency services to patients through utilisation of specialised vehicles, equipment and skilled Emergency Care Practitioners (ECP). It also provides Planned Patient Transport and referrals between PHC clinics, CHC's and hospitals.

A General Manager was appointed for EMRS in April 2010.

PROGRAMME REVIEW

2009/10 Priorities

Priority 1: Improve access to EMRS.

EMRS are centralised to improve management and oversight and operates from 11 Communication Centres at district level. The Communication Centres at Ugu, Umgungundlovu, Ilembe and Uthukela are complete. Phase 1 renovations at the eThekwini Centre are complete and the Centre handed over to EMRS on the 15th of December 2009. Phase 2 of the upgrade will commence in 2010.

In 2009/10, there were 493 ambulances (217 rostered) in the Province. Of these, approximately 34% were unserviceable due to minor/ major repairs, accident damage and routine maintenance. The challenge to the operational ambulance service is to maximise shift fleet size and match it with periodic incident rates e.g. increase fleet size at peak periods during the day and on weekends and lower ambulance capacity at night. 75 ambulances were purchased for the 2010 World Cup, which will be absorbed into operations after the event.

The current ratio of 0.2 ambulances per 10 000 population is far below the national norm of 1 ambulance per 10 000 population. The Department needs an additional 734 ambulances and 7,340 Emergency Care Practitioners (10 ECP's per ambulance) to comply with the norm.

- Severe financial constraints limit expansion of services.
- The unique topography, high poverty index, severe shortage of vehicles and staff, high rate of inflation on vehicles, and high cost of fuel are contributing to the current challenges to improve service delivery.

The ambulance service travelled 33,610,721 kilometers in 2009/10 with an average 1,740,531 kilometers per ambulance. Collective distances ranged between 1,761,224 in Ilembe to 5,826,212 in Sisonke.

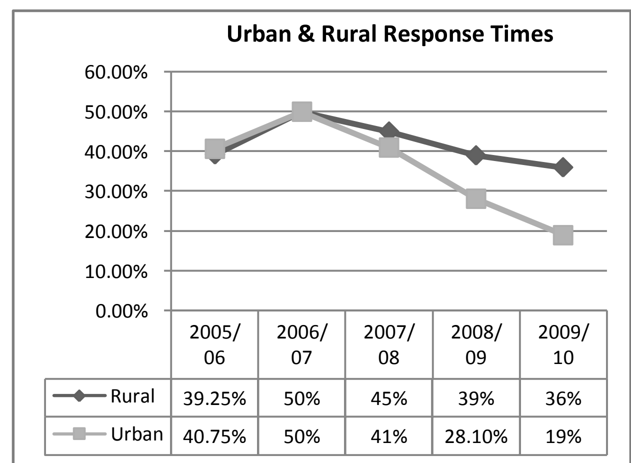
Emergency cases increased from 570,515 in 2004/05 to 765,693 in 2007/08 and slightly decreased to 707,478 in 2009/10. Referrals increased from an estimated 51,578 in 2008/09 to 149,172 in 2009/10.

Planned Patient Transport (PPT) operates in all districts. In 2009/10, the Province achieved 96% inter-hospital and 33% clinic-to-hospital coverage.

Response times, the principle indicator of performance, are extremely low and showed a downward trend over the last 3 years. Only 19% (national average 48.9%) of calls in urban areas were responded to within 15 minutes, and 36% (national average 57.2%) within 40 minutes in rural areas. Amajuba District, with 84% in urban and 92% in rural areas is the only district exceeding the national target of 80%.

The pilot project to determine appropriate referral patterns commenced in 2009/10. This should improve ambulance response times.

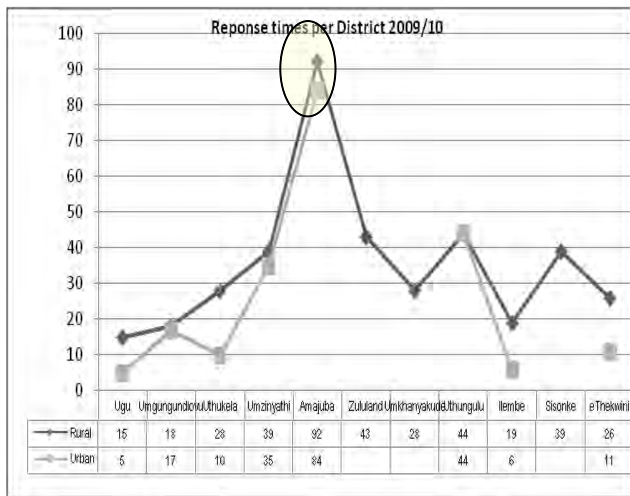
Graph 22: Provincial EMRS Response Times



	2005/06	2006/07	2007/08	2008/09	2009/10
Rural	39.25%	50%	45%	39%	36%
Urban	40.75%	50%	41%	28.10%	19%

Source: 2009/10 Annual Report & EMRS Database

Graph 23: EMRS Response Times per District 2009/10



	Ugu	Umgungundlovu	Uthukela	Umzinyathi	Amajuba	Zululand	Umkhanyakude	Uthungulu	Ilembe	Sisonke	eThekwini
Rural	15	18	28	39	92	43	28	44	19	39	26
Urban	5	17	10	35	84			44	6		11

Source: 2009/10 Annual Report & EMRS Database

The skills mix in trained staff is not evenly spread with BLS 72%, ILS 25% and ALS 3%. Retention strategies must be implemented to retain paramedic cadres in the Province.

Aero-Medical Services currently operates on a month to month agreement with Air Mercy Services, costing approximately R2.3 million per month. Three Air Ambulances were active in the Province with 1 helicopter in Richards Bay, 1 in Durban and 1 fixed wing plane in Durban. The Richards Bay helicopter services mainly the Umkhanyakude, Uthungulu, Zululand and Ilembe Districts. The Durban helicopter serves eThekwini, Ugu, Sisonke, Ilembe, Umgungundlovu and parts of the Umzinyathi Districts. The fixed wing airplane covers the entire Province. Helicopter operations are limited to daytime whilst the fixed wing airplane operates 24 hours, although night operations are only possible in areas with lit airstrips.

The Red Cross Air Mercy Service continues to ensure access to acute/ specialist services in rural hospitals. 45 Institutions benefited from this service including the services rendered by General Surgeon, Psychiatrist, Family Medicine, Paediatrician, Psychologist, Physician, Ultrasonographer, Optometrist, Anaesthetist, Orthopaedic Surgeon, Obstetrician and Gynaecologist, Ear Nose & Throat Specialist, HIV teams, etc.

- **Priority 2: Preparation for the 2010 FIFA World Cup.**

75 Ambulances have been purchased for use during the event. These ambulances will be allocated to districts following the event. All arrangements to ensure effective response to emergencies have been finalised and were in place.

Table 41: (EMS 3) Situation Analysis Indicators for EMRS and Patient Transport

Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
Input					
1. Total rostered ambulances	241	226	399	217	No new ambulances were purchased due to cost constraints. The 75 ambulances purchased for the 2010 World Cup are not included.
2. Rostered Ambulances per 10 000 people	0.2	0.2	0.4	0.2	Same as above.
3. Hospitals with patient transporters	100%	100%	100%	29%	This is an EMRS function – including transportation of stable patients going to specialised clinics at other facilities (PPT). These transporters are not allocated to hospitals as one PPT vehicle will uplift patients from numerous hospitals en route to their destination facility.
Process					
4. Average kilometers travelled per ambulance (per annum)	257,183	250,849	No target	1,740,531	Previous reporting questionable.
5. Total kilometers travelled by all ambulances	15,834,354	56,731,927	No target	33,610,721	This includes the kilometers travelled by all ambulances including those that are not operational every day. Ambulances may include those that are unserviceable at times and others used as pool vehicles in case of a breakdown/accident of one of the operational ambulances.
6. Locally based staff with training in BLS (BAA)	72%	76%	No target	72%	The high turn-over rate of ambulance personnel affects skills mix – the training gap increase.
7. Locally based staff with training in ILS (AEA)	25%	23%	No target	25%	
8. Locally based staff with training in ALS (Paramedics)	2.1%	2.3%	No target	3%	
Quality					
9. P1 (red calls) with a response of < 15 minutes in urban areas	41%	28.1%	85%	19%	There is no clear national definition to define rural and urban areas. This results in various interpretations with

Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
10. (P1 Red Calls) with a response of < 40 minutes in rural areas	45%	39%	55%	36%	a definite impact on reporting. Lack of resources contributes to poor response times. It is noted that Districts with a higher overtime expenditure report better response times which contributes to improved service delivery and better health outcomes. The GEMC system used in the computerised Communications Centers is incident-based as opposed to patient-based resulting in inaccurate reporting. Four districts (Ilembe, Ugu, Uthukela and Umgungundlovu Districts) are using this system.
11. All calls with a response time within 60 minutes	57%	62.9%	80%	53%	Lack of resources and ineffective referral patterns.
12. Operational rostered ambulances with single person crews	0	0	0	0	
13. Percentage of operational rostered ambulances	53%	79%	No target	71%	
Efficiency					
14. Ambulance trips used for inter-hospital transfers	3.42%	3.6%	No target	15%	
15. Green code patients transported by ambulance	33%	15%	15%	7%	
16. Cost per patient transported by ambulance	R 770	R770	R810	R14 694	Previous year's reports are questionable.
17. Ambulances with less than 200,000 km on the odometer	255	198	No target	289 = 59%	
18. Number of EMS emergency cases – total	New indicator	New indicator	Footnote[84]	707,478	
19. Number of EMS referral cases	New indicator	New indicator	Footnote[85]	149,172	

Data source: 2007/08 and 2008/09 data from 2008/09 Annual Report; EMRS

[84] No baseline data available to set target – trends will be monitored
[85] No baseline data available to set target – trends will be monitored

Table 42: (EMS 3) Situation Analysis Indicators for EMRS and Patient Transport per Health District [Rural Development Nodes are highlighted in light grey)

Indicator	Ugu 2009/10	Umgungundlovu 2009/10	Uthukela 2009/10	Umzinyathi 2009/10	Amajuba 2009/10	Zululand 2009/10	Umkhanyakude 2009/10	Uthungulu 2009/10	Ilembe 2009/10	Sisonke 2009/10	eThekwini 2009/10
Input											
1. Total rostered ambulances	15	20	15	17	21	19	20	20	11	16	43
2. Rostered Ambulances per 10 000 people[86]	0.2	0.2	0.6	0.1	0.3	0.2	0.3	0.2	0.2	0.3	0.2
3. Hospitals with patient transporters	100%	0%	100%	0%	3%	0%	80%	38%	0%	0%	0%
Process											
4. Kilometers traveled per ambulance (per annum)	168,688	49,060	218,132	121,320	55,648	64,088	107,732	157,404	67,740	364,140	62,496
5. Total kilometers traveled by all ambulances	2,867,736	2,943,828	3,272,000	2,062,444	2,974,040	2,307,200	4,417,052	3,148,064	1,761,224	5,826,212	4,397,788
6. Locally based staff with training in BLS (BAA)	65%	74%	79%	80%	86%	88%	92%	82%	63%	89%	52%
7. Locally based staff with training in ILS (AEA)	33%	22%	21%	20%	13%	12%	8%	16%	33%	10%	45%
8. Locally based staff with training in ALS (Paramedics)	2%	3%	0%	0.2%	1%	0%	0.2%	1%	4%	1%	4%
Quality											
9. (P1 Red Calls) with a response of < 15 minutes in urban areas	5%	17%	10%	35%	84%	0%	0%	44%	6%	0%	11%
10. (P1 Red Calls) with a response of < 40 minutes in rural areas	15%	18%	28%	39%	92%	43%	28%	44%	19%	39%	26%
11. All calls with a response time within	30%	31%	52%	70%	99%	62%	34%	59%	28%	56%	91%

[86] The ratio has been calculated using uninsured population

Indicator	Ugu 2009/10	Umgungundlovu 2009/10	Uthukela 2009/10	Umzinyathi 2009/10	Amajuba 2009/10	Zululand 2009/10	Umkhanyakude 2009/10	Uthungulu 2009/10	Ilembe 2009/10	Sisonke 2009/10	eThekwini 2009/10
60 minutes											
12. Percentage of operational rostered ambulances with single person crews	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
13. Percentage of operational rostered ambulances	7%	9%	7%	8%	10%	9%	9%	9%	5%	7%	20%
Efficiency											
14. Ambulance journeys used for inter-hospital transfers	32%	11%	28%	0%	2%	0%	1%	3%	23%	17%	20%
15. Green code patients transported by ambulance	1%	1%	0%	0%	0%	0%	0%	0%	98%	13%	15%
16. Ambulances with less than 200,000 km on the odometer	20	60	36	20	19	17	17	53	10	21	58
17. Cost per patient transported by ambulance	R884	R757	R739	R492	R810	R810	R4,130	R3,636	R1,221	R405	R810
18. Number of EMS emergency cases – total	50,051	51,696	48,811	67,376	64,373	46,595	59,186	87,973	55,710	80,149	95,558
19. Number of EMS referral cases	5,196	12,976	15,504	23,860	520	1,240	2,332	18,972	12,820	9,356	46,396

Data source: EMRS

Table 43: (EMS 2) Provincial Objectives and Performance Indicators for EMRS and Patient Transport

Indicators	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
Goal 1: To improve health service delivery through optimal allocation and utilisation of resources and collaboration with all stakeholders & partners.					
Strategic Objective 2: To improve Clinical Governance including quality of care and Infection Prevention and Control.					
Measurable Objective: To improve access to Emergency Medical Rescue Services in the Province.					
1. Number of vehicles purchased	180 ESV's 39 Support Vehicles	75 (for 2010) and 5 (for Umzimkhulu) Received 22 PPT busses	No target	0	No new vehicles were purchased due to financial constraints.
2. Number of Institutions with Disaster Management Plans	70%	80%	100%	98%	
Measurable Objective: To improve access to Planned Patient Transport.					
3. Percentage Planned Patient Transport coverage inter-Hospital	100%	100%	100%	96%	Limited resources result in EMRS being unable to meet the demand for service delivery.
4. Percentage Planned Patient Transport coverage Clinic-Hospital	55%	36.3%	100%	33%	

Data source: 2007/08 and 2008/09 data from 2008/09 Annual Report; EMRS

Programme 4: Regional & Specialised Hospitals

PROGRAMME 4: REGIONAL & SPECIALISED HOSPITALS

PROGRAMME DESCRIPTION

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

PROGRAMME STRUCTURE

Sub-Programme 4.1: Regional Hospitals

Render Regional Hospital Services at specialist level

Sub-Programme 4.2: Specialised TB Hospitals

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

Sub-Programme 4.3: Specialised Mental Health Hospitals

Render Hospital services for Mental Health

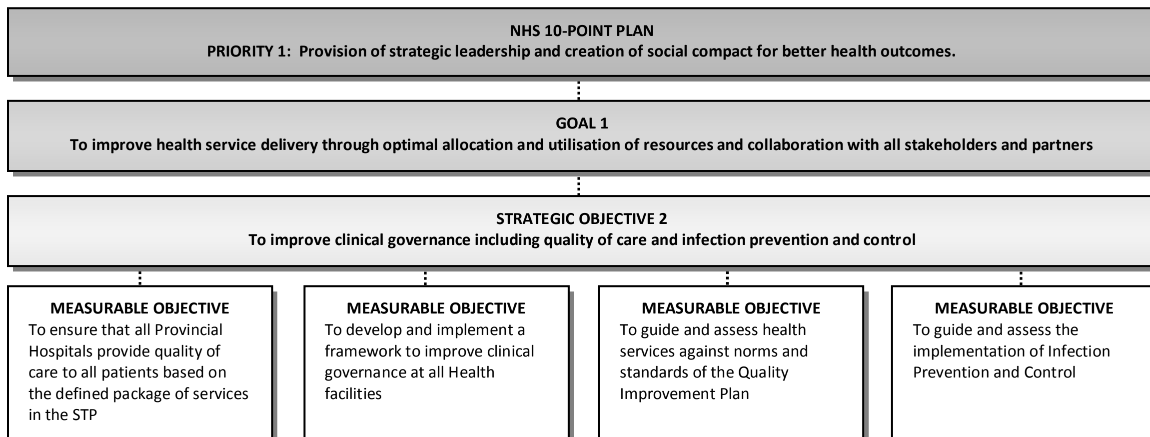
Sub-Programme 4.4: Dental Health Hospitals

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

Sub-Programme 4.5: Step-Down and Rehabilitation Hospitals

Render Step-Down and Rehabilitation services to the chronically ill

GOALS AND STRATEGIC/ MEASURABLE OBJECTIVES



INTRODUCTION

There were 34 Provincial/ General Hospitals in the Province including 14 Regional Hospitals (0.8 beds per 1000 population) and 20 Specialised Hospitals including 12 TB Hospitals (0.25 beds per 1000 population); 5 Psychiatric Hospitals (0.37 beds per 1000 population); and 3 Chronic/ Acute Specialised Hospitals (0.07 beds per 1000 population). There are no Regional Hospitals in Umzinyathi, Zululand, Umkhanyakude and Sisonke Districts (all Rural Development Nodes).

Regional Hospitals provide specialist services in the 5 basic specialities namely:

- Gynaecology and Obstetrics;
- Paediatrics;
- Surgery;
- Internal Medicine; and
- Orthopeadics.

All Regional Hospitals provide a combination of services and in most hospitals both level one and two services were provided (Combo Hospitals). Hospitals also provide clinical and non-clinical services to District Hospitals in their catchment areas.

Catchment populations vary significantly from the current national norms which add to congestion in some hospitals. Determining appropriate norms and standards to inform re-configuration of hospital services is one of the core priorities for the Department in the forthcoming planning cycle. The STP, currently under review, will serve to address this through extensive consultation.

Setting targets and reporting on combined outcomes for 'Combo' hospitals remained a challenge during the reporting period. The current information system is inadequate and will be addressed to ensure that outcomes for level two services are correctly reflected in reporting structures.

The impact of the HIV & AIDS pandemic contributed significantly to the patient load. The disease presentation of HIV, AIDS, TB and TBHIV co-infection resulted in late diagnosis and extended hospital stay to stabilise patients on treatment. The considerable numbers of HIV, AIDS and TB patients in acute beds have significant cost implications for hospital services.

The burden of mental illness is increasing. There has been a significant escalation of acutely ill mental health patients entering District and Regional Hospitals. Appropriate infrastructure and clinical capacity to manage these patients remained a challenge. The waiting time for forensic psychiatric observations also poses serious challenges during the reporting period.

Acute and Palliative Step-Down Facilities (2): Clairwood Hospital in eThekwini provides long-term step-down residential care. The increasing burden of disease places great pressure on services with limited scope for expansion due to cost containment measures. Hillcrest Hospital provides residential care for geriatric patients.

Specialised Rehabilitation Units (2): Two units in Phoenix and Pietermaritzburg provide specialised rehabilitation services. RK Khan and Greys Hospitals provide specialised rehabilitation services in out-patients to patients affected by strokes and spinal injuries.

Specialised Dental Centre (1): The full package of dental health services is provided. The centre provides continuing professional development for all categories of oral health personnel.

TB Hospitals (12): Specialised TB Hospitals make provision for sub-acute and chronic care of patients. Overall capacity increased although it is still inadequate to respond to the increasing need in the Province.

The Province made additional provision for MDR and XDR TB beds in King George V (62), Fosa (190), M3 Greytown (35), Thulasizwe (106), Manguzi (40), Catherine Booth Hospital (40), Murchison (40), Madadeni (23), Hlabisa (34), and Doris Goodwin (64).

Specialised Psychiatric Hospitals (6): Townhill and King George V provide specialised adolescent services. The Forensic Unit at Fort Napier Hospital is inadequate for the demand resulting in extended waiting times of up to six months for observation.

Regional Hospitals (including Specialised Hospitals) received 23.5% (R4 323 454 000) of the total budget in 2009/10, and reported an over-expenditure of 17.7%. Of this, Regional Hospitals overspent by R606 293 000; TB Hospitals R128 656 000; Psychiatric Hospitals R30 040 000; and Sub-Acute, Step-Down and Chronic Medical Hospitals by R3 867 000.

The cost per patient day equivalent in Regional Hospitals increased slightly from R1 175 to R1 421 against the national target of R1 128. Costing for hospital services is under review,

and preliminary estimates are that in excess of R1.1 million PDE from Regional Hospitals must go to District Hospitals.

PROGRAMME REVIEW

Policies, Protocols and Guidelines

The following policies have been finalised:

- Policy on Hospital Governance.
- Policy on Patient Escorts and Planned Patient Transport.
- Policy on Procurement of Critical Services from the Private Sector.
- A Manual on the Fundamentals in Emergency Care has been prepared and made available to hospitals.

2009/10 Priorities

Priority 1: 2010 Preparedness.

Also see information included in Programme 1.

Doctors and nurses attended the Emergency Update Course at the University of KwaZulu-Natal, as well as a course on chemical, biological and radio-active threats. The in-service training manual for hospitals on the South African Triage Score and Disaster Update Package for Nurses was disseminated to all hospitals.

Crisis Centres: Addington, Prince Mshiyeni Memorial and Mahatma Gandhi Memorial Hospitals have been prepared to receive the majority of patients during the event, although all other hospitals will be able to attend to patients. Standard Operating Procedure Manuals were available in all hospitals.

The South African Military Health Services assisted Port Shepstone Hospital during the event, and limited additional equipment was ordered for Addington, Port Shepstone, Ngwelezane, Stanger and Edendale Hospitals.

Priority 2: Improve Infection Prevention & Control.

All hospitals implemented the Infection Prevention and Control Policy.

Priority 3: Improve and monitor access to hospital services.

The disease burden, including social and behavioural patterns of unhealthy lifestyles and intentional and unintentional injuries, adds to the existing demand for acute, chronic and trauma services which has had a major impact on services and available resources. This is evident from hospital statistics showing an increase in injuries due to accidents, rape, substance and alcohol abuse and medical emergencies linked with diseases of lifestyle.

Hospital separations for Regional hospitals decreased slightly from 355,778 to 355,231, and the patient day equivalent increased by 3.8% to 2,903,847 in 2009/10. A total of 2,2673,272 patients visited the out-patients departments in 2009/10 (a decrease of 2.8% from the previous year).

Priority 4: Improve hospital efficiency.

Strengthening hospital management capacity, improving financial management and improving hospital information systems were key focus areas in the reporting period.

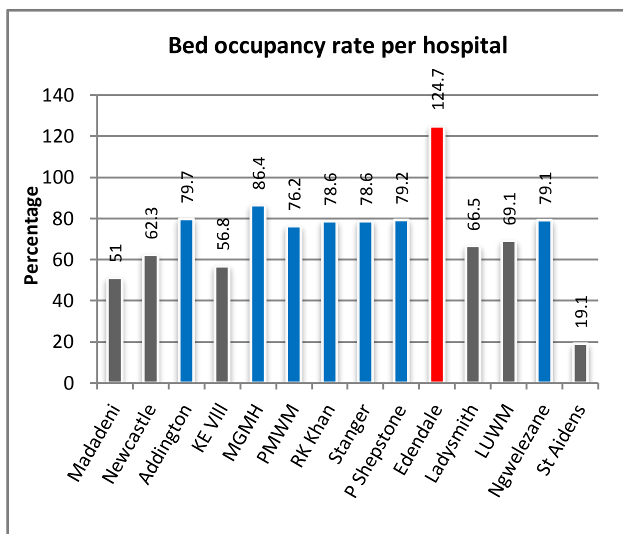
During the reporting period 23 Hospital Managers (all levels) were enrolled in the Masters Programme in Public Health to improve management capacity at hospital level.

Hospital output and performance were closely monitored to identify capacity gaps for early intervention. Output related to the financial management was closely monitored and support and mentoring provided as identified.

The bed occupancy rate, a measure of efficiency that expresses effective utilisation of resources, increased from 71.3% in 2008/09 to 72.8% in 2009/10.

This however masks significant variances of between 51% in Madadeni Hospital and 124.7% in Edendale Hospital. Six hospitals (Madadeni, Newcastle, King Edward VIll, Ladysmith, Lower Umfolozi War Memorial and St Aidens Hospitals) were below the target of 75%. Mahatma Ghandi (86.4%) and Edendale (124.7%) Hospitals reported very high occupancy rates which might impact on quality and efficiency.

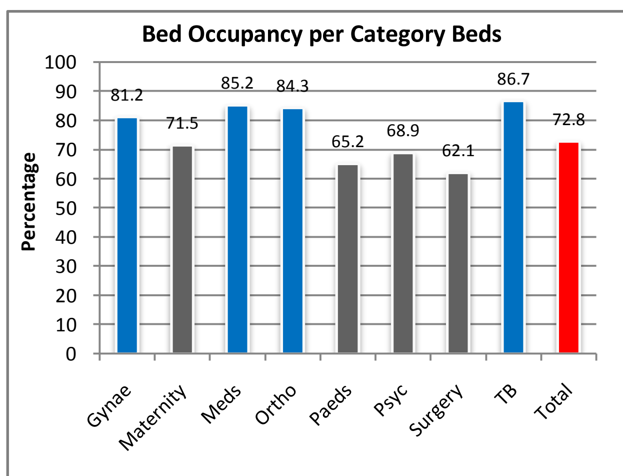
Graph 24: Bed Occupancy Rate per Hospital



Source: DHIS

The following graph illustrates the bed occupancy rates per speciality clearly indicating the current admission trends.

Graph 25: Bed Occupancy Rate per Speciality

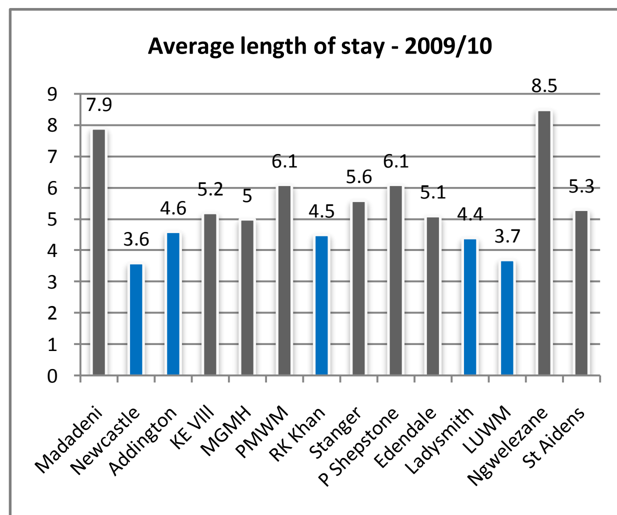


Source: DHIS

The average length of stay (ALOS) is a proxy measure to assess the quality of care and hospital efficiency. The ALOS decreased slightly from 5.3 days to 5 days per patient in 2009/10 compared with the national target of 4.8 days.

Madadeni (7.9 days) reported an ALOS of 16.8 days for orthopaedic and 58.1 days for psychiatric patients which increased their average stay in hospital. Ngwelezane (8.5 days) reported extended ALOS of 18.3 days for psychiatric patients and 8.8 days for orthopaedic patients – increasing their ALOS.

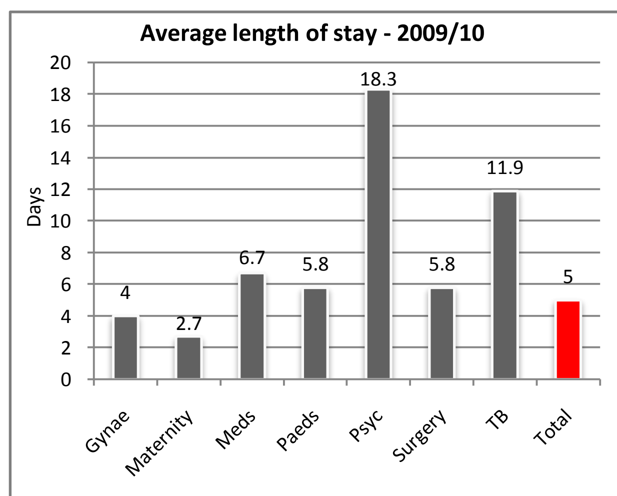
Graph 26: Average length of Stay per Hospital



Source: DHIS

The following graph illustrates the average length of stay per speciality clearly indicating the trends.

Graph 27: Average Length of Stay per Speciality



Source: DHIS

Priority 5: Improve quality of care in hospitals.

Increasing quality care awareness through patient satisfaction and staff satisfaction surveys were done and concerted efforts have been made to improve patient satisfaction levels. This

included attempting to improve waiting times for clinical areas, facility cleanliness, and improving staff attitudes.

The Department commenced with the implementation of the National Core Standards for quality in 2009/10. Six Regional Hospitals were identified to participate in the *"Make me look like a hospital"* Project that was launched after the MEC's 2009 Budget Speech. The project will be expanded in 2010/11 in line with the intention to expand implementation of the national core standards. An assessment of project progress identified the following general improvements:

- Policies and procedure guidelines have been developed and are available;
- Functional schedules is in place for multi-disciplinary ward rounds on a regular basis;
- Wards/ departments implement guidelines for HIV-positive patients;
- Waiting times are monitored and reported on;
- Adverse Committees are in place and adverse events included in quality/ management meeting agenda;
- Mortality & clinical audit meetings are conducted and reports available;
- Reports on weekly management walkabout by management are available;
- Controls are in place to monitor stock levels and prevent theft;
- Help desk is functional for 12 hours on weekends and public holidays;
- IPC protocol for health care risk waste is in place;
- In-service programmes reflect identified gaps;
- Maintenance plans are monitored and adhered to;
- Monitoring tools for supervision of junior doctors are in place and monitored;

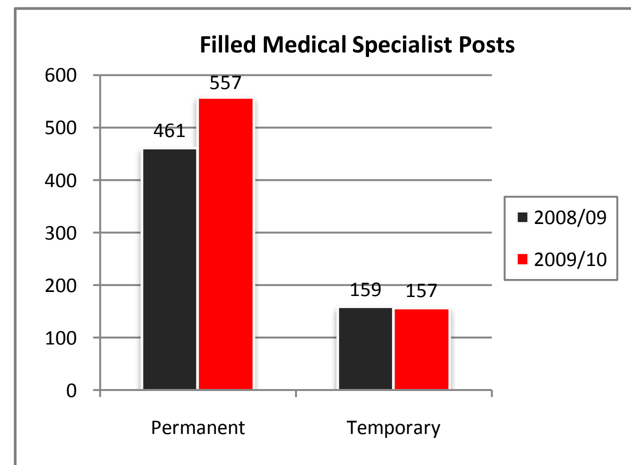
The caesarean section rate increased from 31.6% to 38.8% in 2009/10 compared with the national target of 25%. Data inconsistencies are being investigated. The highest rates were reported in Lower Umfolozi War Memorial (44.1%) and Port Shepstone (63.5%). Ladysmith Hospital (20.9%) reported the lowest rate for the reporting period.

The case fatality rate is still very high at 4.8%. Improved clinical governance as part of the implementation of core standards is expected to change that.

Priority 6: Implement recruitment and retention strategies.

Minimum staff establishments for hospitals are at an advanced stage of development and will be finalised early in the 2010/11 financial year. The number of permanent medical specialists in employment increased by 98 in 2009/10, although the vacancy rate was still extremely high at 65.1% (compared with 69.5% in 2008/09) according to Persal data.

Graph 28: Medical Specialist posts filled



Source: 2008/09 and 2009/10 HR Oversight Reports

Priority 7: Provide and improve staff accommodation.

Improvement of staff accommodation was delayed as a result of cost containment measures.

Priority 8: Improve clinical supervision of Interns, CSO's and foreign workforce.

Clinical governance has been improved with the implementation of the core standards.

Table 44: (PHS 1) Public Hospitals by hospital type 2009/10

Hospital Type	Number of Hospitals	Number of Beds	Beds per 1 000 Uninsured People 2009/10		
			Provincial Average	Highest District	Lowest District
1. District Hospitals	37	9,305	1/1 000	1.8/1 000 (Umkhanyakude)	0.4/1 000 (eThekwini)
2. Provincial/ Regional Hospitals	14	7,808	0.8/1 000	2.5/1 000 (Amajuba)	0.4/1 000 (Ugu)
3. Tertiary and Central Hospitals	2	1,281	0.2/1 000	0.2/1 000 (eThekwini)	0.2/1 000 (Umkhanyakude)
Sub-Total: Acute Hospitals					
4. Tuberculosis	12	2,081	0.25/1 000	0.87/1 000 (Umgungundlovu)	0.04/1 000 (Uthukela)
5. Specialised Psychiatric	5	2,384	0.37/1 000	0.7/1 000 (Umgungundlovu)	0.05/1 000 (Zululand)
6. Other Specialised	3	737	0.07/1 000	0.07/1 000 (eThekwini)	
Total Public	73	23,596			
7. Private Sector (including Step-Down)			0.002/1 000		

Data source: DHIS

Table 45: (PHS 2) Public Hospitals by level of care – 2009/10

Hospital Type	Number of Hospitals	Number of Beds	Beds per 1000 Uninsured Population		
			Provincial Average	Highest District	Lowest District
1. District Hospitals	37	9,305	1/1 000	1.8/1 000 (Umkhanyakude)	0.4/1 000 (eThekwini)
2. Regional Hospitals	14	7,808	0.8/1 000	2.5/1 000 (Amajuba)	0.4/1 000 (Ugu)
3. Tertiary and Central Hospitals	2	1,281	0.2/1 000	0.2/1 000 (eThekwini)	0.2/1 000 (eThekwini)

Data source: DHIS

Table 46: (PHS 5) Situational analysis indicators for Regional Hospitals

Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
Output					
1. Caesarean section rate	32% = 22,505	31.6%	29%	38.8% = 34,134	The results of the Provincial in-house study to determine the reasons for the high caesarean section rate will be available in early 2010/11. Port Shepstone (63.5%) and Lower Umfolozi War Memorial (44.1%) Hospitals, both providing specialised maternal health services on referral, have the highest rates for the reporting period.
2. Separations – total	351,169	355,778	395,500	355,231	
3. Patient day equivalents	2,663,297	2,797,350	3,131,000	2,903,847	
4. OPD total headcount	2,702,113	2,752,678	*3,109,000	2,673,272	There is no current evidence to explain the decrease. It might partly be attributed to improved utilisation at appropriate levels of care or improved referral.
Quality					
5. Provincial Hospitals conducting annual Patient Satisfaction Survey using DOH template	57% = 8	78%	100% = 14	86% = 12	High vacancy rate for Quality Assurance Managers.
6. Provincial Hospitals conducting morbidity and mortality meetings every month	43% = 5	93%	100% = 14	86% = 12	Critical skills shortages.
7. Provincial Hospitals conducting clinical audit meetings every month	75% = 9	93%	100% = 14	79% = 11	Critical skills shortages.
8. Complaints resolved within 25 days	New indicator	59%	100%	56%	Skills shortages.
Efficiency					
9. Average length of stay	4.8 Days	5.3 Days	5 Days	5 Days	
10. Bed utilisation rate (based on usable beds)	66%	71.3%	75%	72.8%	Non-adherence to the admission and discharge policies.
11. Expenditure per patient day equivalent	R1 119	R1 175	R 1 184	R1 421	Under review to ensure accurate calculation of Combo hospital cost.

Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
Outcome					
12. Case fatality rate for surgery separations	5.8%	5.6% = 5,683	4%	4.8% = 2,497 deaths in surgery	Ineffective clinical governance.

Data source: 2007/08 and 2008/09 data from 2008/09 Annual Report (page 217, 218); Indicators 5, 6, & 7 = QA; Indicator 8 = DQPR; DHIS

*Data reflect reviewed targets

Table 47: (PHS 5) Situation analysis indicators for Regional Hospitals per health district – 2009/10

Indicator	Uthungulu 2009/10	eThekwini 2009/10	Ugu 2009/10	Umgungundlovu 2009/10	Amajuba 2009/10	Ilembe 2009/10	Uthukela 2009/10
Output							
Caesarean section rate	44.1%	40.9%	63.5%	39.4%	24.8%	29.2%	20.9%
Separations – total	33,916	164,873	15,711	48,260	45,828	23,895	22,748
Patient day equivalents	238,321	1,413,550	195,177	357,586	322,938	189,621	186,654
OPD total headcount	144,657	1,434,945	296,456	279,844	129,195	153,043	235,132
Quality							
Provincial Hospitals with Patient Satisfaction Survey using the DOH template	100% = 2	83% = 5	0% = 0	100% = 1	100% = 2	100% = 1	100% = 1
Provincial Hospitals with morbidity and mortality meetings every month	100% = 2	67% = 4	100% = 1	100% = 1	100% = 2	100% = 1	100% = 1
Provincial Hospitals with clinical audit meetings every month	100% = 2	50% = 3	100% = 1	100% = 1	100% = 2	100% = 1	100% = 1
Complaints resolved within 25 days	100%	83%	49%	100%	Nil	77%	71%
Efficiency							

Indicator	Uthungulu 2009/10	eThekwini 2009/10	Ugu 2009/10	Umgungundlovu 2009/10	Amajuba 2009/10	Ilembe 2009/10	Uthukela 2009/10
Average length of stay	5.4 Days	4.5 Days	6.1 Days	5.5 Days	6 Days	5.6 Days	4.4 Days
Bed utilisation rate (based on usable beds)	74.6%	71.1%	79.2%	81%	53.6%	78.6%	66.5%
Outcome							
Case fatality rate for surgery separations	4.9%	5.2%	5.0%	5.6%	3.2%	4.0%	3.1%

Data source: DHIS; Indicators 5, 6 & 7 = QA; Indicator 8 = DQPR

Table 48: Provincial Objectives and Performance Indicators for Regional Hospitals

Indicator	2007/08 Target	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
Goal 1: To improve health service delivery through optimal allocation and utilisation of resources and collaboration with all stakeholders & partners.					
Strategic Objective 2: To improve Clinical Governance including Quality of Care and Infection Prevention and Control.					
Measurable Objective: To ensure that all Regional Hospitals provide quality health care to all patients based on the defined package of service as prescribed in the STP.					
1. Caesarean section rate	32% =	31.6%	29%	38.8%	Previous comments.
2. Average length of stay	4.8 Days	5.3 Days	4 Days	5 Days	
3. Bed utilisation rate	66%	71.3%	75%	72.8%	
4. Case fatality rate	5.8%	5.6%	4%	4.8%	
Measurable Objective: To develop and implement a framework to improve Clinical Governance at all health facilities.					
5. Percentage of Regional Hospitals with morbidity & mortality meetings every month	43% = 5	93%	100% = 14	86% = 12	Critical skills shortages reported in eThekwini.
Measurable Objective: To guide and assess the implementation of Infection Prevention and Control.					

Indicator	2007/08 Target	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
6. Percentage of Regional Hospitals conducting monthly clinical audit meetings	75% = 9	93%	100% = 14	79% = 11	Critical skills shortages reported in eThekwini.
7. Percentage of Regional Hospitals implementing the Infection Prevention & Control Policy	80%	100%	100% = 14	100% = 14	
Measurable Objective: To guide and assess health services against norms and standards of the Quality Improvement Plan.					
8. Integrated Quality Assurance Tool implemented at all Regional Hospitals	100%	100%	100% = 14	100% = 14	

Data source: 2007/08 and 2008/09 data from 2008/09 Annual Report (page 217); Indicators 5, 6 & 8 = QA; Indicator 7 = IPC; DHIS

Programme 5: Tertiary & Central Hospitals

PROGRAMME 5: TERTIARY & CENTRAL HOSPITALS

GOALS AND STRATEGIC/ MEASURABLE OBJECTIVES

Rendering Quaternary and other Tertiary Health Services

PROGRAMME STRUCTURE

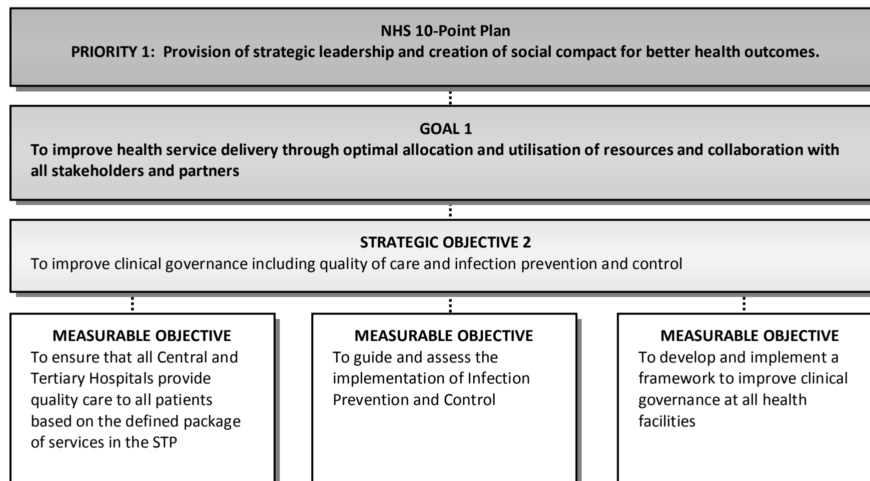
Sub-Programme 5.1: Central Hospitals

Rendering Central and Quaternary Hospital Services

Sub-Programme 5.2: Tertiary Hospitals

Rendering Tertiary Hospital services

GOALS AND STRATEGIC/ MEASURABLE OBJECTIVES



INTRODUCTION

Programme 5 received 10.1% of the total budget and reported an over-expenditure of 15%.

The designated Tertiary (1) and Central (1) Hospitals provides highly specialised care to a total population of 10,490,300 of which approximately 9,231,464 are uninsured.

Although only Greys Hospital is classified as a Tertiary Hospital, Ngwelezane and Lower Umfolozi Memorial Hospitals also provides some tertiary services.

- Inkosi Albert Luthuli Central Hospital (IALCH) provides 100% Tertiary services.
- Greys Hospital provides 80% Tertiary and 20% Regional services.
- Ngwelezane Hospital provides 33% Tertiary, 42% Regional and 25% District services.
- Lower Umfolozi War Memorial Hospital provides 37% Tertiary, 36% Regional and 27% District services.

Both Ngwelezane and Lower Umfolozi War Memorial Hospitals are in the early stages of development. Cost containment measures delayed progress and placed undue pressure on the remaining services.

High vacancy rates and concomitant skills gaps affected service delivery and costs. Expansion of services, necessitated by the increased burden of disease, has not been possible as a result of inadequate financial and human resources. Failure to develop services will have an impact on eventual long-term cost as well as the ability to respond appropriately to the health needs of beneficiaries in the Province.

The Department implemented retention strategies to increase the pool of specialists in hospitals. *See Programme 1.*

PROGRAMME REVIEW

Policies, Protocols and Guidelines

The following policies have been finalised during 2009/10:

1. Policy on Hospital Governance.
2. Policy on Patient Escorts and Planned Patient Transport.
3. Policy on Procurement of Critical Services from the Private Sector.
4. Clinicians from Inkosi Albert Luthuli Central Hospital have prepared protocols for General and Paediatric Trauma Management.

2009/10 Priorities

Priority 1: Strengthen Tertiary services.

Governance structures have been established and are functional in both Tertiary & Central Hospitals. Monthly clinical audits are conducted by multi-disciplinary teams, including the review and analysis of clinical and financial data.

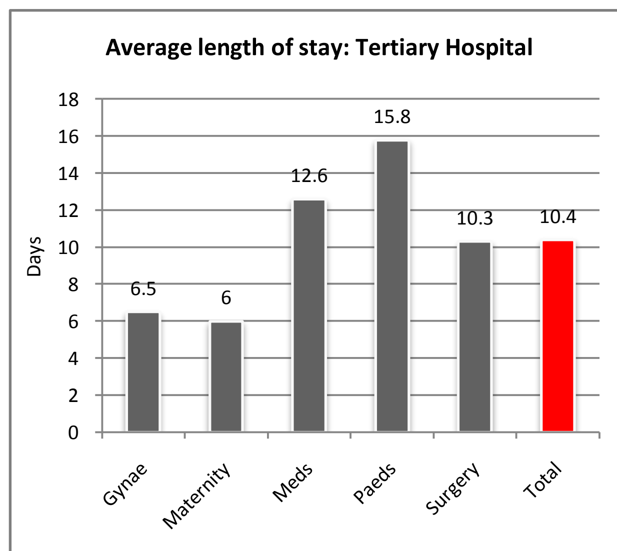
The Department commenced in earnest with implementation of the National Core Standards for Quality in 2009/10. Greys Hospital was identified as one of the initial 12 hospitals targeted for the 'Make me look like a hospital' project.

TERTIARY HOSPITAL

Tertiary Hospital separations decreased with 9.9% to 10,755; the patient day equivalent decreased by 7% to 180,119; and the out-patient headcount increased by 3.3% to 203,358 in 2009/10.

The average length of stay increased from 9.9 days in 2008/09 to 10.4 days per patient in 2009/10 compared with the national target of 5.2 days. The following graph illustrates the extended stay for Paediatric and Medical patients confirming the increasing burden of disease at all levels of care.

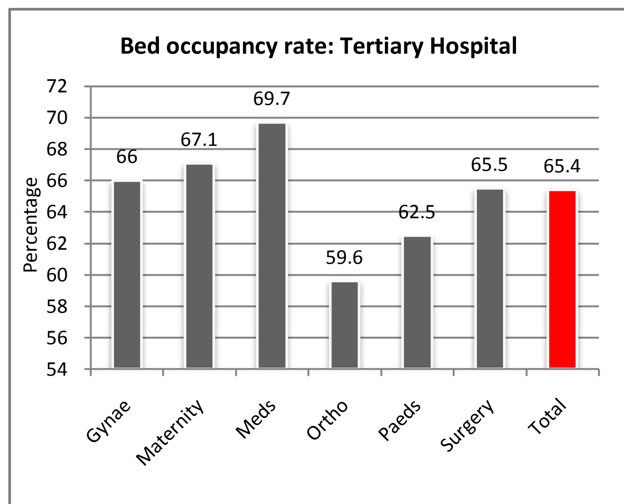
Graph 29: Average length of stay in Tertiary Hospitals



Source: DHIS

The bed occupancy rate decreased from 70.9% in 2008/09 to 65.4% in 2009/10 compared with the national target of 75%. The following graph illustrates occupancy per speciality during the reporting period.

Graph 30: Bed utilisation rate in Tertiary Hospitals



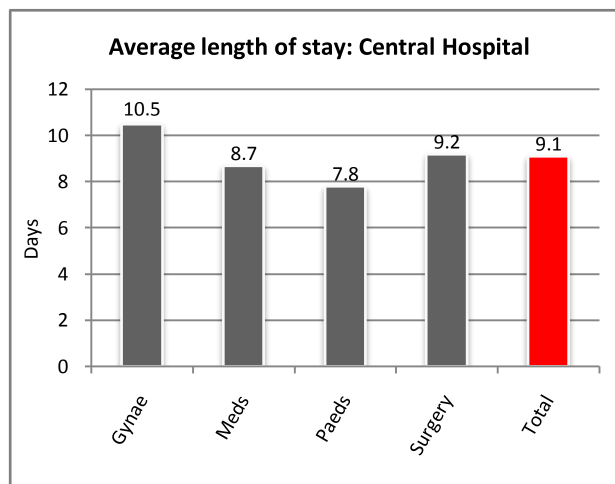
Source: DHIS

CENTRAL HOSPITAL

Separations in the Central Hospital decreased slightly from 20,886 in 2008/09 to 20,204 in 2009/10; the patient day equivalent increased by 4.5% to 253,344 and the out-patient headcount increased by 4.5% to 182,688 in 2009/10.

The average length of stay increased from 8.8 days to 9.1 days in 2009/10 compared with the national target of 5.2 days. The following graph illustrates the ALOS of specialities indicating extended stay in all specialities.

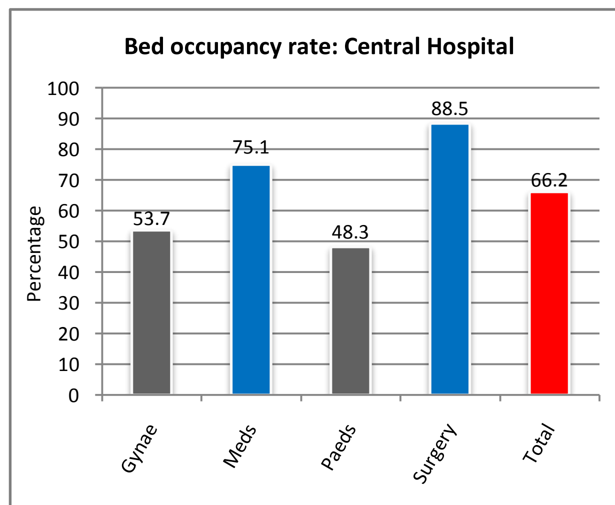
Graph 31: Average length of stay in Central Hospital



Source: DHIS

The bed occupancy rate increased significantly from 52.8% in 2008/09 to 66.2% in 2009/10 compared with the national target of 75%. The following graph illustrates that the bed occupancy for Paediatric and Gynae beds were under-utilised

Graph 32: Bed occupancy rate in Central Hospital



Source: DHIS

- **Priority 2: Develop a service delivery platform and package of services for Tertiary Hospitals.**

Clinical Management Teams (represented by Clinical Heads of Departments) defined the tertiary package of services which informed the National Department of Health's policy on Tertiary Services in SA.

The National Tertiary Services Grant (NTSG) provided essential resources to develop Tertiary Services on the continuum of care.

- **Priority 3: Conduct an audit of existing tertiary services.**

The audit has not been conducted as a result of the cost containment measures implemented by the Department.

- **Priority 4: Monitor utilisation of the NTSG and develop and monitor the Business Plan.**

The Department has performed within the NTSG and DORA prescripts. According to the National Department of Health NTSG Report, a total of R983 948 000 had been spent in 2009/10 with 0% under/ over expenditure.

Performance indicators in the Business Plan are aligned to the Conditional Grant (Schedule 4), DORA and PFMA prescripts, and National and Provincial strategic priorities for the delivery of tertiary services. Core outputs include:

- Completed the commissioning of outstanding tertiary services with improved accessibility to the full package of tertiary health care services.
- Implementation of a comprehensive Finance Management and Resource Utilisation Strategy monitored by clinical governance structures.
- Improved adherence to admission and discharge criteria and clinical protocols.
- Improved Hospital Management Information System to facilitate evidence-based decision making.
- Improved client satisfaction.
- Improved partnerships with tertiary educational institutions and relevant governance structures.

Challenges that affected the achievement of the intended objectives included:

- Cost containment measures that delayed the filling of critical posts therefore delaying expansion of services. Only emergency operations were conducted in some disciplines due to insufficient staff in critical care.
- The NTSG was insufficient to respond to the health needs in the Province.
- The lack of a National Tertiary Services Health Plan and lack of standard performance indicators for the NTSG Business Plan was a challenge for the development of an aligned Business Plan.
- Infrastructure delays continued to delay the commissioning of tertiary services.
- Equity continues to be a challenge compounded by ineffective referral systems resulting in extended waiting times.

Table 49: (CHS 1) Number of Beds in Tertiary and Central Hospitals

Name	Medical Beds	Surgical Beds	Maternity Beds	Paediatric Beds	Orthopaedic Beds	Gynaecology Beds	High Care /ICU Beds	Specialised Psychiatric
IALC Hospital	183	270	0	153	0	64	142	0
Grey's Hospital	95	139	71	80	54	0	35 (up until Oct)	0

Data source: DHIS

NOTE: Gynaecology beds in IALCH are used as maternity beds as well.

Table 50: (CHS 2) Performance Indicators for Grey's Hospital

Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
Output					
1. Caesarean section rate	61% = 1,204	*69.4%	50%	62,6%	Awaiting the results from the in-house study to determine the actual reasons for the high caesarean section rate.
2. Separations – total	12,049	*11,919	*12,282	10,755	Improved compliance with admission and discharge policies.
3. Patient day equivalents	193,913	*193,913	212,650	180,119	
4. OPD total headcounts	196,857	*196,857	217,679	203,358	Increasing burden of disease and late reporting to facilities.
Quality					
5. Patient Satisfaction Survey completed	Yes	Yes	Yes	Yes	
6. Morbidity and mortality meetings conducted at least once a month	Quarterly	Quarterly	Yes	Yes	
7. Clinical audit meetings conducted at least once a month	Quarterly	Quarterly	Yes	Yes	
8. Complaints resolved within 25 days	New indicator	100%	100%	100%	

Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
Efficiency					
9. Average length of stay	10 Days	*9.9 Days	5.5 Days	10.4 Days	Down referral is a challenge.
10. Bed utilisation rate	76%	*70.9%	*75%	65.4%	High vacancy rates affect efficiency.
11. Expenditure per patient day equivalent	R 1 899	*R2 170.38	*R 2 546	R2 601	
Outcome					
12. Case fatality rate for surgery separations	6.6% = 258	5.8%	5.5%	5.2%	Inadequate clinical governance systems.

Data source: 2007/08 and 2008/09 data from 2008/09 Annual Report (page 230); *2010/11 APP; DQPR; DHIS

*Data reflect reviewed targets

Table 51: (CHS 2) Performance Indicators for Inkosi Albert Luthuli Central Hospital

Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
Output					
1. Caesarean section rate	78% = 318	81.5%	75%	74%	Late booking of clients contributes to complications in delivery.
2. Separations – total	14,405	20,886	18,000	20,204	Fluctuating trends.
3. Patient day equivalents	190,245	242,334	*265,000	253,344	
4. OPD total headcounts	159,459	174,704	161,000	182,688	
Quality					
5. Patient Satisfaction Survey completed	No	Yes	Yes	Yes	
6. Morbidity and mortality meetings at least once a month	Quarterly	Yes	Yes	Yes	
7. Clinical audit meetings	Quarterly	Yes	Yes	Yes	
8. Complaints resolved within 25 days	100%	100%	100%	72%	Staff shortage.

Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
Efficiency					
9. Average length of stay	9.5 Days	8.8 Days	8 Days	9.1 Days	Down referral of patients is a challenge.
10. Bed utilisation rate	42%	*52.8%	55%	66.2%	
11. Expenditure per patient day equivalent	R5 300	R6 307	*R 4 450	R8 396	
Outcome					
12. Case fatality rate for surgery separations	4.5% = 291	3.2%	*3%	2.2%	

Data source: 2007/08 and 2008/09 data from 2008/09 Annual Report (page 231); DQPR; DHIS

*Data reflect reviewed targets

Table 52: (CHS 3) Provincial Objectives and Performance Indicators for Tertiary and Central Hospitals

Indicator		2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
Goal 1: To improve health service delivery through optimal allocation and utilisation of resources and collaboration with all stakeholders & partners.						
Strategic Objective 2: To improve Clinical Governance including quality of care and Infection Prevention and Control.						
Measurable Objective: To ensure that all Central and Tertiary Hospitals provide quality care to all patients based on the defined package of services in the STP.						
1. Caesarean section rate	Tertiary	61%	69.44%	50%	62.6%	Previous comments refer.
	Central	78%	81.5%	75%	74%	
2. Average length of stay	Tertiary	10 Days	*9.9 Days	5.5 Days	10.4%	
	Central	9.5 Days	8.8 Days	8 Days	9.1%	
3. Bed utilisation rate	Tertiary	76%	70.9%	75%	65.4%	
	Central	42%	52.8%	55%	66.2%	
4. Case fatality rate	Tertiary	6.6%	5.8%	5%	5.2%	
	Central	4.5%	3.2%	3.5%	2.2%	

Indicator		2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
Measurable Objective: To guide and assess the implementation of Infection Prevention and Control.						
5. Number of Tertiary/ Central Hospitals implementing the Infection Prevention and Control Policy	Tertiary	1	1	1	1	
	Central	1	1	1	1	
6. Number of Tertiary/ Central Hospitals conducting monthly clinical audit meetings	Tertiary	Quarterly	1	1	1	
	Central	Quarterly	1	1	1	
Measurable Objective: To develop and implement a framework to improve clinical governance at all health facilities.						
7. Number of Tertiary/ Central Hospitals implementing strategies to reduce preventable causes of morbidity and mortality	Tertiary	1	1	1	1	
	Central	1	1	1	1	

Data source: 2007/08 and 2008/09 data from 2008/09 Annual Report (page 232); DQPR; DHIS

Programme 6: Health Sciences & Training

PROGRAMME 6: HEALTH SCIENCES & TRAINING

PROGRAMME DESCRIPTION

The provisioning of training and development opportunities for existing and potential employees of the Department

PROGRAMME STRUCTURE

Sub-Programme 10.1: Nurse Training College

Training of Nurses at both undergraduate and postgraduate level

Sub-Programme 10.2: EMRS Training College

Training of Emergency Care Practitioners

Sub-Programme 10.3: Bursaries

Provision of bursaries for students studying in health science programmes at undergraduate levels

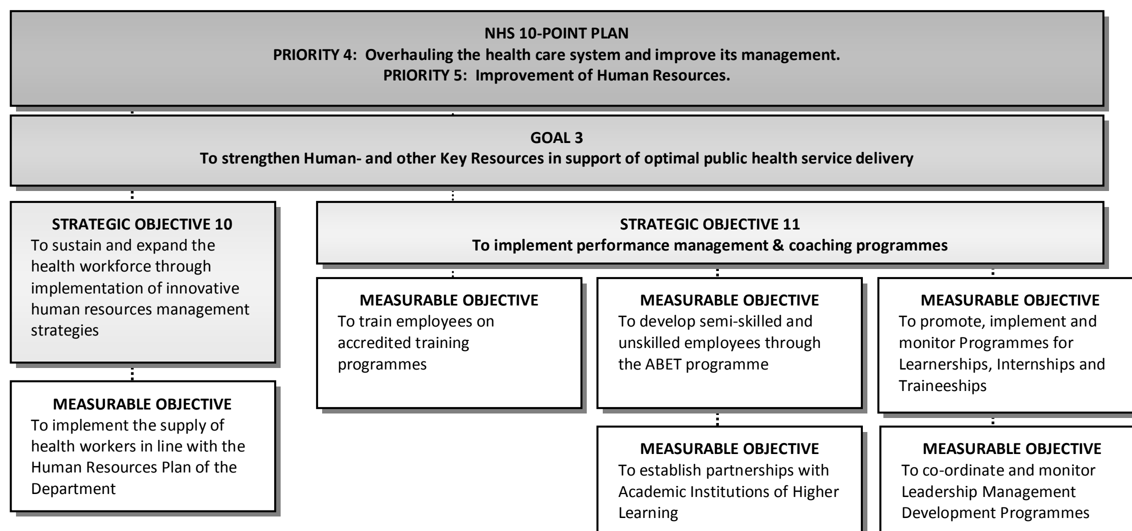
Sub-Programme 10.4: PHC Training

Provision of PHC related training for Professional Nurses working in a PHC setting

Sub-Programme 10.5: Training (Other)

Provision of skills development interventions for all occupational categories

GOALS AND STRATEGIC/ MEASURABLE OBJECTIVES



INTRODUCTION

Programme 6 was allocated a budget of R671 064 000 in 2009/10, and reported an over-expenditure of R122 122 000 mainly as a result of the following:

- Over-spending in Nursing Training Colleges as a result of over-spending on compensation of employees.
- Over-spending in PHC Training.
- Over spending on other Training as a result of the effects of the increase in medical interns. Additional to this was the compulsory two year medical intern programme and OSD in respect of Nursing Colleges and OSD for medical interns.

PROGRAMME REVIEW

ABET Training

Individual tutors facilitated the programme since 2008. A total of 1,458 employees participated in the programme, with 13 learners completing ABET level 4 in 2009/10. Early exists from the programme and drop-outs reduced the number of expected learners during the reporting period.

Learnerships

The Department implemented various categories of learnerships including ABET, PHC, Social Auxiliary and Pharmacy Assistant training. The programme is funded by the Health & Welfare Sector Education and Training Authority (HWSETA) through discretionary grants. A total number of 305 learnerships were offered in 2009/10, exceeding the target of 223.

Internships

The Department contracted 879 interns with skills in various fields over the last 3 years. A total of 474 interns were contracted in 2009/10 against a target of 250. 85% of the contracted interns however failed to secure permanent employment due to the moratoria placed on appointments in KZN.

Bursaries

A total value of R93 million has been utilised to fund bursaries in the Health Sciences field in 2009/10, with a current 896 bursary holders. The Department is currently funding 471 medical students, 8 clinical associate students, 91 nurses and 290 other students. There are 44 students in the Cuban Medical Training Programme.

A total of 146 employees were awarded bursaries to study towards other formal qualifications. This falls short of the intended target due to cost saving measures.

In January 2010, the Department placed 150 bursary holders in permanent positions to serve back their bursary obligations.

Mid-Level Workers

The Department is currently sponsoring 8 students pursuing studies in clinical medical practice (Clinical Associate Programme) with the University of Pretoria. There are currently 10 students in their second year.

Leadership, Management Development Programme

The moratoria on training have hindered implementation of this programme.

In 2009/10 the Department enrolled 23 Hospital Managers in the Masters in Public Health Programme at the University of KwaZulu-Natal in response to the commitment to improve management capacity at institutional level. Further intake was however suspended due to a lack of funds.

In 2009/10 a total of 20 managers participated in the Khaedu Programme. Further intake was suspended due to poor attendance and lack of funds. 80 Managers participated in Management Skills Programmes, and 5 Senior Managers and 176 employees (other than Senior Managers) were trained in Massification Induction Plan (MIP).

Due to a change in legislation, the KZN College of Nursing will have to be accredited as a Tertiary Educational Institution before offering training at NQF Level 5 and above (Professional Nurse Level). Should the institution fail to comply with this requirement, it will be devolved to the Department of Education.

The EMS College of Training will be relocated to Durban and training will be facilitated by the Training Division of the Office of the Premier. New premises have staff/ student accommodation and will therefore be more accessible to students.

Table 53: Situation Analysis and Projected Performance for Health Sciences and Training

Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
Input					
1. Intake of medical students (provided with Provincial bursaries)	402	412	No target	471	The numbers are increasing although retention post training has not been monitored to comment on cost benefit and impact on service delivery.
2. Intake of nurse students (student nurses and bursary holders)	2,485	2,402	No target	91 2,751	Bursary Holders = 91. Student nurses = 2,751. Intake is dependent on the output and the number of training posts available.
3. Students with bursaries from the Province (including nursing and medicine)	697	296	No target	896	
Process					
4. Attrition rates of bursary holders in first year of medical school	0%	0%	No target	0%	
5. Attrition rates of bursary holders and student nurses in first year of nursing school	0.4%	0%	No target	0% 1,9%	Bursary holders = 0% The student nurse attrition rate of 1.9% is below the national norm.
Output					
6. Basic medical students graduating	89	63	No target	115	
7. Basic nurse students graduating	1,170	1,508	No target	25 1,452	Bursary holders = 25 Nurse Students = 1,452
8. Medical registrars graduating	0	0	No target	87	Two intakes were finalised during 2009/10 and a total of 132 & 140 new Registrars joined the Programme. The Department succeeded in retaining 69/87 (79%) Specialists post graduation.
9. Advanced nurse students graduating	540	467	No target	603	Annual targets being maintained.
Efficiency					
10. Average training cost per basic nursing graduate	R85 000	R90 000	No target	R50 500	

Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
11. Development component of Health Professionals Training and Development Grant spent	N/A	N/A	No target	See comment	See the Annual Financial Statements.

Data source: 2007/08 and 2008/09 data from 2008/09 Annual Report (page 247); KZNNC

Table 54: Provincial Objectives and Performance Indicators for Health Sciences and Training

Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
Goal 3: To strengthen Human- and other Key Resources in support of optimal Public Health service delivery.					
Strategic Objective 10: To sustain and expand the health workforce through implementation of innovative Human Resources Management strategies.					
Measurable Objective: To implement the supply of health workers in line with the Human Resources Plan of the Department.					
1. Number of Professional Nurses trained (including bridging course)	900	No data	900	792	Dependent on capacity.
2. Number of Specialist Nurses trained (including PHC)	700	No data	750	714	Deviation acceptable.
3. Number of basic and elementary care nurses trained	1,100	No data	900	534	This target was reviewed and changed to 550. Deviation acceptable.
4. Review and submit the current Recruitment Policy for KZNCN	New indicator	New indicator	100%	100%	New selection criteria have been developed and are being implemented.
5. Number of sub-campuses wherein Phase 2 of the restructuring and consolidation with alignment with new qualifications and scope of practice has been implemented	New indicator	New indicator	14	14	Sub-campuses included in Phase 2 of restructuring. The alignment to the new qualification has not yet taken place due to changes in the mandate of the SANC.
6. Number of lectures given to nurse educators in lieu of training & development	New indicator	New indicator	370 Lecturers	320 lecturers	Lecturers trained in respect of education and training of nurses.
7. Fully functional interfaced Data Information Management System for KZNCN	New indicator	New indicator	Data Information Management System	Data information system not yet in place	The system is not in place due to inadequate financial resources and cost saving measures implemented by the Department to curb over-expenditure.

Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
			complete		
8. Number of non-employee bursary holders studying towards formal Health Science qualifications (based on scarce skills)	697	No data	770	896	
9. Number of employees awarded bursaries to study towards other formal qualifications	New indicator	New indicator	520	146	Numbers were reduced due to cost saving measures to curb over-expenditure.
Strategic Objective 11: To implement Performance Management and Coaching Programmes.					
Measurable Objective: To establish partnerships with Academic Institutions of Higher Learning.					
10. Number of agreements signed with institutions of higher learning	New indicator	New indicator	2	2	
Measurable Objective: To promote, implement and monitor Programmes for Learnerships, Internships and Traineeships.					
11. Number of interns contracted	New indicator	New indicator	250	474	
12. Number of learnerships	New indicator	New indicator	223	305	
Measurable Objective: To develop semi-skilled and unskilled employees through the ABET Programme.					
13. Number of ABET learners who completed ABET, Level 4	New indicator	New indicator	30	13	Delay in registration of ABET centres for examination purposes.
14. Number of employees participating in the ABET programme	New indicator	New indicator	1,800	1,458	Decrease due to exits and dropouts.
Measurable Objective: To coordinate and monitor Leadership Management Development Programmes.					
15. Number of CEO's accessing the Master Programme in Public Health	New indicator	New indicator	23	23	
16. Number of Managers participating in the Khaedu Project	New indicator	New indicator	20	20	
17. Number of Managers accessing the Management Skills Programme	New indicator	New indicator	80	80	
18. Number of Senior Management Service members trained in MIP	New indicator	New indicator	5	5	
Measurable Objective: To train employees on accredited training programmes.					

Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
19. Number of employees trained in Skills Programmes	New indicator	New indicator	300	595	Dependent on identified needs.
20. Number of employees (excluding SMS) trained in MIP	New indicator	New indicator	1,800	176	Financial constraints in the department hindered the implementation of the MIP.

Data source: All new indicators – no data available for 2007/08 and 2008/09; HRD

Programme 7: Health Care Support Services

PROGRAMME 7: HEALTH CARE SUPPORT – PHARMACEUTICAL SERVICES

PROGRAMME DESCRIPTION

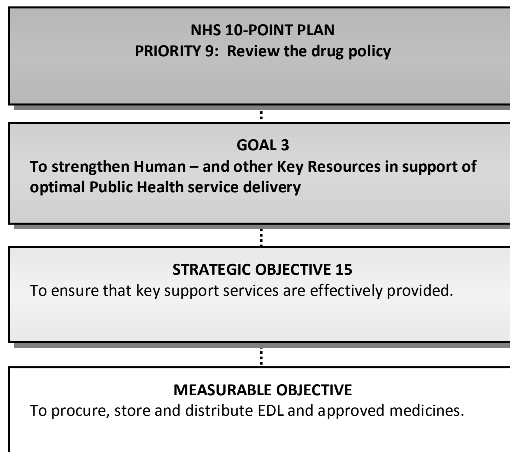
Render Pharmaceutical services to the Department

PROGRAMME STRUCTURE

Sub-Programme 7.1: Pharmaceutical Services

Medicine Trading Account

GOALS AND STRATEGIC/ MEASURABLE OBJECTIVES



INTRODUCTION

Pharmaceutical Service procures, stores, and distributes Pharmaceuticals to healthcare establishments.

Due to infrastructural shortcomings, PPSD has reached capacity and cannot add additional clinics to the direct distribution system.

PROGRAMME REVIEW

2009/10 Priorities

In 2009/10, the vacancy rate for Pharmacists was 76.4% (405 posts filled) as compared with 75.4% in 2008/09. The annual turnover rate was 42.5% compared with 38.4% in 2008/09. The vacancy rate for Pharmaceutical Assistants is also high at 44.3% with an annual turnover rate of 4%.

There has been a 10% stock-out rate of EDL medicines in 2009/10 as compared with the target of 2%. This was due to companies not being able to supply sufficient stock, and institutions depleting their buffer stockholdings resulting in emergency orders. National tender processes fell short of expectation in 2009/10 being responsible for medicine stock out rates increasing.

- **Priority 1: Providing legally compliant infrastructure for the Provincial Depot.**

The Provincial Pharmaceutical Supply Depot (PPSD) has several infrastructural challenges that will be addressed with the construction of the new building. These include the maintenance of a constant optimal temperature; packing

facilities for distribution and receiving of stock; adequate size warehouse; administration office space to alleviate space constraints; and the pre-packing of medicines under conditions compliant with legislation as defined in Good Manufacturing Practice (GMP) and Good Pharmacy Practice (GPP) Regulations.

Priority 2: Improve medicine supply management at PHC level.

The current PPSD building has reached capacity and no additional clinics can be added to the direct distribution system in spite of numerous requests for additional demanders.

Pharmaceutical System Development has improved the availability of medicines through improved medicine supply management systems (including developing competencies and skills for medicine management) at PPSD and facility levels.

The Pharmacy Stores Support Officers were deployed at hospitals and Community Health Centres (CHC's) to train pharmacy personnel on medicine supply management and to put in place or strengthen medicine supply management systems. Pharmacist's Assistants (post basic) are being recruited to support PHC clinics with medicine supply management.

Priority 3: Improve the system of supplying medicines to chronically ill patients.

The Province piloted a Central Chronic Medication Dispensing Unit (CCMDU) project aimed at enabling patients to collect chronic medication from nurse run PHC clinics, pharmacy assistants at PHC clinics or at private sector pharmacies. The project included 120 service points in eThekwini Metro including PHC clinics (provincial and municipal), psychiatric clinics, old age homes, places of safety and special homes.

The possible benefits of CCMDU include:

- Point of collection services;
- Improved patient information and defaulter tracking;
- Improved response to acute medication needs;
- Improved monitoring and evaluation;
- Improved client satisfaction (no waiting times);
- Decongestion of hospital pharmacies (especially taking into consideration the high vacancy rates); and
- Improved controls.

Senior Management approved the establishment of a CCMDU. The Departmental vision to manage HIV & AIDS as a chronic illness has increased the demand for processes and systems that will ensure uninterrupted access to chronic medication. The CCMDU is expected to improve the quality of pharmaceutical services and also decongest hospitals and CHC's.

Priority 4: Ensure un-interrupted availability of ARV and TB medication at the Depot and on site.

There has been a huge challenge nationally with regards to the availability of ARV and TB medicines due to problems with manufacturers. Delays in the awarding of National Tenders hampered the implementation of the Treatment Guidelines thus impacting on deliverables in the Province.

Pharmaceutical System Development has prioritised contract management and liaison with suppliers of pharmaceuticals. Poor performing suppliers will be held accountable by providing National Treasury with all the necessary information to pursue restitution.

- The high vacancy rate of Pharmacists will necessitate robust recruitment strategies although there are not sufficient suitably qualified graduates to recruit from. *Planning commenced for training of Pharmacy Assistants. The current model of training Pharmacist's Assistants requires Pharmacists to act as tutors - this limits the number of Pharmacist's Assistants that can be trained. Budgetary constraints limited the output of the training programme.*
- *The Department is also partnering with NGO's to train post-basic Pharmacy Assistants.*
- Most national pharmaceutical tenders were late – more importantly the tablet tender was almost 4 months late. Many drugs had to be purchased on quotation which increased workload.
- Inadequate capacity for Supplier Performance Management is a threat to ensuring that poorly performing Suppliers are not awarded tenders in future to avoid the collapse of the Medicine Supply Management System.
- Several suppliers have been restructuring their factories over 2009/10 resulting in approximate 500 overdue orders as compared with 150-200 the previous year. *Imported medicines via the Section 21 Permit of the Medicines and Related Substances Control Act through the National Department of Health.*

Table 55: Provincial Objective and Performance Indicators for Pharmaceutical Services

Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
Goal 3: To strengthen Human– and other Key Resources in support of optimal Public Health service delivery.					
Strategic Objective 15: To ensure that key support services are effectively provided.					
Measurable Objective: To procure, store and distribute EDL and approved medicines.					
1. Un-interrupted supply of ARV medication for patients initiated on HAART	100%	85%[87]	100%	85%	A number of suppliers failed to meet the demand for medicines and space constraints impacted on supply.
2. Stock-out rate of EDL medicines	3%	20%[88]	< 2%	10%	See narrative.
3. Compliance with legislation of Institutional Pharmacies	60%	PPSD non-compliant	100%	PPSD non-compliant	The Pharmaceutical Depot does not comply with the requirements of the Pharmacy Act for a Pharmaceutical Warehousing facility. As a result the Medicines Control Council cannot grant the Department a license to operate as a Pharmaceutical Warehouse. The 4 main reasons for non-compliance: • Lack of ambient temperature control to ensure optimum storage conditions as prescribed; • The current entrance is inadequate for the delivery of goods and suppliers are often kept waiting for extended times; • Due to shortage of space medicines are incorrectly stored with emergency exists blocked by stock – also making it difficult to locate stock; • The facility cannot accommodate more staff and the shortage seriously affects efficiency.
4. "Buffer" stock maintained for critical pharmacy items	Not measured	30%[89]	100%	40%	Space constraints in PPSD (narrative).

Source: 2007/08 and 2008/09 data from 2008/09 Annual Report; 2009/10 Pharmaceutical Services

[87] Indicates the approximate number of ARV orders supplied in full by the Depot. Supply to patients would need to be estimated at hospital level as they should be keeping a 6-week buffer stock
[88] This is based on an average service level of 80%
[89] Buffer stock is not kept on all items as it is not possible due to SSA and space constraints

Programme 8: Infrastructure Development

PROGRAMME 8: INFRASTRUCTURE DEVELOPMENT

PROGRAMME DESCRIPTION

To provide new health facilities and 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 clinics and Community Health Centres

Sub-Programme 8.2: District Hospitals

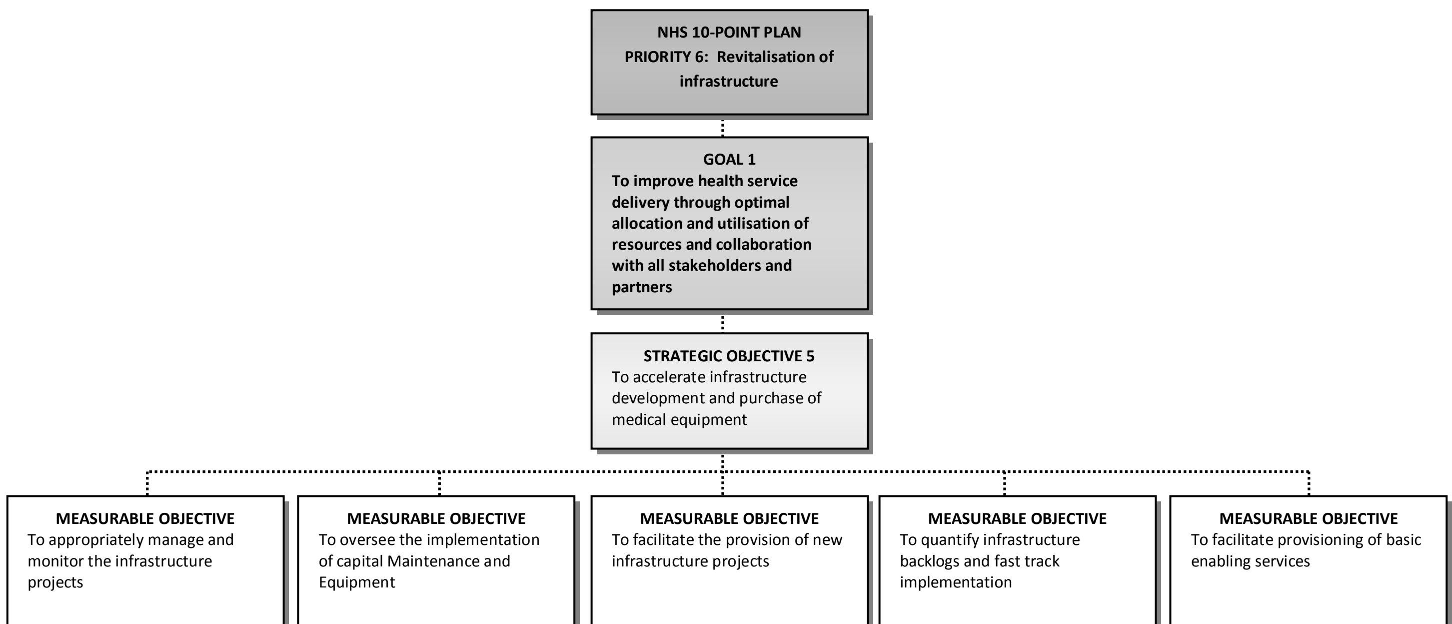
Sub-Programme 8.3: Emergency Medical Rescue Services

Sub-Programme 8.4: Provincial Hospital Services

Sub-Programme 8.5: Tertiary and Central Hospital Services

Sub-Programme 8.6: Other Facilities

GOALS AND STRATEGIC/ MEASURABLE OBJECTIVES



INTRODUCTION

Programme 8 was under-spent by R7 698 000 in 2009/10 due to delays in the construction of facilities which impacted on the acquisition of equipment, as well as delays in the completion of Information Technology Projects funded from the Programme. Capital Projects for the building of mortuaries and projects that have commenced and could not be stopped without financial and legal implications also contributed to over-expenditure.

PROGRAMME REVIEW

2009/10 Priorities

Priority 1: Implement the Facilities Management Plan including:

- Provision of staff accommodation (office & residential) at service delivery level.
- Enhance implementation of infrastructure preventive maintenance plans.
- Provide norms and standards for facility service improvement plans.
- Implementation of preventative maintenance of institutions.
- Construction of isolation wards.
- Construction of PHC facilities to relieve the pressure on Prince Mshiyeni memorial Hospital.
- Revitalisation of King Edward VIII Hospital.
- Construction of Pixley ka Seme and John Dube Hospitals.
- Finalisation of construction of Forensic Mortuaries.
- Provision of adequate accommodation for professionals

Table 56: Summary of Projects Completed in 2009/10

Facilities Type	Nature of the Project(s)	Number of Projects	Spent 2009/10 R (mil)	Total Projects per Facilities Type	Total spent per Facilities Type R (mil)
Step-down and Rehabilitation Hospitals	New Facility	-	-	-	-
Health Post	New	3	663	3	663
CHC's	New Facility	4	51 934	16	55 924
	Rehabilitation/Renovation	7	2 816		
	Upgrading	5	1 174		
	Maintenance				
PHC Clinics	New Facility	99	126 110	294	284 142
	Replacement	13	23 254		
	Upgrading	41	53 701		
	Maintenance	-	-		
	Rehabilitation/Renovation	141	81 139		
District Hospitals	New Facility	0	0	177	250 247
	Rehabilitation/ Renovation	30	35 491		
	Upgrading	146	214 756		
	Maintenance	-	-		
	Replacement	-	-		
EMRS	New Facility	-	-	7	662
	Upgrading	7	662		
Regional Hospitals	New Facility	2	12 684	126	260 854
	Rehabilitation/ Renovation	21	18 897		
	Upgrading	103	229 273		
	Maintenance	-	-		

Facilities Type	Nature of the Project(s)	Number of Projects	Spent 2009/10 R (mil)	Total Projects per Facilities Type	Total spent per Facilities Type R (mil)
	Disposal	-	-		
Other Services	New			13	13 365
	Rehabilitation/Renovation				
	Upgrading				
	Maintenance				
Psychiatric Hospitals	Upgrading	2	466	3	505
	Rehabilitation/Renovation	1	39		
Specialised Hospitals	Rehabilitation/Renovation	2	710	10	1 860
	Upgrading	8	1 150		
	Maintenance	-	-		
Central Hospitals	Upgrading			1	15 897
	New Facility	1	15 897		
	Rehabilitation/Renovation				
	Maintenance				
Mortuary Services	New Facility	9	157 518	17	181 035
	Upgrading	7	11 301		
	Replacement	1	12 216		
Training Complexes	Rehabilitation/Renovation	2	0	2	0
Total				**670**	**1 065 154**

Source: Infrastructure Development Programme; BAS

1. **Total Institution Maintenance budget: R219 036 000**
2. **Total Expenditure: R155 775 873**

Table 57: Historic and Planned Infrastructure Projects in line with the STP

Historic and Planned Infrastructure Projects	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
1. New PHC facilities (Clinics and CHC's) and upgrading of PHC facilities in line with the STP	143 New 13 Upgrade	30 (including 1 HAART Unit)	30 (excluding upgrading)	40	Improvement due to improved monitoring as well as allowed over-expenditure for extra work done.
2. New District Hospitals	0	0	0	0	
3. Upgrading District Hospitals	11 Hospitals 20 Projects	15 Projects	20 Projects	22	Improvement due to improved monitoring as well as allowed over-expenditure for extra work done.
4. New Regional Hospitals	0	0	0	0	
5. Upgrading Regional Hospitals	6 Hospitals 14 Projects	1 Project	11 Projects	2 Projects	Projects were put on hold as a result of cost containment measures and the delivery of equipment for lifts was delayed from overseas.
6. Upgrading Tertiary Hospitals	0	0	1 Project	1 Project	

Source: Infrastructure Development Programme

Table 58: (HFM 1) Historic and Planned Capital Expenditure by Type

	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
1. Major Capital	621 725	342 808	877 866	649 962	Programme internal virements.
2. Minor Capital	240 557	298 817	145 000	400 801	
3. Maintenance	132 742	332 496	191 648	219 036	
4. Equipment	97 783	129 447	115 000	108 450	
5. Equipment Maintenance	-	-	-	-	
6. Total Capital	**1 092 807**	**1 103 658**	**1 329 514**	**1 378 249**	

Data Source: Infrastructure Development Programme; BAS

Table 59: (HFM 2) Summary of Sources of Funding for Capital Expenditure

	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
1. Infrastructure Grant	259 758	294 832	336 599	359 717	Programme internal virements.
2. Equitable Share	474 520	425 819	688 676	610 476	
3. Revitalisation Grant	333 523	330 404	304 239	225 248	
4. Donor Funding	Nil	Nil	Nil	1 873	
5. Other (Coroner)	25 006	52 503	Nil	180 935	
Total Capital	**1 092 807**	**1 103 558**	**1 329 514**	**1 378 249**	

Data Source: Infrastructure Development Programme; BAS

Table 60: (HFM 3) Historic and Planned Major Project Completions by Type

	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
1. New Hospitals	0	0	0	0	
2. New Clinics / CHC's	12	10	20	37	Improved monitoring of implementing agents.
3. Upgraded Hospitals		15	32	44	Improved monitoring of implementing agents.
4. Upgraded Clinics / CHC's	16	19	42	17	Projects were put on hold as cancelled projects.

Source: Infrastructure Development Programme

Table 61: Total Projected Long Term Capital Demand for Infrastructure Development (R 'million)

Programme	Province wide total Planning Horizon 2007/08 – 2012/13	Province Total Annualised 2009/10 Actual	Annualised 2009/10 Actual Data										
			Ugu	Umgungundlovu	Uthukela	Umzinyathi	Amajuba	Zululand	Umkhanyakude	Uthungulu	Ilembe	Sisonke	eThekwini
Programme 1													
MEC Office and Administration	-	-	-	-	-	-	-	-	-	-	-	-	-
Programme 2													
Clinics and CHC's	2 196 576	330 455	54 126	13 878	35 962	40 741	14 706	47 569	39 343	19 837	17 183	16 057	31 053
Mortuaries	131 406	180 934	36 736	61 740	12 434	27 916	14 480	183	0	21 532	70	1 564	4 279
District Hospitals	1 880 172	250 247	12 731	8 041	5 889	20 105	1 031	45 577	61 398	40 113	3 361	43 411	8 590
Programme 3													
EMS Infrastructure	46 782	665	0	0	0	0	390	0	0	275	0	0	0
Programme 4													
Regional Hospitals	758 022	260 056	35 179	17 909	4 915	0	7 529	0	19 518	28 023	3 819	0	143 164
Psychiatric Hospitals	85 314	505	0	505	0	0	0	0	0	0	0	0	0
TB Hospitals	1 224 516	1 448	0	884	0	0	0	238	0	0	0	0	326
Other Specialised Hospitals	7 332	260 056	0	0	0	0	0	0	0	0	0	0	0
Programme 5													
Provincial Tertiary and Central Hospitals	108 384	15 897	0	0	0	0	0	0	0	0	0	0	15 897
Other Programmes													
Nursing, EMS,	68 292	2 345	0	0	0	390	0	0	0	275	0	0	1 680

Programme	Province wide total Planning Horizon 2007/08 – 2012/13	Province Total Annualised 2009/10 Actual	Annualised 2009/10 Actual Data										
			Ugu	Umgungundlovu	Uthukela	Umzinyathi	Amajuba	Zululand	Umkhanyakude	Uthungulu	Ilembe	Sisonke	eThekwini
Colleges													
Total all Programmes	**6 506 796**	**1 042 552**	**138 772**	**102 957**	**59 200**	**89 152**	**38 136**	**93 567**	**120 259**	**110 055**	**24 433**	**61 032**	**204 989**

Data Source: Infrastructure Development Programme: BAS

Rural Development Nodes highlighted in light grey (including Umzimkhulu in the Sisonke District)

Table 62: Situational Analysis Indicators for Infrastructure Development

Indicator	Province wide value 2006/07	Province wide value 2007/08	Province wide value 2008/09[90]	Province wide value 2009/10	Ugu 2009/10	Umgungundlovu 2009/10	Uthukela 2009/10	Umzinyathi 2009/10	Amajuba 2009/10	Zululand 2009/10	Umkhanyakude 2009/10	Uthungulu 2009/10	Ilembe 2009/10	Sisonke 2009/10	eThekwini 2009/10
Input															
1. Equitable share capital programme as % of total health expenditure	6.97%	4.9%	3.28%	3%	0.16%	1.57%	0.19%	0.18%	0.08%	0.11%	0.17%	0.09%	0.05%	0.14%	0.32%
2. Hospitals funded on revitalisation programme	1.93%	2.7%	1.88%	15.07%	-	1.37	-	-	1.37%	-	1.37%	4.11%	-	1.37%	5.48%
3. Expenditure on facility maintenance as % of total health expenditure	1.39%	1.6%	1.7% - 1.51%	0.78%	0.04%	0.12%	0.04%	0.05%	0.03%	0.06%	0.04%	0.07%	0.06%	0.05%	0.23%

[90] 2008/09 Data: 2008/09 Annual Report

4**EHTEP perform maintenance of equipment and debit the institution, therefore the expenditure will not be against total Health Expenditure

Indicator	Province wide value 2006/07	Province wide value 2007/08	Province wide value 2008/09[90]	Province wide value 2009/10	Ugu 2009/10	Umgungundlovu 2009/10	Uthukela 2009/10	Umzinyathi 2009/10	Amajuba 2009/10	Zululand 2009/10	Umkhanyakude 2009/10	Uthungulu 2009/10	Ilembe 2009/10	Sisonke 2009/10	eThekwini 2009/10
4. Expenditure on equipment maintenance as % of total health expenditure**	0.02%	0.07%	0.07%	-	-	-	-	-	-	-	-	-	-	-	-
Quality															
5. Percentage of hospitals with up to date asset registers	New	New	New	60%	-	-	-	-	-	-	-	-	-	-	-
6. Number of health districts with up to date PHC asset registers (excluding hospitals)	New	New	New	New	New	New	New	New	New	New	New	New	New	New	New
7. Fixed PHC facilities with access to piped water	86%	98%	98% - 95.2%	95.17%	99.7%	0%	99.7%	99.3%	100%	98.3%	100%	99%	0%	99.3%	0%
8. Fixed PHC facilities with access to mains electricity	100%	98%	99% - 97.6%	98.62%	99.7%	0%	100%	100%	100%	99.7%	100%	100%	0%	99.3%	0%
9. Fixed PHC facilities with access to fixed line telephone	98%	96%	95% - 93.5%	89.66%	98.6%	0%	98.6%	99%	99.3%	97.9%	97.9%	99%	0%	97.65	0%
10. Average backlog of service platform in fixed PHC facilities (R' mil)[91]	302	361	2 142	15%	5%	8%	8%	9%	16%	9%	11%	3%	2%	14%	-

[91] Backlogs are kept as they were submitted because there is no fast tracking programme to address the issue

Indicator	Province wide value 2006/07	Province wide value 2007/08	Province wide value 2008/09[90]	Province wide value 2009/10	Ugu 2009/10	Umgungundlovu 2009/10	Uthukela 2009/10	Umzinyathi 2009/10	Amajuba 2009/10	Zululand 2009/10	Umkhanyakude 2009/10	Uthungulu 2009/10	Ilembe 2009/10	Sisonke 2009/10	eThekwini 2009/10
11. Average backlog of service platform in District Hospitals (R' mil)	874	1 045	4 050	13%	2%	2%	17%	4%	13%	13%	9%	11%	14%	2%	-
12. Average backlog of service platform in Regional Hospitals (R' mil)	825	987	3 434	7%	5%	1%	-	3%	-	-	10%	4%	-	70%	-
13. Average backlog of service platform in Specialised Hospitals (R' mil)	489	585	1 806	10%	75%	-	3%	-	2%	-	10%	-	-	-	-
14. Average backlog of service platform in Tertiary and Central Hospitals (R' mil)	2 066	2 467	62	-	100%	-	-	-	-	-	-	-	-	-	-
15. Average backlog of service platform in Provincially Aided Hospitals	-	-	557	-	-	-	-	-	-	-	-	-	-	-	-
Efficiency															
16. Projects completed on time	No data	21%	39%	36%	25%	7.7%	46.7%	23.8%	55.6%	40%	21.1%	48.1%	50%	18.2%	55%
17. Project budget over run	No data	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Outcome															
18. Level 1 beds per 1,000 uninsured population	10	10	10	.97	1.3	0.58	0.72	2.59	0.13	1.66	2.13	1.65	1.10	1.67	0.27

Indicator	Province wide value 2006/07	Province wide value 2007/08	Province wide value 2008/09[90]	Province wide value 2009/10	Ugu 2009/10	Umgungundlovu 2009/10	Uthukela 2009/10	Umzinyathi 2009/10	Amajuba 2009/10	Zululand 2009/10	Umkhanyakude 2009/10	Uthungulu 2009/10	Ilembe 2009/10	Sisonke 2009/10	eThekwini 2009/10
19. Level 2 beds per 1,000 uninsured population	8	8	8	.87	Not available										
20. Population within 5km of fixed PHC facility	-	6,279,899	6,279,899		Not available										

Data Source: Infrastructure Development Programme; GIS

Rural Development Nodes highlighted in light grey (including Umzimkhulu in Sisonke District)

Table 63: Provincial Objective and Performance Indicators for Infrastructure Development

Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
Goal 1: To improve health service delivery through optimal allocation and utilisation of resources and collaboration with all stakeholders & partners.					
Strategic Objective 5: To accelerate infrastructure development and purchase of medical equipment.					
Measurable Objective: To facilitate the provisioning of basic enabling services.					
1. Fixed PHC facilities with access to piped water	97%	98% - 95.2%	100%	95.17%	Delayed negotiation and decision-making between Municipalities and Institutions.
2. Fixed PHC facilities with access to mains electricity	100%	99% - 97.6%	100%	98.62%	A formal request was submitted to ESKOM for the provision of electricity. To date no formal response has been received.
3. Fixed PHC facilities with access to fixed line telephones	96%	95% - 93.5%	100%	89.66%	Alternatives are being investigated in cases where there is no landline i.e. cell phones are being used.
Measurable Objective: To oversee the implementation of capital maintenance and equipment.					
4. Expenditure on facility maintenance as % of total health expenditure	1.6%	1.7% - 1.51%	2.2%	0.78%	The maintenance budget was reduced due to the Fiscal Adjustment Plan introduced as a result of over-

Indicator	2007/08 Actual	2008/09 Actual	2009/10 APP Target	2009/10 Actual	Comments
					expenditure.
5. Expenditure on equipment maintenance as % of total health expenditure	0.07%	0.07%	0.09%	0.07%	The maintenance budget was reduced due to the Fiscal Adjustment Plan introduced as a result of over-expenditure.
Measurable Objective: To facilitate the provision of new infrastructure projects.					
6. New/ upgraded PHC facilities/ projects	30	30	35	40	Improved monitoring.
7. New/ upgraded Hospitals/ projects	1	1	1	26	Improved monitoring.
Measurable Objective: To appropriately manage and monitor infrastructure projects.					
8. New Hospital completed	0	0	0	0	
9. New PHC Clinics / CHC's completed	11	10	45	11	Projects put on hold and some cancelled due to the Fiscal Adjustment Plan to curb over=expenditure.
10. Upgraded Hospitals (Number of projects)	92	15	65	26	
11. Upgraded PHC Clinics / CHC's (Number of projects)	52	19	55	29	
12. Upgraded District Hospitals (Number of projects)	28	7	25	21	
Measurable Objective: To quantify infrastructure backlogs and fast track implementation.					
13. Average backlog of fixed PHC facilities (R'000)	361 900	2 142	See Note at the end of table		
14. Average backlog District Hospitals (R'000)	1 045 285	4 050			
15. Average backlog Regional Hospitals (R'000)	987 119	3 434			
16. Average backlog Specialised Hospitals (R'000)	585 086	1 806			
17. Average backlog Tertiary Hospitals (R'000)	2 466 972	62			
18. Average backlog auxiliary services	-	1 947			
19. Total average backlog (R'000)	5 445 436	13 441			

Data Source: Infrastructure Development

NOTE: The Infrastructure Development Improvement Plan is designed to assess the order of magnitude and facilitate the sourcing of additional funding – Plan due for completion 01/ 03/ 2008. Further progress is dependent on sourcing of further funding and the capacity of implementing agents. The rate of deterioration is assessed through PREMIS with a review for 2008/09 and beyond is currently underway.

PART C: HUMAN RESOURCES OVERSIGHT REPORT

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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 plan.

Table 1: Main services provided and standards

Main Service	Actual Customers	Potential Customers	Standard of Service	2009/10 Actual achievements 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 requirements.
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 place.
Human Resource provisioning.	All employees of the Department.	Prospective applicants.	Competent employees.	Recruitment and selection processes were followed in line with the Departmental Policy for Recruitment to ensure that competent employees are placed within the Department.
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 levels of posts determined.	Appropriate skills mix and competencies identified to compliment the Department's organogram and service delivery responsibilities.

Source: HRMS

Table 2: Consultation arrangements with customers

Type of Arrangement	Actual Customers	Potential Customers	2009/10 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

Type of Arrangement	Actual Customers	Potential Customers	2009/10 Actual Achievements
			Institutional Management and Labour Committees (IMLC) and 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.

Source: HRMS

Table 3: Service delivery access strategies

Access Strategy	2009/10 Actual Achievements
Batho Pele Principles	Number of people trained on Batho Pele = 503
Patients' Rights Charter	

Source: HRMS

Table 4: Service information tools

Types of Information Tools	2009/10 Actual Achievements
Information Kiosks	No information available on operational kiosks
Departmental Website	Updated
Telemedicine	33 Telehealth sites operational
Teleconferencing	33 Telehealth-sites operational

Source: Information Technology

Table 5: Complaints mechanism

Complaints Mechanism	Actual Achievements
Grievance Procedure	PSCBC Resolution No.2 of 1999 is followed for grievances and dispute resolution.
Dispute Resolution Mechanism	PSCBC Resolution No.2 of 1999 is followed for grievances and dispute resolution.

Source: HRMS

2. EXPENDITURE

The following tables summarise the final audited expenditure by Programme (Table 6) and Salary Bands (Table 7) of the Departments' budget in terms of clearly defined Programmes. 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 – 2009/10

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)	Total Employment
Department of Health	0	0	0	0	0	0	64,924
Programme 1 Administration	307 228	168 860	0	0	55%	3	64,924
Programme 2 District Health Services	9 188 692	5 724 510	0	0	62.3%	88	64,924
Programme 3 Emergency Medical Service	782 319	486 469	0	0	62.2%	8	64,924
Programme 4 Regional Hospital Services	5 076 725	3 524 942	0	0	69.4%	54	64,924
Programme 5 Tertiary/ Central Hospital Services	2 056 790	800 703	0	0	38.9%	12	64,924
Programme 6 Health Sciences & Training	793 365	662 203	0	0	83.5%	10	64,924
Programme 7 Health Care Support	27 528	0	0	0	0	0	64,924
Programme 8 Health Facilities Management	1 361 966	3 448	0	0	0.3%	0	64,924
Total on Financial System (BAS)	**19 594 615**	**11 371 135**	**0**	**0**	**58%**	**175**	**64,924**

Source: Vulindlela

Table 7: Personnel costs by Salary Bands – 2009/10

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)	829 454	7.2%	91 119		9,103
Skilled (Levels 3-5)	3 253 393	28.4%	110 393		29,471
Highly Skilled Production (Levels 6-8)	2 365 636	20.7%	195 604		12,094
Highly Skilled Supervision (Levels 9-12)	3 942 412	34.4%	359 840		10,956
Senior Management (Levels 13-16)	247 413	2.2%	1 030 888		240
Other					
Contract (Levels 1-2)	31 015	0.3%	32 341		959
Contract (Levels 3-5)	26 165	0.2%	134 179		195
Contract (Levels 6-8)	232 422	2%	421 054		552
Contract (Levels 9-12)	342 557	3%	256 213		1,337
Contract (Levels 13-16)	15 830	0.1%	931 176		17
Periodical Remuneration	31 675	0.3%	44 487		712
Abnormal Appointment	19 389	0.2%	30 486		636
TOTAL	**11 337 361**	**99%[1]**	**171 073**	**11 452 207**	**66,272**

Source: Vulindlela

[1] 99% as a result of rounding off percentages

Table 8 provides a summary per Programme 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 and medical assistance by Programme – 2009/10

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 Association (R'000)	Medical Association as % of Personnel Cost	Total Personnel Cost per Programme (R'000)
(P1) Administration	136 067	74%	1 336	0.7%	3 168	1.7%	7 454	4.1%	183 798
(P2) District Health Services	4 093 366	70.6%	134 496	2.3%	179 931	3.1%	286 648	4.9%	5 801 526
(P3) Emergency Medical Services	322 184	65.8%	46 493	9.5%	16 385	3.3%	30 500	6.2%	489 660
(P4) Provincial Hospital Services	2 411 440	69.4%	192 569	5.5%	93 060	2.7%	167 038	4.8%	3 476 144
(P5) Central Hospitals	571 757	71.3%	53 463	6.7%	17 001	2.1%	37 252	4.6%	801 810
(P6) Health Sciences & Training	477 186	71.9%	61 931	9.3%	18 906	2.8%	17 327	2.6%	663 913
(P8) Health Facilities Management	2 890	76%	0	0	30	0.8%	50	1.3%	3 802
Donor Funds	2 023	50%	0	0	7	0.2%	21	0.5%	4 049
Health Sciences and Training	213	100%	0	0	0	0	0	0	213
Persal Agencies	2 723	71.6%	375	9.9%	45	1.2%	113	3%	3 802
Trading Accounts	14 463	61.7%	1 891	8.1%	705	3%	1 418	6%	23 447
TOTAL	**8 034 312**	**70.2%**	**431 242**	**52%**	**329 238**	**20.9%**	**547 821**	**38%**	**11 452 164**

Source: Vulindlela

3. EMPLOYMENT AND VACANCIES

The following tables summarise the number of posts on the establishment, number of employees, vacancy rates, and whether there are any staff additional to the establishment. This information is presented in terms of three key variables namely Programme, Salary Band and Critical Occupation. Information on the establishment and vacancy information for the key critical occupations of the Department is also included in the tables. The vacancy rate reflects the percentage of posts that are not filled.

Table 9: Employment and vacancies by Programme - 31 March 2010

Programme		Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
(P1) Administration		1,082	720	33.5%	24
(P2) District Health Services	Permanent	48,411	34,670	28.4%	2
	Temporary	217	305	-40.6%	0
(P3) Emergency Medical Service		3,852	2,990	22.4%	0
(P4) Provincial Hospital Services	Permanent	24,974	17,793	28.8%	1
	Temporary	178	275	-54.5%	0
(P5) Central Hospital Services	Permanent	4,797	3,587	25.2%	0
	Temporary	32	42	-31.3%	0
(P6) Health Sciences & Training	Permanent	5,667	4,382	22.7%	0
(P8) Health Facilities Management	Permanent	18	12	33.3%	0
Donor funds		3	0	100%	0
Persal agencies	Permanent	38	13	65.8%	1
	Temporary	0	1	0	0
Trading Accounts	Permanent	217	135	37.8%	0
TOTAL		**89,487**	**64,926**	**27.4%**	**28**

Source: Vulindlela

Table 10: Employment and vacancies by salary band - 31 March 2010

Salary Band		Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Lower Skilled (Levels 1-2)		14,227	9,036	36.5%	0
Skilled (Levels 3-5)	Permanent	36,057	29,388	18.5%	1
	Temporary	64	79	-23.4%	0
Highly Skilled Production (Levels 6-8)	Permanent	18,701	11,798	36.9%	6
	Temporary	185	290	-56.8%	0
Highly Skilled Supervision (Levels 9-12)	Permanent	16,727	10,780	35.6%	4
	Temporary	101	172	-70.3%	0
Senior Management (Levels 13-16)	Permanent	288	240	16.7%	0

Salary Band		Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Other					
Contract (Levels 1-2)	Permanent	959	959	0	0
Contract (Levels 3-5)	Permanent	195	195	0	0
Contract (Levels 6-8)	Permanent	552	552	0	13
Contract (Levels 9-12),	Permanent	1,337	1,337	0	1
Contract (Levels 13-16)	Permanent	17	17	0	3
TOTAL		**89,410**	**64,843**	**21.1%**	**56**

Source: Vulindlela

The information in each case reflects the situation as on 31 March 2009. For an indication of changes in staffing patterns over the year under review, please refer to section 5 of this report.

Table 11: Employment and vacancies by critical occupation - 31 March 2010 - Vulindlela

Critical Occupations		Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Ambulance and related workers		3,702	2,780	24.9%	0
Chiropodists and other related workers		2	1	50%	0
Community development workers		2	1	50%	0
Dental Practitioners	Permanent	136	90	33.8%	0
	Temporary	2	4	-100%	0
Dental Specialists		8	6	25%	0
Dental Technicians		1	0	100%	0
Dental Therapy		76	23	69.7%	0
Dieticians and Nutritionists	Permanent	401	105	73.8%	0
	Temporary	1	1	0	0
Emergency services related		32	15	53.1%	0
Environmental Health		263	172	34.6%	0
Health Sciences related		1,108	914	17.5%	2
Life Sciences professionals		4	4	0	0
Life Sciences related		7	4	42.9%	0
Medical Practitioners	Permanent	4,352	2,543	41.6%	0
	Temporary	277	403	-45.5%	0
Medical Research and related professionals	Permanent	11	8	27.3%	0
	Temporary	1	3	-200%	0
Medical Specialists	Permanent	1,635	557	65.9%	0

Critical Occupations		Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
	Temporary	99	157	-58.6%	0
Medical Technicians/ Technologists		137	76	44.5%	0
Nursing Assistants		8,043	6,176	23.2%	0
Occupational Therapy		311	128	58.8%	0
Optometrists and Opticians		45	17	62.2%	0
Oral Hygienists		52	25	51.9%	0
Pharmaceutical Assistants		1,279	712	44.3%	0
Pharmacists	Permanent	1,715	405	76.4%	0
	Temporary	7	7	0	0
Pharmacologists Pathologists & related professionals		1	1	0	0
Physicists		9	5	44.4%	0
Physiotherapy	Permanent	562	235	58.2%	0
	Temporary	2	2	0	0
Professional Nurse	Permanent	16,968	12,600	25.7%	0
	Temporary	24	26	-8.3%	0
Psychologists and Vocational Counsellors	Permanent	169	60	64.5%	0
	Temporary	5	11	-120%	0
Radiography	Permanent	890	454	49%	0
	Temporary	5	5	0	0
Assistant Manager Nursing (specialty unit)		1	1	0	0
Clinical Nurse Practitioner (primary health care)		1	1	0	0
Lecturer - (t)	Permanent	10	5	50%	1
Lecturer: Senior - (t)	Permanent	4	4	0	1
Operational Manager Nursing (general)		1	1	0	0
Social Sciences related		3	1	66.7%	0
Social Sciences supplementary workers		6	1	83.3%	0
Social Work and related professionals		344	63	81.7%	0
Speech Therapy and Audiology	Permanent	142	81	43%	0
	Temporary	1	1	0	0
Staff Nurses and Pupil Nurses	Permanent	12,032	9,382	22%	0
Student Nurse		2,505	2,094	16.4%	0
Supplementary Diagnostic Radiographers		17	11	35.3%	0
TOTAL		**57,411**	**63,271**	**73.70%**	**4**

4. JOB EVALUATION

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.

Table12 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 2009 to 31 March 2010

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)	14,303	1	0	0	0	0	0
Skilled (Levels 3-5)	36,121	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	18,886	186	1%	0	0	0	0
Highly skilled Supervision (Levels 9-12)	16,828	10	0.1%	0	0	0	0
Senior Management Service Band A	77	0	0	0	0	0	0
Senior Management Service Band B	184	0	0	0	0	0	0
Senior Management Service Band C	26	0	0	0	0	0	0
Senior Management Service Band D	1	0	0	0	0	0	0
Contract (Levels 1-2)	959	0	0	2	0	0	0
Contract (Levels 3-5)	195	0	0	0	0	0	0
Contract (Levels 6-8)	552	0	0	0	0	0	0
Contract (Levels 9-12)	1,337	0	0	0	0	0	0
Contract (Management Band A & B)	11	0	0	0	0	0	0
Contract (Management Band C & D)	6	0	0	0	0	0	0
Other	72,123	196	1.1				
TOTAL	**89,486**	**197**	**0.2%**	**2**	**0**	**0**	**0**

Source: Vulindlela

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 2009 to 31 March 2010

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

Source: OIS

The following table summarises the number of cases where remuneration levels exceeded the grade determined by job evaluation. Reasons for the deviation are provided in each case.

Table 14: Employees whose salary level exceed the grade determined by Job Evaluation: 1 April 2009 to 31 March 2010 (in terms of PSR 1.V.C.3)

Occupation	Number of Employees	Job Evaluation Level	Remuneration Level	Reason for Deviation	No of Employees in Department
Employees whose salary level exceeds the grade determined by job evaluation	0	N/A	N/A	N/A	N/A
Total	**0**	**N/A**	**N/A**	**N/A**	**N/A**
Percentage of Total Employment	0	N/A	N/A	N/A	N/A

Source: OIS

Table 15 summarises the beneficiaries of the above in terms of race, gender, and disability.

Table 15: Profile of employees whose salary level exceeds the grade determined by Job Evaluation - 1 April 2009 to 31 March 2010 (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 2009/10	**0**

Source: OIS

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 16) and by Critical Occupations (Table 17).

Table 16: Annual Turnover Rates by Salary Band for the period 1 April 2009 to 31 March 2010

Salary Band		Employment at the beginning of the period (April 2009)	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover Rate
Lower skilled (Levels 1-2)	Permanent	8,730	725	607	7%
	Temporary	0	26	36	0
Skilled (Levels 3-5)	Permanent	31,701	638	1,150	3.6%
	Temporary	0	35	49	0
Highly skilled production (Levels 6-8)	Permanent	11,141	308	730	6.6%
	Temporary	12	115	103	858.3%
Highly skilled Supervision (Levels 9-12)	Permanent	10,833	461	665	6.1%
	Temporary	29	40	20	69%
Senior Management Service Band A		199	4	16	8%
Senior Management Service Band B		40	1	4	10%
Senior Management Service Band C		1	0	2	200%
Other	Permanent	382	0	0	0
	Temporary	581	0	0	0
Contract (Levels 1-2)		82	483	346	422%
Contract (Levels 3-5)		392	259	98	25%
Contract (Levels 6-8)		1,248	446	519	41.6%
Contract (9-12)		574	532	690	120.2%
Contract (Band A)		10	4	5	50%
Contract (Band B)		3	2	1	33.3%
Contract (Band D)		-	-	-	-
TOTAL		**65,958**	**4,079**	**5,041**	**7.2%**

Source: Vulindlela

Table 17: Annual Turnover Rates by Critical Occupation for the period 1 April 2009 to 31 March 2010

Occupation	Employment at Beginning of Period (April 2009)	Appointments and Transfers into the Department	Terminations and Transfers out of the Department	Turnover Rate
Ambulance and related workers	2,836	0	86	3%
Chiropodists and other related workers	1	0	0	0
Community Development Workers	1	0	0	0

Occupation		Employment at Beginning of Period (April 2009)	Appointments and Transfers into the Department	Terminations and Transfers out of the Department	Turnover Rate
Dental Practitioners	Permanent	67	24	16	23.%9
	Temporary	4	1	1	25%
Dental Specialists		8	2	3	37.5%
Dental Therapy		31	4	8	25.8%
Dieticians and Nutritionists		87	57	30	34.5%
Emergency Services related		44	0	2	4.5%
Environmental Health		181	64	64	35.4%
Health Sciences related		864	7	45	5.2%
Life Sciences related		13	0	0	0
Medical Practitioners	Permanent	2,678	796	711	26.5%
	Temporary	425	164	150	35.3%
Medical Research and related professionals		14	0	1	7.1%
Medical Specialists	Permanent	413	47	55	13.3%
	Temporary	139	38	42	30.2%
Medical Technicians/ Technologists		74	5	8	10.8%
Nursing Assistants		6,537	239	268	4.1%
Occupational therapy		126	54	58	46%
Optometrists and Opticians		15	4	1	6.7%
Oral Hygienists		24	2	2	8.3%
Pharmaceutical Assistants		632	17	25	4%
Pharmacists -	Permanent	409	159	174	42.5%
	Temporary	3	3	1	33.3%
Pharmacologists Pathologists & related professionals					
Physicists		6	2	3	50%
Physiotherapy	Permanent	231	72	73	31.6%
	Temporary	3	0	1	33.3%
Professional Nurse	Permanent	12,246	258	804	6.6%
	Temporary	27	2	7	25.9%
Psychologists and Vocational Counsellors	Permanent	61	33	36	59%
	Temporary	10	3	1	10%
Radiography	Permanent	454	94	90	19.8%
	Temporary	8	1	3	37.5%
Social Sciences related		6	0	0	0
Social Sciences supplementary workers		6	0	0	0
Social Work and related professionals		216	9	5	2.3%

Occupation		Employment at Beginning of Period (April 2009)	Appointments and Transfers into the Department	Terminations and Transfers out of the Department	Turnover Rate
Speech Therapy and Audiology	Permanent	83	48	46	55.4%
	Temporary	1	1	1	100%
Staff Nurses and Pupil Nurses	Permanent	9,439	599	635	6.7%
	Temporary	14	0	1	100%
Student Nurse		2,191	561	118	5.4%
Supplementary Diagnostic Radiographers		13	0	1	7.7%
TOTAL		**40,641**	**3,370**	**3,576**	**8.1%**

Source: Vulindlela

Table 18 identifies the major reasons why staff left the Department.

Table 18: Reasons why staff are leaving the Department

Termination Type		Number	Percentage of Total Resignations	Percentage of Total Employment	Total Resignations	Total Employment
Death	Permanent	587	11.6%	0.9%	5,043	
	Temporary	3	0.1%			
Resignation	Permanent	1,863	36.9%	2.8%	5,043	
	Temporary	170	3.4%	0.3%		
Transfers		13	0.3%		5,043	
Expiry of contract	Permanent	1,460	29%	2.2%	5,043	
	Temporary	31	0.6%			
Dismissal-operational changes	Permanent	0	0			
Discharged due to ill health		65	1.3%	0.1%	5,043	
Dismissal-misconduct	Permanent	151	3%	0.2%	5,043	
	Temporary	1	0			
Dismissal – inefficiency						
Retirement	Permanent	690	13.7%	1%	5,043	
Other	Permanent	6	0.1%	0	5,043	
	Temporary	3	0.1%	0		
TOTAL		**5,043**	**100%**	**7.6%**	**5,043**	**65,960**

Resignations as % of employment
7.6%

Source: Vulindlela

Table 19: Promotions by critical occupation

Occupation	Employment at beginning of Period (April 2009)	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	2,836	13	0.5%	246	8.7%
Chiropodists and other related workers	1	0	0	0	0
Community Development Workers	1	0	0	0	0
Dental Practitioners	71	6	8.5%	27	38%
Dental Specialists	8	1	12.5%	4	50%
Dental Therapy	31	1	3.2%	7	22.6%
Dieticians and Nutritionists - Permanent	87	6	6.9%	22	25.3%
Emergency Services related	44	0	0	0	0
Environmental Health	181	2	1.1%	47	26%
Health Sciences related	864	155	17.9%	474	54.9%
Life Sciences related	13	0	0	7	53.8%
Medical Practitioners - Permanent	3,103	552	17.8%	641	20.7%
Medical Research and related professionals	14	3	21.4%	6	42.9%
Medical Specialists	552	83	15%	81	14.7%
Medical Technicians/ Technologists	74	9	12.2%	30	40.5%
Nursing Assistants	6,537	1,354	20.7%	2,580	39.5%
Occupational Therapy	126	7	5.6%	33	26.2%
Optometrists and Opticians	15	0	0	8	53.3%
Oral Hygienists	24	0	0	14	58.3%
Pharmaceutical Assistants	632	27	4.3%	380	60.1%
Pharmacists	412	46	11.2%	167	40.5%
Physicists	6	0	0	2	33.3%
Physiotherapy	234	29	12.4%	100	42.7%
Professional Nurse	12,273	2,877	23.4%	4,919	40.1%
Psychologists and Vocational Counsellors	71	2	2.8%	18	25.4%
Radiography	462	24	5.2%	214	46.3%
Social Sciences related	6	0	0	1	16.7%
Social Sciences supplementary workers	6	0	0	0	0
Social Work and related professionals	216	2	0.9%	2	0.9%
Speech Therapy and Audiology	84	1	1.2%	16	19%
Staff Nurses and Pupil Nurses	9,440	1,860	19.7%	3,314	35.1%
Student Nurse	2,191	102	4.7%	628	28.7%
Supplementary Diagnostic Radiographers	13	0	0	7	53.8%
TOTAL	**40,628**	**7,162**	**17.6%**	**13,995**	**34.4%**

Source: Vulindlela

Table 20: Promotions by Salary Band

Salary Band		Employment at beginning of Period (April 2009)	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)	Permanent	8,730	152	1.7%	2,681	30.7%
Skilled (Levels 3-5)	Permanent	31,701	3,212	10.1%	17,665	55.7%
	Temporary	0	4	0	1	0
Highly skilled production (Levels 6-8)	Permanent	11,141	1,889	17%	4,749	42.6%
	Temporary	12	13	108.3%	2	16.7%
Highly skilled Supervision (Levels 9-12)	Permanent	10,833	2,562	23.6%	4,859	44.9%
	Temporary	29	21	72.4%	6	20.7%
Senior Management (Levels 13-16)	Permanent	241	19	7.9%	14	5.8%
Other	Permanent	382	0	0	0	0
	Temporary	581	0	0	0	0
Contract (Levels 1-2)	Permanent	82	0	0	0	0
Contract (Levels 3-5)	Permanent	392	2	0.5%	4	1%
Contract (Levels 6-8)	Permanent	1,248	10	0.8%	220	17.6%
Contract (Levels 9-12)	Permanent	574	71	12.4%	40	7%
Contract (Levels 13-16)	Permanent	14	2	14.3%	1	7.1%
TOTAL		**65,960**	**7,958**	**12.1%**	**30,242**	**45.8%**

Source: Vulindlela

6. EMPLOYMENT EQUITY

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

Table 21: Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2010

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	Temporary	41	0	9	50	4	35	4	4	43	5	102
Professionals	Permanent	993	42	777	1,812	423	1,460	83	1,016	2,559	443	5,237
	Temporary	164	2	172	338	102	59	0	53	112	36	588
Clerks	Permanent	1,808	42	440	2,290	38	3,129	136	495	3,760	209	6,297
	Temporary	0	0	0	0	0	0	0	0	0	1	1
Service and Sales Workers	Permanent	4,493	46	552	5,091	36	13,479	232	624	14,335	134	19,596
Craft and related Trades Workers -	Temporary	233	38	84	355	102	19	1	2	22	0	479
Plant and Machine Operators and Assemblers		725	16	93	834	1	134	5	4	143	2	980
Elementary occupations		2,970	41	338	3,349	36	6,543	113	301	6,957	80	10,422
Other		22	0	0	22	0	119	1	24	144	2	168
TOTAL		**11,449**	**227**	**2,456**	**14,141**	**742**	**24,977**	**575**	**2,523**	**28,075**	**912**	**43,870**
Employees with Disabilities		63	6	23	92	1	46	1	7	54	4	151

Source: Vulindlela

Table 22: Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2010

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		7	0	8	15	9	0	0	1	1	1	26
Senior Management :		37	2	66	105	41	25	3	29	57	11	214
Professionally qualified and experienced Specialists and Mid-Management	Permanent	1,096	36	701	1,833	261	6,734	221	1,315	8,270	416	10,780
	Temporary	38	1	63	102	36	5	0	13	18	16	172
Skilled technical and academically qualified workers, Junior Management, Supervisors, Foremen	Permanent	1,904	73	900	2,877	144	6,921	280	1,187	8,388	389	11,798
	Temporary	98	1	63	162	33	44	0	31	75	20	290
Semi-skilled and discretionary decision making	Permanent	7,719	112	652	8,483	67	19,156	366	1,102	20,624	214	29,388
	Temporary	19	0	21	40	14	8	1	8	17	8	79
Unskilled and defined decision making	Permanent	2,884	28	189	3,101	19	5,528	99	265	5,892	24	9,036
	Temporary	10	0	26	36	19	9	0	9	18	8	81
Contract (Top Management)	Permanent	1	0	0	1	3	1	0	0	1	1	6
Contract (Senior Management)	Permanent	4	0	2	6	2	2	0	0	2	1	11
Contract (Professionally Qualified)	Permanent	289	16	127	432	139	397	28	180	605	161	1,337
Contract (Skilled technical)	Permanent	66	2	19	87	4	279	8	75	362	99	552
Contract (Semi-skilled)	Permanent	37	1	14	52	4	105	7	21	133	6	195
Contract (Unskilled)	Permanent	219	1	4	224	0	702	7	26	735	0	959
TOTAL		**14,428**	**273**	**2,855**	**17,556**	**795**	**39,916**	**1,020**	**4,262**	**45,198**	**1,375**	**64,924**

Source: Vulindlela

Table 23: Recruitment for the period 1 April 2009 to 31 March 2010

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		0	0	2	2	1	0	0	2	2	0	5
Professionally qualified and experienced Specialists and Mid-Management	Permanent	59	6	51	116	41	139	14	106	259	45	461
	Temporary	13	0	7	20	5	5	0	6	11	4	40
Skilled technical and academically qualified workers, Junior Management, Supervisors, Foremen -	Permanent	36	0	8	44	1	163	9	68	240	23	308
	Temporary	38	0	17	55	15	22	1	14	37	8	115
Semi-skilled and discretionary decision making	Permanent	128	2	5	135	0	446	13	44	503	0	638
	Temporary	9	0	9	18	9	5	0	2	7	1	35
Unskilled and defined decision making	Permanent	141	0	0	141	2	532	14	36	582	0	725
	Temporary	7	0	8	15	2	4	0	3	7	2	26
Contract (Senior Management)	Permanent	2	0	1	3	2	1	0	0	1	0	6
Contract (Professionally Qualified)	Permanent	122	5	50	177	58	117	9	87	213	84	532
Contract (Skilled technical)	Permanent	66	2	26	94	7	162	7	77	246	99	446
Contract (Semi-skilled)	Permanent	56	2	12	70	4	142	10	25	177	8	259
Contract (Unskilled)	Permanent	134	0	2	136	0	333	3	11	347	0	483
TOTAL		**811**	**17**	**198**	**1,026**	**147**	**2,071**	**80**	**481**	**2,632**	**274**	**4,079**
Employees with Disabilities		0	0	0	0	0	0	0	0	0	0	0

Source: Vulindlela

Table 24: Promotions for the period 1 April 2009 to 31 March 2010

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		1	0	0	1	0	0	0	0	0	0	1
Senior Management		7	0	7	14	4	9	1	4	14	0	32
Professionally qualified and experienced Specialists and Mid-Management	Permanent	690	27	437	1,154	125	4,817	150	903	5,870	272	7,421
	Temporary	4	0	7	11	1	1	0	5	6	9	27
Skilled technical and academically qualified workers, Junior Management, Supervisors, Foremen -	Permanent	989	34	218	1,241	48	4,397	148	626	5,171	178	6,638
	Temporary	4	0	1	5	0	5	0	1	6	4	15
Semi-skilled and discretionary decision making	Permanent	5,400	77	541	6,018	53	13,596	245	819	14,660	146	20,877
	Temporary	1	0	1	2	0	3	0	0	3	0	5
Unskilled and defined decision making	Permanent	830	11	85	926	5	1,785	25	86	1,896	6	2,833
Contract (Senior Management)	Permanent	0	0	0	0	1	1	0	0	1	0	2
Contract (Professionally Qualified)	Permanent	50	2	11	63	8	25	0	6	31	9	111
Contract (Skilled technical)	Permanent	41	3	19	63	33	59	8	32	99	35	230
Contract (Unskilled) - Permanent		1	0	0	1	0	5	0	0	5	0	6
TOTAL		**16,079**	**154**	**1,327**	**9,499**	**278**	**24,703**	**577**	**2,482**	**27,762**	**659**	**38,198**
Employees with Disabilities		51	4	16	71	1	37	1	5	43	2	117

Source: Vulindlela

Table 25: Terminations for the period 1 April 2009 to 31 March 2010

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		1	0	0	1	0	0	0	0	0	1	2
Senior Management		5	0	3	8	4	2	0	3	5	3	20
Professionally qualified and experienced Specialists and Mid-Management	Permanent	61	2	55	118	37	328	15	104	447	63	665
	Temporary	9	0	2	11	2	2	0	3	5	2	20
Skilled technical and academically qualified workers, Junior Management, Supervisors, Foremen -	Permanent	100	8	38	146	8	410	30	100	540	36	730
	Temporary	41	1	19	61	6	20	0	11	31	5	103
Semi-skilled and discretionary decision making	Permanent	354	7	16	377	8	686	23	39	748	17	1,150
	Temporary	13	0	18	31	10	2	0	4	6	2	49
Unskilled and defined decision making	Permanent	212	0	18	230	0	354	10	12	376	1	607
	Temporary	5	0	11	16	5	10	0	4	14	1	36
Contract (Top Management)	Permanent	1	0	0	1	1	0	0	0	0	0	2
Contract (Senior Management)	Permanent	1	0	1	2	3	1	0	0	1	0	6
Contract (Professionally Qualified)	Permanent	105	6	51	162	79	221	16	120	357	92	690
Contract (Skilled technical)	Permanent	63	4	21	88	15	229	11	86	326	90	519
Contract (Semi-skilled)	Permanent	31	0	9	40	2	46	4	4	54	2	98
Contract (Unskilled)	Permanent	92	0	0	92	0	250	0	4	254	0	346
TOTAL		**1,094**	**28**	**262**	**1,384**	**180**	**2,561**	**109**	**494**	**3,164**	**315**	**5,043**
Employees with Disabilities		2	1	0	3	0	3	0	0	3	0	6

Source: Vulindlela

Table 26: Disciplinary action for the period 1 April 2009 to 31 March 2010

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
Correctional counseling											
Demotion											
Written warning	1	0	0	1	0	0	0	0	0	0	1
Dismissal	2	0	0	2	0	0	0	0	0	0	2
Final written warning	2	0	0	2	0	14	1	1	16	0	18
No outcome	3	0	1	4	0	3	0	0	3	0	7
Suspended without payment	0	0	0	0	0	5	0	0	5	0	5
TOTAL	**8**	**0**	**1**	**9**	**0**	**22**	**1**	**1**	**24**	**0**	**33**

Source: Vulindlela

7. SKILLS DEVELOPMENT

Skills development for the period 1 April 2009 to 31 March 2010

Table 27: Training needs identified

Occupational Categories	Gender	Employment	Learnerships	Skills Programmes & other short courses	Other forms of training	Total of Skills Programmes & other short courses
Managers	Female	2,456	0	685	0	685
	Male	613	0	312	0	312
Professionals	Female	13,017	0	2,045	0	2,045
	Male	3,040	0	997	0	997
Technicians and Trades Workers	Female	74	0	202	0	202
	Male	530	0	389	0	389
Community and Personal Services Workers	Female	19,617	0	3,473	0	3,473
	Male	7,287	0	1,769	0	1,769
Clerical and administrative Workers	Female	4,099	0	1,645	0	1,645
	Male	2,730	0	979	0	979
Machinery Operators And Drivers	Female	319	0	98	0	98
	Male	766	0	367	0	367
Elementary occupations	Female	7,146	0	1,967	0	1,967
	Male	3,334	0	1,285	0	1,285
Gender sub totals	Female	46,728	0	11,117	0	11,117
	Male	18,300	0	6,098	0	6,098
Total		**65,028**	**0**	**17,169**	**0**	**17,169**

Source: 2009/10 Workplace Skills Plan

Table 28: Training provided

Occupational Categories	Gender	Employment	Learnerships	Skills Programmes & other short courses	Other forms of training	Total of Skills Programmes & other short courses
Managers	Female	2,456	0	197	3	200
	Male	613	0	109	6	115
Professionals	Female	13,017	0	1,710	49	1,759
	Male	3,040	0	759	26	775
Technicians and Trades Workers	Female	74	0	137	11	148
	Male	530	0	73	2	75
Community and Personal Services Workers	Female	19,617	0	916	86	1,002
	Male	7,287	0	328	45	373
Clerical and administrative Workers	Female	4,099	0	1,073	31	1,104
	Male	2,730	0	529	25	554
Machinery Operators And Drivers	Female	319	0	14	0	4
	Male	766	0	33	0	33
Elementary occupations	Female	7,146	0	93	2	95
	Male	3,334	0	74	0	74
Gender sub totals	Female	46,728	0	4,322	0	4,322
	Male	18,300	0	1,999	0	1,999
Total		**65,028**	**0**	**6,321**	**0**	**6,321**

Source: Annual Training Report 2009/10

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 29), salary bands (Table 30) and critical occupations (Table 31).

Table 29: Performance rewards by race, gender and disability - 1 April 2009 to 31 March 2010

Demographics	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)
African, Female	2	39,870	0	1	634
African, Male	1	14,365	0	2	1 594
Asian, Female	1	4,255	0	4	3 721
Asian, Male	5	2,832	0.2%	16	3 254
Coloured, Female	0	1,019	0	0	0
Coloured, Male	0	267	0	0	0
Total Blacks, Female	3	45,144	0	5	1 663
Total Blacks, Male	6	17,464	0	18	2 977
White, Female	0	1,371	0	0	0
White, Male	0	794	0	0	0
Employees with a disability	0	151	0	0	0
TOTAL	**18**	**64,924**	**0.2**	**46**	**2 539**

Source: Vulindlela

Table 30: Performance rewards by salary bands for personnel below Senior Management service - 1 April 2009 to 31 March 2010

Salary Band	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)
Lower skilled (Levels 1-2)	2	9,103	0	1	500
Skilled (Levels 3-5)	4	29,471	0	6	1 500
Highly skilled production (Levels 6-8)	1	12,094	0	4	4 000
Highly skilled supervision (Levels 9-12)	2	10,956	0	11	5 500
Periodical Remuneration	0	712	0	0	0
Abnormal Appointment	0	636	0	0	0
Contracts (1-2)	0	959	0	0	0
Contracts (3-5)	0	195	0	0	0
Contracts (6-8)	0	552	0	0	0
Contracts (9-12)	0	1,337	0	0	0
TOTAL	**9**	**66,015**	**0**	**22**	**2 444**

Source: Vulindlela

Table 31: Performance rewards by critical occupations - 1 April 2009 to 31 March 2010

Critical Occupations	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)
Ambulance and related workers	0	2,787	0	0	0
Chiropodists and other related workers	0	1	0	0	0
Community Development Workers	0	1	0	0	0
Dental Practitioners	0	84	0	0	0
Dental Specialists	0	8	0	0	0
Dental Therapy	0	25	0	0	0
Dieticians and Nutritionists	0	108	0	0	0
Emergency Services related	0	19	0	0	0
Environmental Health	0	171	0	0	0
Health Sciences related	0	865	0	0	0
Life Sciences related	0	9	0	0	0
Medical Practitioners	1	3,080	0	7	7 000
Medical Research and related professionals	0	12	0	0	0
Medical Specialists	0	590	0	0	0
Medical Technicians/ Technologists	0	74	0	0	0
Nursing Assistants	0	6,155	0	0	0
Occupational Therapy	0	120	0	0	0
Optometrists and Opticians	0	17	0	0	0
Oral Hygienists	0	24	0	0	0
Pharmaceutical Assistants	0	664	0	0	0
Pharmacists	0	406	0	0	0
Physicists	0	6	0	0	0
Physiotherapy	0	233	0	0	0
Professional Nurse	1	12,561	0	4	4 000
Psychologists and Vocational Counsellors	0	70	0	0	0
Radiography	0	458	0	0	0
Social Sciences related	0	3	0	0	0
Social Sciences supplementary workers	0	4	0	0	0
Social Work and related professionals	0	62	0	0	0
Speech Therapy and Audiology	0	83	0	0	0
Staff Nurses and Pupil Nurses	0	9,303	0	0	0
Student Nurse	0	2,282	0	0	0
Supplementary Diagnostic Radiographers	0	13	0	0	0
TOTAL	**1**	**40,938**	**0**	**11**	**11**

Source: Vulindlela

Table 32: Performance related rewards (cash bonus), by salary band for Senior Management services

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	0	55	0	0	0	0	0
Band B	0	170	0	0	0	0	0
Band C	0	30	0	0	0	0	0
Band D	0	2	0	0	0	0	0
TOTAL	**0**	**257**	**0**	**0**	**0**	**0**	**0**

Source: Vulindlela

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 33: Foreign workers - 1 April 2009 to 31 March 2010 (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)	4	0.7%	4	0.7%	0	0	613	560	-53
Skilled (Levels 3-5)	15	2.4%	11	2%	-4	7.5%	613	560	-53
Highly skilled production (Levels 6-8)	37	6%	27	4.8%	-10	18.9%	613	560	-53
Highly skilled supervision (Levels 9-12)	293	47.8%	273	48.8%	-20	37.7%	613	560	-53
Senior Management (Levels 13-16)	21	3.4%	20	3.6%	-1	1.9%	613	560	-53
Other									
Contract (Levels 6-8)	82	13.4%	12	2.1%	-70	132.1%	613	560	-53
Contract (Levels 9-12)	152	34.8%	204	36.4%	52	-98.1%	613	560	-53
Contract (Levels 13-16)	6	1%	4	0.7%	-2	3.8%	613	560	-53
Periodical Remuneration	3	0.5%	3	0.5%	0	0	613	560	-53
Abnormal Appointment									
TOTAL	**613**	**100%**	**5,040**	**100%**	**-55**	**100%**	**5,517**	**5,040**	**477**

Source: Vulindlela

Table 34: Foreign worker - 1 April 2009 to 31 March 2010 (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	0.5%	3	0.58%	0	0	613	560	-53
Craft and related trades workers	1	0.2%	1	0.2%	0	0	613	560	-53
Drivers operators and ships crew	1	0.2%	0	0	-1	1.9%	613	560	-53
Elementary occupations	5	0.8%	6	1.1%	1	-1.9%	613	560	-53
Professionals and Managers	599	97.7%	547	97.7%	-52	98.1%	613	560	-53
Social natural technical and medical sciences + support	3	0.5%	2	0.4%	-1	1.9%	613	560	-53
Technicians and associated professionals	1	0.2%	1	0.2%	0	0	613	560	-53
TOTAL	**613**	**100%**	**560**	**100%**	**-53**	**100%**	**613**	**560**	**-53**

Source: Vulindlela

10. LEAVE UTILISATION

Leave Utilisation for the Period 1 January 2009 to 31 December 2009

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 35) and disability leave (Table 36). In both cases, the estimated cost of the leave is also provided.

Table 35: Sick leave - 1 January 2009 to 31 December 2009

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)	34,066	87.8%	4,708	11.7%	7	6 663	40,279	29,913
Skilled (Levels 3-5)	145,022.5	87%	19,202	47.7%	8	38 184	40,279	126,231
Highly skilled production (Levels 6-8)	62,161	84.8%	8,404	20.9%	7	28 404	40,279	52,743
Highly skilled supervision (Levels 9-12)	49,736.5	84.2%	6,847	17%	7	42 263	40,279	41,858
Senior management (Levels 13-16)	408	76.5%	81	0.2%	5	985	40,279	312
Contract (Levels 1-2)	363	81.3%	95	0.2%	4	47	40,279	295
Contract (Levels 3-5)	445	737%	80	0.2%	6	110	40,279	328
Contract (Level 6-8)	2,077	73.6%	370	0.9%	6	831	40,279	1,528
Contract (Levels 9-12)	2,151.5	67%	485	1.2%	4	1 494	40,279	1,442
Contract (Levels 13-16)	55	90.9%	7	0	8	146	40,279	50
Not Available								
TOTAL	**296,485.5**	**85.9%**	**40,279**	**100%**	**7**	**119 127**	**40,279**	**254,700**

Source: Vulindlela

Table 36: Disability leave (temporary and permanent) - 1 January 2009 to 31 December 2009

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)	4,946	100%	285	12.8%	17	979	4 944	2 226
Skilled (Levels 3-5)	20,186	99.7%	1,136	51%	18	5 377	20 124	2 226
Highly skilled production (Levels 6-8)	9,727	99.9%	489	22%	20	4 447	9 722	2 226
Highly skilled supervision (Levels 9-12)	6,799	99.9%	308	13.8%	22	5 598	6 794	2 226
Senior management (Levels 13-16)	260	100%	2	0.1%	130	655	260	2 226
Contract (Levels 3-5)	36	100%	4	0.2%	9	21	36	2 226
Contract (Levels 6-8)	6	100%	1	0	6	5	6	2 226
Contract (Levels 9-12)	3	100%	1	0	6	3	6	2 226
TOTAL	**41,966**	**99.8%**	**2,226**	**100%**	**19**	**17 085**	**41 892**	**2 226**

Source: Vulindlela

Table 37 summarises the utilisation of annual leave. The wage agreement concluded with trade unions in the 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 37: Annual leave - 1 January 2009 to 31 December 2009

Salary Band	Total Days Taken	Average days per Employee	Number of Employees who took leave
Lower skilled (Levels 1-2)	161,813.4	21	7,561
Skilled (Levels 3-5)	547,646.09	21	25,960
Highly skilled production (Levels 6-8)	238,560.76	22	11,090
Highly skilled supervision (Levels 9-12)	212,208.44	21	9,881
Senior Management (Levels 13-16)	4,376.12	21	211
Contract (Levels 1-2)	1,939.92	12	158
Contract (Levels 3-5)	1,344.92	13	102
Contract(Levels 6-8)	7,399.44	15	478
Contract (Levels 9-12)	12,567.6	15	826
Contract (Levels 13-16	102.84	13	8
Not Available			
TOTAL	**1,187,959.53**	**21**	**56,275**

Source: Vulindlela

Table 38: Capped leave - 1 January 2009 to 31 December 2009

Salary Band	Total days of capped leave taken	Average number of days taken per employee	Average capped leave per employee as at 31 December 2009	Number of Employees who took Capped leave	Total number of capped leave available at 31 December 2009	Number of Employees as at 31 December 2009
Lower skilled (Levels 1-2)	715	4	36	161	111,254	3,087
Skilled (Levels 3-5)	3,626	6	53	594	444,128	8,365
Highly skilled production (Levels 6-8)	3,878	7	65	554	391,838	6,003
Highly skilled supervision (Levels 9-12)	3,746	7	69	563	392,784	5,709
Senior Management (Levels 13-16)	100	9	67	11	9,969	148
TOTAL	**12,065**	**33**	**290**	**1,883**	**1,349,973**	**23,312**

Source: Vulindlela

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

Table 39: Leave Payouts for the Period 1 April 2009 to 31 March 2010

Reason	Total Amount (R'000)	Number of Employees	Average Payment per Employee (R)
Leave payout for 2008/09 due to non-utilisation of leave for the previous cycle	103	11	9 364
Capped leave payouts on termination of service for 2008/09	13 428	2,224	6 038
Current leave payout on termination of service for 2008/09	4 042	650	6 218
TOTAL	**17 573**	**2,885**	**6 091**

Source: Vulindlela

HIV, AIDS & HEALTH PROMOTION PROGRAMMES

Table 40: 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	Introduction of retractable syringes.
Nurses	Introduction of retractable syringes.
General Assistants	Provision of protective clothing (gloves).
Laundry personnel	Provision of gloves.
Grounds personnel	Provision of protective clothing.
Laboratory personnel	Provision of gloves and masks i.e. TB.
EMRS personnel	Introduction of retractable syringes.

Source: HRMS

Table 41: 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 (ISR12) 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	Yes		The complete structure for wellness component at Head Office level has not been approved at this stage. The Department currently has one Occupational Health nurse and Safety Officer at Head Officer level who offer the following services: - HIV and AIDS - EAP - Occupational Health - Occupational and Employee Health and Safety

Question	Yes	No	Details, if yes
annual budget that is available for this purpose.			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 dedicated budget for this purpose however funding is sourced from the budget of the Corporate Services component
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 organization and employees.
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	

Source: HRMS

11. LABOUR RELATIONS

The following collective agreements were entered into with Trade Unions within the Department.

Table 42: Collective Agreements - 1 April 2010 to 31 March 2011

Subject Matter	Date
Resolution 2 of 2009: Adoption of declaration on Occupational Specific Dispensations as agreed to at workshop held on 11 June 2009 at Birchwood Hotel in Boksburg	15 June 2009
Resolution 3 of 2009: Resolution 3 of 2009: Agreement on a revised salary structure for employees on salary levels 1-12 not covered by an Occupation Specific Dispensation	24 July 2009
Resolution 4 of 2009: Resolution 4 of 2009: The appointment of a panel of conciliators and arbitrators	17 August 2009
Resolution 5 of 2009: Resolution 5 of 2009: Agreement on improvement in salaries for the financial year 2009/2010	07 September 2009
Resolution 1 of 2010: Amendment to PSCBC resolution 5 of 2009: Timeframes for the 2010/2011 salary negotiations	25 February 2010
Resolution 2 of 2010: Amendment to PSCBC Resolution 1 of 2005: Agency shop agreement	23 March 2010

Total collective agreements	**6**

Source: DPSA Website

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

Table 43: Misconduct and disciplinary hearings finalised - 1 April 2009 to 31 March 2010

Outcomes of disciplinary hearings	Number	Percentage of Total	Total
Dismissal	250	14.6%	**1,707**
Final written warning	712	41.7%	**1,707**
No outcome	711	41.7%	**1,707**
Suspended without payment	34	2%	**1,707**
TOTAL	**1,707**	**100%**	**6,828**

Source: Vulindlela

Table 44: Types of misconduct addressed at disciplinary hearings

Type of misconduct	Number	Percentage of Total	Total
Absent from work without reason or permission	6	14.6%	41
Endangers lives by disregarding safety rules	-	-	-
Fails to carry out order or instruction	3	7.3%	41
Fails to comply with or contravenes an Act	11	26.8%	41
Falsifies records or any documents	-	-	-
Steals bribes or commits fraud	8	19.5%	41
Wilfully or negligently mismanages finances	-	-	-
TOTAL	**28**	**68.2%**	**41**

Source: Vulindlela

Table 45: Grievances lodged for the period 1 April 2009 to 31 March 2010

Number of grievances addressed	Number	Percentage of Total	Total
Not resolved	61	47.%	128
Resolved	67	52.3%	128
TOTAL	**128**	**100%**	**128**

Source: Vulindlela

Table 46: Disputes lodged with Councils for the period 1 April 2009 to 31 March 2010

Number of disputes addressed	Number	% of total
Upheld	0	0
Dismissed	0	0
Total	**0**	**0**

Source: Vulindlela

Table 47: Strike actions for the Period 1 April 2009 to 31 March 2010

Strike Actions	
Total number of person working days lost	No data available
Total cost (R'000) of working days lost	No data available
Amount (R'000) recovered as a result of no work no pay	No data available

Source:

Table 48: Precautionary suspensions for the period 1 April 2009 to 31 March 2010

Precautionary Suspensions	
Number of people suspended	32
Number of people whose suspension exceeded 30 days	24
Average number of days suspended	8
Cost (R'000) of suspensions	

Source: Labour Relations

12. INJURY ON DUTY

The following tables provide basic information on injury on duty.

Table 49: Injured On Duty: 1 April 2009 to 31 March 2010

Nature of injury on duty	Number	% of total
Required basic medical attention only	894	72.39%
Temporary Total Disablement	322	26.07%
Permanent Disablement	11	.89%
Fatal	8	.65%
Total	**1,186**	**100%**

Source: Information collated from various Institutions by Service Conditions

13. EMPLOYEE INITIATED SEVERANCE PACKAGES

Table 50: Granting of employee initiated severance packages

CATEGORY	No of applications received	No of applications referred to the MPSA	No of applications supported by MPSA	No of Packages approved by department
Lower Skilled (Salary Level 1-2)	Nil	Nil	Nil	Nil
Skilled (Salary Level 3-5)	Nil	Nil	Nil	Nil
Highly Skilled production (Salary Level 6-8)	2	2	2	2
Highly Skilled production (Salary Level 9-12)	2	1	1	1
Senior Management (Salary Level 13 and higher)	1	1	1	1

Source: HRMS

PART D: AUDITTED FINANCIAL STATEMENTS

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

1. GENERAL REVIEW OF THE STATE OF FINANCIAL AFFAIRS

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 2009/10 financial year represented the first year in the 2009/10 to 2014/15 strategic planning cycle. Therefore, the programmes for the year, with certain adjustments for new developments during the five year period, represents the first year of the plan. Achievements attained during the period are detailed in the Annual Report; however, these were impacted upon by the decrease in allocations, in real terms, during the last two years of the previous period. This however, did not impact on the programmes significantly as alternative courses of action were implemented to ensure sustainable delivery of services.

The 2009/10 financial year presented various challenges to the Department due to the shortage of funds and the forever changing disease patterns. The increase in prices, especially for imported items, has resulted in a decrease in the allocated resources in real terms. This has also resulted in a decrease in real per capita funding for the services offered.

The Department is increasingly faced with the need for tough choices to be made in the prioritization of services in light of an increased demand on health services owing to an ever increasing number of patients presenting themselves to our institutions coupled with the decrease in resources available.

In this regard, the Department has developed a three-year turnaround strategy together with the Provincial Treasury which is aimed at addressing the funding constraints currently faced by the Department. The strategy focuses on increasing efficiency across the board and cutting back on less essential cost driving items thereby promoting efficiency in the utilization of allocated resources. A policy framework has been put in place to support the implementation of the framework and all components within the Department have attended workshops which included the communication of the framework. The circulars forming part of the framework have also been published on the intranet. In implementing the turnaround strategy it has been emphasised that the measures being implemented should not have an adverse effect on the delivery of health services.

The strategy also focuses on ensuring that the Department derives maximum benefit out of expenditure in health care services and that wastage and abuse of resources is eliminated. Current areas of focus include key cost drivers such as the Public Private Partnership, laboratory services, blood services, pharmaceuticals, patient catering services, waste management services, the utilization of nursing agencies, the utilization of private medical beds and medical sundries. Specific business unit strategies for the enhancement of these services are currently being developed or at implementation stage.

As part of an improvement plan, reviews are carried out in the policy environment improvement area, Supply Chain Management policy area, as such, a number of items identified namely, motor vehicles except ambulances, office and domestic furniture, office and domestic equipment, agency fees including nursing agencies, venues and facilities, departmental catering, advertisement and marketing has been identified as a cost containment and will only procured on motivation.

PROGRAMME	FINAL ALLOCATION R'000	ACTUAL EXPENDITURE R'000	UNDER/ (OVER) SPENDING R'000
1. Administration	285,371	290,889	-5,518
2. District Health Services	9,078,659	9,847,667	-769,008
3. Emergency Medical Services	696,263	782,332	-86,069
4. Provincial Hospital Services	4,323,454	5,090,290	-766,836
5. Central Health Services	1,860,877	2,139,135	-278,258
6. Health Sciences and Training	671,064	793,186	-122,122
7. Health Care Support Services	27,528	27,528	0
8. Health Facilities Management	1,385,947	1,378,249	7,698
TOTAL	18,329,163	20,349,276	-2,020,113

The Department was allocated a total of R18, 329, 163,000 for the financial year. A total of R20,349,276,000 was spent, resulting in over expenditure of R2,020,113,000 or 11% of the allocated budget for the year. It is worth noting that the carry through effects related to funding of the 2007/08 salary increases and the funding of interventions against MDR/XDR TB, amounting to R323,123m, were not provided for in the 2008/09 MTEF allocations. These funds were earmarked for ongoing activities, therefore the under funding contributed significantly to the budget pressures faced by the Department.

The Department continued with the implementation of measures to combat MDR/XDR TB, resulting in an internationally recognized programme as a result of the turnaround in the treatment of the disease within a short period of time. This was achieved despite the constraints mentioned above, mainly through the optimal utilization of allocated resources and through contributions from donor organisations.

Since the 2007/08 financial year this Department has been burdened with a number of unfunded mandates, which have contributed significantly to the Department's over-expenditure over the last three years and its current straitened financial position. Despite the Department's commitment to reprioritizing its services as well as the introduction of major cost savings initiatives, it is not possible for it to absorb the additional cost of these unfunded mandates within its allocated funds.

The Department furthermore acknowledges that a major portion of the over-expenditure incurred is attributable to deficient financial controls and the poor management of its Supply Chain Management procedures and activities, including the policies for targeted enterprises. It must be noted that the Department is in the process of addressing these matters with the assistance and support of Provincial Treasury.

The Department has received its 2010/11 main appropriation budget allocation and once more has not been provided with sufficient funds to cover the carry-through costs for the 2009/10 Wage Agreement.

It is useful to capture the development of this shortfall trend and highlight that once a shortfall ensures, it remains within the budget baseline causing / addition to budget overrun or until funding is reprioritized from other programs in order to fill that shortfall. The following unfunded mandates have been assigned to the Department, since 2007/08:

- The Department was underfunded by R72,290m on its request of R295,099m for the 2007/08 cost of living adjustments. In addition, the carry through costs on the total amount of R295, 099 million for the 2008/09 MTEF period were not provided.

- In 2007/08 the occupational dispensation for nurses (OSD) was underfunded by some R433,983m. Although additional funding was provided in the 2008/09 MTEF period for this purpose, there is still a significant shortfall against the requirement as shown in the table below.

- In 2009/10 the cost of living increase was underfunded by R168,334m. Resulting in shortfalls in the carry through costs for the 2010/11 and 2011/12 of R350,235m and R369,849m respectively.

- The mandatory extension of the medical internship to 2 years for medical interns resulted in a shortfall in funding of R86,132 million in 2009/10, with further shortfalls of R91,300m and R96,413m in 2010/11 and 2011/12. Respectively. An additional 326 medical interns were accommodated.

- Insufficient funding was provided for the introduction of compulsory community services for 444 nurses, resulting in an under-provision of R54,887 million and shortfalls of R58,180m and R61,438m for 2010/11 and 2011/12 respectively.

The compulsory transfer of the Provinces Laboratory Services to the National Health Laboratory Services (NHLS) resulted in a significant increase in the Department's costs for this service. The additional expenditure in 2007/08 amounts to R150,822 million, R212,650 million in 2008/09 and R217,949m for each of the remaining years of the 2008/09 MTEF period for which no additional funding was received. As far as 2010/11 is concerned, these figures could well increase depending on the contractual requirements of NHLS and the move to itemised billing.

The following table summarises these unfunded mandates:

Adjustment Estimates			2007/08	2008/09	2009/10	2010/11	2011/12
	Funds Required R'000	Funds Received R'000	Shortfall R'000	Shortfall R'000	Shortfall R'000	Shortfall R'000	Shortfall R'000
OSD for Nurses (2007/08)	671,583	237,600	433,983	413,155	388,048	433,933	456,652
2007/08 July Sal Adjustment -short-funded	295,099	221,809	73,290				
Funding for the carry through cost for the **above** 07/08 July Salary Adjustment not provided				393,465	415,106	435,446	455,041
Underfunding for the 2009/10 Cost of Living Adjustment (July Sal Adjustment)	542,758	374,424			168,334	350,235	369,849
Increase of medical Internship to 2 years - additional 336 Interns. (salary: R256,347pa)					86,132	91,300	96,413
Introduction of Community Services for Nurses - had to fill posts without funding: 444 nurses (Salary notch: R95,313+ 29.7%)					54,887	58,180	61,438
Transfer of Laboratory Services to National Health Laboratory Services October 2006			150,822	212,650	217,949	217,949	217,949
TOTAL UNFUNDED MANDATES			658,095	1,019,270	1,330,456	1,587,043	1,657,341
TOTAL OVER EXPENDITURE (excluding first charge)			1,175,759	1,425,189	1,594,637		
TOTAL PROJECTED OVER - EXPENDITURE INCLUDING FIRST CHARGE (SEE NOTE BELOW)					2,352,637		
OVER EXPENDITURE AFTER DEDUCTION OF UNFUNDED MANDATES (2009/10 =R1,594,637-R1,330,456)			517,664	405,919	264,181		

As indicated in the above table, the Department has been extremely negatively affected through the above underfunding, which has, in addition insufficient and poor internal controls, contributed significantly to its over-expenditure and projected over-expenditure since 2007/08. The significant increase in the projected over-expenditure in 2009/10 is exacerbated by the implementation of the first charge against the over-expenditure for 2007/08 and 2008/09 of R758 million.

The above trends in allocations have contributed to the current budgetary constraints, especially when considering the fact that, over the last five years the Department has experienced a consistent trend of over spending as a result of ever changing patterns of morbidity and mortality. The carry through effects of the takeover of services such as Forensic Pathology Services and the facilities from Santa Centres have added to budgetary constraints, as these invariably required some level of upgrade as part of the multi-year programme for the development of these services.

The Department had undertaken a review of the OSD payments and it has been ascertained that the contingent asset amounted to R20,209 million. The OSD outcome mainly indicates to a difference of interpretation and documentation that was not found on the personnel files during the AGSA review. Based on the court case uncertainty still exists on whether the overpayments can actually be recovered and as a result no corresponding debtor could be raised in the financial statements. Possible irregular expenditure could be incurred depending on the outcomes or resolutions reached on OSD payments. (Refer

to note 19.2 this amount has been disclosed as a contingent asset as per National Treasury guideline on the disclosure).

The Department finalized the KwaZulu-Natal Health Bill during the 2008/09 financial year. The Bill was approved by the Provincial Legislature and signed into law by the Premier during the financial year. Regulations emanating from the Act are expected to be finalized during the 2010/11 financial year.

The following factors led to material variances from voted funds, after considering the shifting and the virements of funds.

Programme 1: Administration

A total of R285, 371,000 was allocated to the Programme, a total of R290,889,000 spent. As a result, the budget was over spent by R5,518,000 or 1.9% of the allocation for the programme mainly as a result of the following:

- The over expenditure for this programme relates mainly to the late submission of SITA claims to the Department, as well as the purchasing of soft ware licenses required to comply with State systems.

Programme 2: District Health Services

A total of R9,078,659,000 was allocated to the Programme, a total of R9,847,667,000 spent. As a result, the budget was over spent by R769,008,000 or 8.5% of the allocation for the programme mainly as a result of the following:

- Over spending of R121,030,000 in Community Health Clinics mainly as a result of spending pressures in compensation of employees and in goods and services.
- Over spending of R213,000, in Community Health Centres mainly as a result of spending pressures in compensation of employees, goods and services and transfer payments.
- Over spending of R114,000 in Forensic Pathology Services mainly as a result of spending pressures in compensation of employees, goods and services and in machinery and equipment.
- Over spending of R687,340,000 in District Hospitals mainly as a result of budget pressures in compensation of employees, goods and services and transfer payments.

Programme 3: Emergency Medical Services

A total of R696, 263,000 was allocated to the Programme, a total of R782,332,000 spent. Overspending in this programme was R86,069,000 against the budget allocation or 12.4% of the allocated programme. The over expenditure relates mainly to cost of increase in fuel and repairing emergency vehicles. The programme continues to face service delivery challenges due to the shortage of resources. The Department is currently implementing various initiatives aimed at strengthening the services. The services are also in the process of being centralized to ensure the smooth and integrated operation thereof. Spending on emergency vehicles, staff and staff training has been intensified to ensure readiness for the 2010 Soccer World Cup.

Programme 4: Provincial Hospital Services

A total amount of R4,323,454,000 was allocated to the programme. Actual spending for the year on this programme amounted to R5,090,290,000, resulting in over expenditure of R766, 836, 000. As a result, the budget was over spent by 17.7% of the allocation for the programme mainly as a result of the following:

- General (Regional) Hospitals overspending of R606,293,000 mainly as a result in compensation of employees and goods and services.
- Tuberculosis Hospitals overspending of R128,656,000 mainly as result in compensation of employees and goods and services.
- Psychiatric (Mental) Hospitals overspending of R30,040,000 as result in compensation of employees and goods and services.
- Sub Acute, Step down and Chronic Medical Hospital overspending of R3, 867, 000 as result in compensation of employees and goods and services.

Over spending was recorded mainly due to the carry through effects of the implementation of OSD, the carry through effects of the implementation of the 2007/08 salary adjustments and general price increases. Another factor contributing to the over expenditure is the 13% increase in the cost of living allowances for which insufficient funding was provided.

Programme 5: Central Health Services

A total of R1,860, 877, 000 was allocated to the Programme, R2,139,135,000 was spent resulting in over spending of R278,258,000. Over spending was recorded in Central Hospital Services and in Provincial Tertiary Hospital Services as a result of the carry through effects of the under funding of OSD and the 2007/08 salary adjustments and the inflationary increase on medical supply and services.

Programme 6: Health Sciences and Training

A total of R671, 064, 000 was allocated to this Programme. A total of R793,186,000 was spent, resulting in over spending of R122,122,000 mainly as a result of the following:

- Over spending of R30,418,000 in Nursing Training Colleges as a result of over spending on compensation of employees.
- Over spending of R12,516,000 in Primary Health Care Training as a result of over spending on compensation of employees.
- Over spending of R77,535,000 in Training Other as a result of over spending on compensation of employees resulting from the effects of the increase in medical interns. The increase in the number of interns was on the basis of National Policy for the training of more health professionals, and was therefore inevitable. Additional to this was the compulsory two year medical intern programme and OSD in respect of Nursing Colleges and OSD for medical interns.

Programme 7: Health Care Support Services

Spending on this Programme was according to the budget.

Programme 8: Health Facilities Management

The programme was under spent by R7,698,000. Under spending resulted from delays in the construction of facilities which impacted on the acquisition of equipment, as well as delays in the completion of Information Technology Projects funded from the Programme. An over expenditure of R149,000,000 for Capital Projects for building of mortuaries and projects that have commenced and cannot be stopped without financial and legal implications.

Virements:

The Department applied to the Provincial Treasury for virements and the shifting of funds. These are reflected in detail under the Appropriation statement.

2. SERVICES RENDERED BY THE DEPARTMENT

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 is therefore inevitable, the aim being to provide 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 health care level.

The role of Head Office is policy making, planning, systems development, procedural design, setting of norms and standards, as well as monitoring and evaluation. The District Offices are 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 of services 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, respectively. 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 coroner services to the Department of Justice. This service entails clinical investigation of deaths that appear not be have natural causes.

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 effect 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 H0, which are the non fee paying patients, been charged an approximate amount of R45.27m would have been collected. This estimation is based on monthly statistics received from the health institutions.

Inventories

The total inventory on hand as at 31 March 2009 amounted R442,837,967.02 This amount consists of consumables of R206,340,097.46 pharmaceuticals of R236,497,869.56.

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 maximize 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, as well as the gap in funding of healthcare needs in the province. As a response to these challenges, the Department has embarked on the following initiatives, as part of strengthening capacity for service delivery:

- Ongoing reprioritization of activities in favour of priority areas of health services delivery, which guides the allocation of available resources;
- 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 that focuses 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 is trained in the relevant areas and by creation of multi-purpose staff posts (e.g. HIV and AIDS, STIs and TB, or PMTCT and Maternal, Child and Women's Health);
- Conclusion of contracts with Non-Governmental Organizations 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 reduce overcrowding at Hospitals and improve access to services to a great extent.

4. UTILISATION OF DONOR FUNDS

Donations received in Cash

During this financial year an amount of R44,479 million in respect of local and foreign donor funds was received by the Department. In addition an amount of R29,174 million was brought forward from the previous financial year, giving a total of R65,887 million for the year. Of this amount R44,479 million was spent, leaving a balance of R21.408 million has been carried into the 2010/11 financial year.

The amount of R36,713 million received includes:

- R17,353 million from the Geneva Global Fund to offset HIV, AIDS , and TB expenditure incurred by the Department on behalf of the Global Fund.
- R9,318 million from the European Union for the continuation of the projects for the Partnership for the Delivery of Primary Health Care.
- R6.000 million from Atlantic Philanthropies for strengthening capacity at rural nurse training institutions within the Province. Infrastructure planning is in progress.
- R3,000 million from UNICEF for usage by Maternal, Child and Woman's Health programme for the Ilembe district.

The balance of the donations was received for Health and Welfare Sector Education and Training Authority learner ships, HIV/AIDS Drug Trials and Registrar Training.

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.

An amount of R27,528,000 was transferred to the entity during the year under review to supplement the value of the buffer stock. The substantial increase in the amount

transferred was due to the need for an increase in the Anti-retroviral stock to ensure that the stock levels of other were not affected by the need for increase in ARV stock to cater for increases in the number of patients on the Anti-retroviral Treatment programme. The number of patients on treatment increased from 144,000 in 2007/08 to 205,000 in 2008/09 to 319,015 in 2009/2010

The trading entity realised a surplus amounting during the year under review (2009/10). The annual financial statements of the trading entity are reflected separately in this annual report.

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.

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 Annexures of this report.

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. Details of the PPP and the transactions relating thereto are disclosed under note 25 of the financial statements.

8. CORPORATE GOVERNANCE ARRANGEMENTS

Situational analysis of Audit and Risk Management for the 2009-2010 financial year

The 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 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 2009-2010 reporting period, the Department was subjected to a multitude of audits by Office of the Auditor-General as well as by the Internal Audit Unit. These audits include audits of the financial statements of both the Department as well as that of the Provincial Pharmaceutical Supply Depot (PPSD), a trading entity in the Department as well as regularity audits at selected institutions, Head Office and the various Conditional Grants. The Auditor-General also undertook a review audit of the general computer controls information system (SAP) at the Inkosi Albert Luthuli Central Hospital, commenced performance audits on the "Investment in Infrastructure" as well on the Public Private Partnership at the Inkosi Albert Luthuli Central Hospital.

In addressing the various audit queries, the Departments Audit and Risk Management Component had developed Risk Mitigation Plans and subsequently met with the senior management officials of the audited entities and discussed the identified risks, as well as the risk mitigation plans. In addition, Risk Owners and Action Owners were identified and timeframes were agreed upon to address the identified risks. Further, review audits were conducted to verify the responses that were supplied by the institutions and also to check on the status of the implementation of the action plans. In this regard, new Risk Response Plans were developed in relative to the findings of the review audit, which were communicated to the institutions.

The Department has as part of its risk management strategy conducted risk assessment exercises to determine the material risks to which the Department may be exposed to, and to evaluate the strategy for managing the identified risks. These exercises have involved the documenting of systems, procedures and processes with regards to risk areas at a functional/operational level and to prioritise them within each focus area that has the highest potential to impact (positively or negatively) on the achievement of the Department's/Institutions objectives. The functional/ operational focus areas of the risk assessments that have been developed involve financial management, supplies administration, procurement administration, human resource management, security administration as well as transport management.

The component had also embarked and finalised various risk management initiatives as part of its strategy to combat fraud and corruption. In this regard numerous workshops were conducted in 2008-2009 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 rollout of the Fraud Prevention Plan as part of the Departments Strategy in reducing the incidents of fraud and corruption as well as presentations on Corporate Governance, which incorporated a module on the relevant sections of the Public Finance Management Act.

The component has also been responsible for the management of the special project “Operation Cure” which is aimed at rooting out procurement related corruption in the Department. During the reporting period various suppliers and seven (7) officials of the Department were convicted on a total of 360 counts of corruption, 8 counts of fraud and 22 counts of money laundering. Further, the Department has been awarded compensation in the amount of approximately R 2.8 million emanating from these convictions.

9. DISCONTINUED ACTIVITIES/ACTIVITIES TO BE DISCONTINUED

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

All assets have been captured in the asset register. All minimum requirements for asset management have been achieved. Furthermore, an asset register with new reporting requirements have been developed and rolled out to institutions during the 2009/2010 financial year.

All milestones have been achieved business processes with new asset register requirements have been developed. The asset management function is decentralized due to the size and nature of the Department. Therefore capacity building and training of staff take long to complete because of the number of institutions that must be visited as part of on the job training. Assets Management is operated on a manual system, resulting to asset management information not being available on real time.

12. EVENTS AFTER THE REPORTING DATE

There were no events after the reporting date that affected the financial statements as at 31 March 2009. However, there was concern in respect of the occupational specific dispensation for Psychiatric Nursing stream Nurses. (See note 30)

13. PERFORMANCE INFORMATION

Information for health related indicators (clinical) is captured at source (i.e. Clinics) in registers this information is collated on a weekly basis and is submitted to the relevant district hospital (referral pathway) for capturing into DHIS. Information from all hospitals – tertiary, regional and district is collated per District and forwarded to Head Office data management to enable the generation of Quarterly Reports for Treasury. Similarly, non clinical information is collated at District level and submitted to the Department’s Monitoring and Evaluation component for analysis and reporting.

14. STANDING COMMITTEE ON PUBLIC ACCOUNTS RESOLUTIONS

REFERENCE TO PREVIOUS AUDIT REPORT AND SCOPA RESOLUTIONS	SUBJECT	FINDINGS ON PROGRESS
Resolution 63/2008	Report from the Task Team established to investigate the over-expenditure in the Department of Health in the 2007/2008 financial year **Resolution:** The Head of Provincial Treasury be requested to report by 15 January 2009	A three year turnaround plan was developed and tabled before the Legislature.
Resolution 64/2008	Lease of Trizon Towers **Resolution** Copy of lease on Lease of Trizon Towers was provided	The matter is under review.
Resolution 65/2008	Investigation by the Office of the Premier relating to procurement irregularities **Resolution:** That the report on the investigation mentioned above be requested from the Office of the Premier for consideration by the Committee by 15 January 2009	The matter was referred to the Office of the Premier.

15. PRIOR MODIFICATIONS TO AUDIT REPORTS

There were no prior modifications to audit reports.

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 utilize the original approach, which had been accepted by the Auditor-General

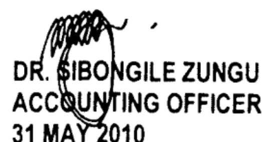
- Disclosure of immovable assets

The disclosure of immovable assets is included under the annual financial statements of the Department of Works in accordance with a Provincial Treasury directive.

16. APPROVAL

The annual financial statements set out on pages 215 to 267 are hereby approved by the Chief Financial Officer of the Department of Health: KwaZulu-Natal.

The annual financial statements set out on pages 215 to 267 are hereby approved by the Accounting Officer of the Department of Health: KwaZulu-Natal.



REPORT OF THE AUDITOR-GENERAL TO THE KWAZULU-NATAL PROVINCIAL LEGISLATURE ON THE FINANCIAL STATEMENTS OF VOTE 7: DEPARTMENT OF HEALTH FOR THE YEAR ENDED 31 MARCH 2010

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the accompanying financial statements of the Department of Health, which comprise the appropriation statement, the statement of financial position as at 31 March 2010, and the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory information, as set out on pages 215 to 267.

Accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis of accounting determined by the National Treasury, as set out in accounting policy note 1.1, and in the manner required by the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA) and the Division of Revenue Act of South Africa, 2009 (Act No. 12 of 2009) (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; and making accounting estimates that are reasonable in the circumstances.

Auditor-General's responsibility

3. As required by section 188 of the Constitution of South Africa, section 4 of the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and section 40(2) of the PFMA, my responsibility is to express an opinion on the financial statements based on my audit.

4. I conducted my audit in accordance with International Standards on Auditing and *General Notice 1570 of 2009* issued in *Government Gazette 32758 of 27 November 2009*. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about 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 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Basis for qualified opinion

Work-in-progress and immovable assets

7. At the date of my report, the accounting officer was still in the process of rectifying system and documentation deficiencies and correcting misstatements with respect to immovable assets and work in progress as disclosed in note 32 to the financial statements. Therefore, I was unable to obtain sufficient and appropriate audit evidence as to the completeness and valuation of work in progress included in the disclosures at a total amount of R861,758 million and to determine the impact of any adjustments that might have been necessary in respect of recorded or unrecorded work in progress and immovable assets.

Machinery and equipment

8. The closing balance of R1,566 billion for machinery and equipment as per disclosure note 30 to the financial statements includes an adjustment of R262,076 million, which was not supported by adequate documentation. Moreover, assets were not reconcilable to the asset register and accounting records for additions. Values assigned to certain assets were not supported by payment vouchers, and physical verification procedures revealed discrepancies between actual assets and the recorded information. Consequently, I was unable to obtain sufficient appropriate evidence to satisfy myself as to the valuation, existence and completeness of machinery

and equipment, and the effect of any disclosure adjustments to the amounts in this note to the financial statements.

Qualified opinion

9. In my opinion, except for the possible effects of the matters described in the Basis for qualified opinion paragraphs, the financial statements present fairly the financial position of the Department of Health as at 31 March 2010, 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 accounting policy note 1.1 to the financial statements and in the manner required by the PFMA and DoRA.

Emphasis of matter

I draw attention to the matters below. My opinion is not modified in respect of these matters:

Basis of accounting

10. The department's policy is to prepare financial statements on the modified cash basis of accounting, described in accounting policy note 1.1.

Unauthorised and irregular expenditure

11. The department incurred unauthorised expenditure of R2,256 billion as a result of exceeding the total amount appropriated.

12. As disclosed in note 25 to the financial statements, irregular expenditure to the amount of R637,725 million was incurred, because proper procurement processes had not been followed.

Material losses through impairment of patient fees

13. As disclosed in note 6.3 to the financial statements, material losses to the amount of R6,088 million were incurred as a result of a write-down of irrecoverable patient fees.

Material underspending of the budget

14. The department underspent the hospital revitalisation grant by R224,045 million. The impact of this is that the planned and managed modernisation, rationalisation and transformation of infrastructure and health technology for the 2009-10 financial year had not been fully realised.

Additional matter

I draw attention to the matter below. My opinion is not modified in respect of this matter:

Unaudited supplementary schedules

15. The supplementary information set out on pages 269 to 295 does not form part of the financial statements and are presented as additional information. I have not audited these schedules and accordingly I do not express an opinion thereon.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In terms of the PAA and *General Notice 1570 of 2009,* issued in *Government Gazette No. 32758 of 27 November 2009,* I include below my findings on the report on predetermined objectives and compliance with the PFMA, DoRA and financial management (internal control).

Findings

Predetermined objectives

Reliability of information

16. The following criteria were used to assess the usefulness of the planned and reported performance:
    - Validity: Has the actual reported performance occurred and does it pertain to the entity, i.e. can the reported performance information be traced back to the source data or documentation?
    - Accuracy: Amounts, numbers and other data relating to reported actual performance have been recorded and reported appropriately.
    - Completeness: All actual results and events that should have been recorded have been included in the reported performance information.

The following audit finding relates to the above criteria:

No supporting documentation

17. Sufficient appropriate audit evidence for the district health services programme could not be obtained. There were no satisfactory audit procedures that I could perform to obtain the required assurance as to the validity, accuracy and completeness of reported information.

Compliance with laws and regulations

Public Finance Management Act and Treasury Regulations

Non-adherence

18. Contrary to the requirements of section 38(1)(a)(iii) of the PFMA and TR16A6.1, the accounting officer did not ensure that adequate systems and processes were in place for fair and transparent procurement of goods and services in the department.

19. Adequate systems and processes were not in place to detect and report irregular expenditure in terms of section 38(1)(g) of the PFMA and TR9.1.1.

20. Contrary to TR16A8.4, employees and spouses of employees in the department did not disclose conflicts of interest with transacting entities.

21. Contrary to section 38(1)(d) and TR10, the accounting officer did not ensure that complete and accurate records were maintained for departmental assets.

22. Loss control registers were not maintained for movable assets in terms of TR10.1.1.

23. The accounting officer did not implement adequate processes to comply with section 38(1)(d) of the PFMA with regard to the management of housing guarantee contingent liabilities.

24. Suspense accounts were not cleared at year-end, resulting in non-compliance with section 40(1)(a) of the PFMA and TR17.1.

National Environmental Management Act

25. Medical waste was not stored, transported and disposed of in a manner to facilitate compliance with section 2(4) (e) of the act.

Division of Revenue Act

The requirements of the conditional grant framework, read with the DoRA in respect of the following grants, have not been adhered to.

26. Comprehensive HIV and Aids grant – The business plans, monthly and quarterly reports as well as the risk management plan were not timeously submitted to the National Department of Health (NDoH) for approval.

27. Forensic pathology grant – The business plan (45 days late) and quarterly reports were not timeously submitted to the NDoH.

28. Health professions training and development grant – Timelines for the submission of business plans, monthly and quarterly reports to the NDoH and National Treasury were not met. Moreover, the reports which were submitted for students who benefited from this grant were not complete and accurate.

29. Hospital revitalisation grant – The department has not fully implemented and executed the targets in the annual project implementation plans, resulting in underspending of the grant by 50% (R224,045 million).

30. National tertiary services grant – The conditions relating to the outputs at the designated tertiary services hospitals as well as the timelines relating to the signing of the service level agreement and submission of the business plan and the monthly and quarterly reports to the NDoH, have not been complied with.

INTERNAL CONTROL

I considered internal control relevant to my audit of the financial statements and the report on predetermined objectives and compliance with the PFMA and DoRA, but not for the purposes of expressing an opinion on the effectiveness of internal control. The matters reported below are limited to the deficiencies identified during the audit.

Leadership

31. Adequate oversight and monitoring to ensure that risks impacting on financial reporting were adequately identified assessed and responded to did not occur at leadership level because of unfilled vacancies in the position of the accounting officer and chief financial officer for almost half of the 2009-10 financial year. As a result, internal controls were not constantly evaluated to determine whether they were appropriately designed and implemented in areas relating to financial reporting, as evident from material misstatements in machinery and equipment, intangible assets, irregular expenditure, suspense accounts, receivables for departmental revenue, compliance with laws and regulations and reporting on predetermined objectives.

Financial and performance management

32. The KwaZulu-Natal Cabinet had imposed section 18(2)(g) and (i) of the PFMA on the department as per Cabinet Resolution 70 of 29 July 2009. The provincial treasury seconded a team to assist the department due to weaknesses in financial management and monitoring in various areas, including inadequate reviewing of monthly management accounts. Although, the interim and annual financial statements as well as the report on predetermined objectives had been reviewed, material misstatements were identified during the audit. Moreover, certain transactions were not adequately supported and available for audit due to the extensive decentralisation of functions as well as weaknesses in monitoring and independent reviews, resulting in significant delays in responding to requests for information and audit communications.

Governance

33. The accounting officer holds a view that the shared internal audit function of the province would not contribute adequately in optimising governance and addressing internal control deficiencies that impact on financial and performance reporting, primarily due to the enormity, complexity and extent of decentralisation in the department. As a result, fraud and financial risks are not frequently assessed, responded to and mitigated by the internal audit unit to determine their impact and likelihood of occurrence.

OTHER REPORTS

Investigations

34. Investigations are being conducted to probe the manner in which contracts were awarded by the department. The investigations aim to establish whether irregularities took place in the procurement process. The investigations were still ongoing at the reporting date.

Performance audits

35. A performance audit was conducted on the department's use of consultants during the year under review. The audit is currently in the reporting phase and the findings will be reported in a separate report.

Auditor-General

Pietermaritzburg

30 July 2010

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

APPROPRIATION PER PROGRAMME

		2009/10							2008/09	
		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	1,041,685	(758,000)	-	283,685	285,925	(2,240)	100.8%	282,263	279,411
	Transfers and subsidies	726	-	-	726	2,322	(1,596)	319.8%	2,167	2,165
	Payment for capital assets	960	-	-	960	2,642	(1,682)	275.2%	5,054	2,490
2.	**District Health Services**									
	Current payment	8,005,721	659,000	1,341	8,666,062	9,474,438	(808,376)	109.3%	7,017,441	7,792,749
	Transfers and subsidies	391,114	-	(10,260)	380,854	345,047	35,807	90.6%	282,947	282,953
	Payment for capital assets	31,582	-	161	31,743	28,182	3,561	88.8%	89,888	56,570
3.	**Emergency Medical Services**									
	Current payment	636,524	-	-	636,524	710,728	(74,204)	111.7%	590,257	590,257
	Transfers and subsidies	1,467	-	-	1,467	2,260	(793)	154.1%	9,171	9,171
	Payment for capital assets	58,272	-	-	58,272	69,344	(11,072)	119.0%	72,932	72,932
4.	**Provincial Hospital Services**									
	Current payment	4,225,933	19,000	-	4,244,933	5,013,789	(768,856)	118.1%	4,007,188	4,299,744
	Transfers and subsidies	53,796	-	-	53,796	58,617	(4,821)	109.0%	49,021	54,630
	Payment for capital assets	24,725	-	-	24,725	17,884	6,841	72.3%	29,069	24,440
5.	**Central Hospital Services**									
	Current payment	1,451,511	80,000	-	1,531,511	1,827,565	(296,054)	119.3%	1,269,990	1,547,758
	Transfers and subsidies	3,366	-	-	3,366	2,660	706	79.0%	3,140	8,187
	Payment for capital assets	326,000	-	-	326,000	308,910	17,090	94.8%	265,276	265,276

APPROPRIATION PER PROGRAMME

	2009/10							2008/09	
	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	610,675	-	(1,754)	608,921	727,945	(119,024)	119.5%	533,113	618,938
Transfers and subsidies	56,924	-	(106)	56,818	59,843	(3,025)	105.3%	54,417	56,144
Payment for capital assets	3,465	-	1,860	5,325	5,398	(73)	101.4%	5,345	1,519
7. Health Care Support Services									
Current Payment	-	-	-	-	-	-	-	-	79
Transfers and subsidies	27,528	-	-	27,528	27,528	-	100.0%	34,130	34,130
8. Health Facilities Management									
Current payment	325,468	-	(52,864)	272,604	264,909	7,695	97.2%	349,509	338,010
Transfers and Subsidies	-	-	-	-	-	-	-	-	326
Payment for capital assets	1,051,721	-	61,622	1,113,343	1,113,340	3	100.0%	830,667	765,222
TOTAL	**18,329,163**	**-**	**-**	**18,329,163**	**20,349,276**	**(2,020,113)**	**111%**	**15,782,985**	**17,103,101**
Reconciliation with Statement of Financial Performance									
Add: Department receipt				232,879				168,049	
Aid assistance				36,713				111,928	
Actual amounts per Statement of Financial Performance (Total Revenue)				**18,598,755**				**16,062,962**	
Add: Aid assistance					44,479				104,364
Actual amounts per Statement of Financial Performance Expenditure (Total Expenditure)					**20,393,755**				**17,207,465**

APPROPRIATION PER ECONOMIC CLASSIFICATION

	2009/10							2008/09	
	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	10,210,534	758,000	184,402	11,152,936	12,125,849	(972,913)	108.7%	9,109,358	10,077,044
Goods and services	5,328,983	-	(237,680)	5,091,303	6,179,434	(1,088,131)	121.4%	4,940,403	5,389,804
Financial transactions in assets and liabilities	758,000	(758,000)	-	-	15	(15)	0.0%	-	98
Transfers & subsidies									
Provinces & municipalities	120,650	-	48	120,698	84,010	36,688	69.6%	51,543	51,538
Departmental agencies & accounts	34,312	-	-	34,312	34,312	-	100.0%	39,957	39,957
Universities & technikons	-	-	-	-	-	-	0.0%	40	40
Non-profit institutions	291,975	-	(11,171)	280,804	278,846	1,958	99.3%	243,734	243,734
Households	87,984	-	757	88,741	101,111	(12,370)	113.9%	99,719	112,437
Payment for capital assets									
Buildings & other fixed structures	943,652	-	61,610	1,005,262	1,005,258	4	100.0%	635,339	635,593
Machinery & equipment	553,073	-	(938)	552,135	540,441	11,694	97.9%	642,834	552,856
Software & other intangible assets	-	-	2,972	2,972	-	2,972	0.0%	20,058	-
Total	**18,329,163**	**-**	**-**	**18,329,163**	**20,349,276**	**(2,020,113)**	**111%**	**15,782,985**	**17,103,101**

DETAIL PER PROGRAMME 1 – ADMINISTRATION

Programme per Sub-programme	2009/10							2008/09	
	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	12,435	-	(531)	11,904	11,904	-	100.0%	12,839	12,839
Transfers and subsidies	17	-	-	17	38	(21)	223.5%	-	-
Payment for capital assets	517	-	(18)	499	499	-	100.0%	1,238	943
1.2 Management									
Current payment	1,029,250	(758,000)	531	271,781	274,021	(2,240)	100.8%	269,424	266,572
Transfers and subsidies	709	-	-	709	2,284	(1,575)	322.1%	2,167	2,165
Payment for capital assets	443	-	18	461	2,143	(1,682)	464.9%	3,816	1,547
TOTAL	**1,043,371**	**(758,000)**	**-**	**285,371**	**290,889**	**(5,518)**	**101.9%**	**289,484**	**284,066**

DETAIL PER PROGRAMME 1 – ADMINISTRATION

Programme 1 Per Economic classification	2009/10							2008/09	
	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	169,770	-	462	170,232	168,705	1,527	99.1%	166,500	163,648
Goods and services	113,915	-	(462)	113,453	117,220	(3,767)	103.3%	115,763	115,763
Financial transactions in assets & liabilities	758,000	(758,000)	-	-	-	-	0.0%	-	-
Transfers & subsidies									
Provinces & municipalities	36	-	-	36	38	(2)	105.6%	6	4
Non-profit institutions	-	-	-	-	11	(11)	0.0%	-	-
Households	690	-	-	690	2,273	(1,583)	329.4%	2,161	2,161
Payments for capital assets									
Machinery & equipment	960	-	-	960	2,642	(1,682)	275.2%	4,996	2,490
Software & other intangible assets	-	-	-	-	-	-	0.0%	58	-
Total	**1,043,371**	**(758,000)**	**-**	**285,371**	**290,889**	**(5,518)**	**101.9%**	**289,484**	**284,066**

DETAIL PER PROGRAMME 2 - DISTRICT HEALTH SERVICES

Programme per sub-programme	2009/10							2008/09	
	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	152,879	-	(32,234)	120,645	120,645	-	100.0%	143,822	143,822
Transfers and subsidies	1,040	-	-	1,040	1,154	(114)	111.0%	1,087	1,087
Payment for capital assets	479	-	-	479	76	403	15.9%	5,623	5,623
2.2 Community Health Clinics									
Current payment	1,497,441	69,300	101,941	1,668,682	1,789,712	(121,030)	107.3%	1,393,561	1,494,357
Transfers and subsidies	150,472	-	(549)	149,923	112,423	37,500	75.0%	78,554	78,554
Payment for capital assets	5,089	-	-	5,089	4,067	1,022	79.9%	28,884	5,729
2.3 Community Health Centres									
Current payment	475,090	-	76,683	551,773	551,779	(6)	100.0%	500,047	500,050
Transfers and subsidies	744	-	-	744	951	(207)	127.8%	948	948
Payment for capital assets	1,058	-	-	1,058	845	213	79.9%	2,867	2,304
2.4 Community Based Services									
Current payment	100,026	-	(1,231)	98,795	98,795	-	100.0%	92,761	92,761
Transfers and subsidies	80	-	-	80	55	25	68.8%	8	8
2.5 Other Community Services									
Current payment	506,905	-	(13,721)	493,184	493,184	-	100.0%	421,929	421,929
Transfers and subsidies	1,896	-	(704)	1,192	1,037	155	87.0%	2,137	2,137
Payment for capital assets	2,105	-	-	2,105	1,253	852	59.5%	5,066	5,066

DETAIL PER PROGRAMME 2 - DISTRICT HEALTH SERVICES

Programme per sub-programme		2009/10							2008/09	
		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	1,572,565	-	(110,126)	1,462,439	1,462,439	-	100.0%	1,178,364	1,178,380
	Transfers and subsidies	82,293	-	(9,007)	73,286	71,589	1,697	97.7%	60,602	60,602
	Payment for capital assets	827	-	-	827	518	309	62.6%	383	383
2.7	**Nutrition**									
	Current payment	101,689	-	(11,251)	90,438	90,438	-	100.0%	21,635	21,635
	Transfers and subsidies	8	-	-	8	-	8	0.0%	-	-
	Payment for capital assets	-	-	199	199	199	-	100.0%	-	-
2.8	**Forensic Pathology Services**									
	Current payment	100,009	-	(8,720)	91,289	91,289	-	100.0%	82,862	89,717
	Transfers and subsidies	88	-	-	88	91	(3)	103.4%	16	22
	Payment for capital assets	5,749	-	(38)	5,711	5,711	-	100.0%	4,879	6,925
2.9	**District Hospitals**									
	Current payment	3,499,117	589,700	-	4,088,817	4,776,157	(687,340)	116.8%	3,182,460	3,850,098
	Transfers and subsidies	154,493	-	-	154,493	157,747	(3,254)	102.1%	139,595	139,595
	Payment for capital assets	16,275	-	-	16,275	15,513	762	95.3%	42,186	30,540
TOTAL		**8,428,417**	**659,000**	**(8,758)**	**9,078,659**	**9,847,667**	**(769,008)**	**108.5%**	**7,390,276**	**8,132,272**

DETAIL PER PROGRAMME 2 - DISTRICT HEALTH SERVICES

Programme 2 Per Economic Classification Economic classification	2009/10							2008/09	
	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 Payment									
Compensation of employees	5,165,168	659,000	159,318	5,983,486	6,382,862	(399,376)	106.7%	4,573,320	5,264,489
Goods and services	2,840,553	-	(157,977)	2,682,576	3,091,576	(409,000)	115.2%	2 ,444,121	2,528,178
Financial transactions in assets & liabilities	-	-	-	-	-	-	0.0%	-	82
Transfers & subsidies									
Provinces & municipalities	119,518	-	49	119,567	82,483	37,084	69.0%	50,887	50,883
University & Technikons	-	-	-	-	-	-	0.0%	40	40
Non-profit institutions	250,228	-	(11,065)	239,163	237,427	1,736	99.3%	210,664	210,664
Households	21,368	-	756	22,124	25,137	(3,013)	113.6%	21,356	21,366
Payment of Capital Assets									
Buildings & other fixed structures	-	-	-	-	-	-	0.0%	-	138
Machinery & equipment	31,582	-	161	31,743	28,182	3,561	88.8%	89,888	56,432
Total	**8,428,417**	**659,000**	**(8,758)**	**9,078,659**	**9,847,667**	**(769,008)**	**108.5%**	**7,390,276**	**8,132,272**

DETAIL PER PROGRAMME 3 - EMERGENCY MEDICAL SERVICES

Programme per sub programme	2009/10							2008/09	
	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	604,309	-	-	604,309	676,674	(72,365)	112.0%	555,416	555,416
Transfers and subsidies	1,452	-	-	1,452	2,243	(791)	154.5%	9,094	9,094
Payment for capital assets	50,902	-	-	50,902	62,414	(11,512)	122.6%	71,586	71,586
3.2 Planned Patient transport									
Current payment	32,215	-	-	32,215	34,054	(1,839)	105.7%	34,841	34,841
Transfers and subsidies	15	-	-	15	17	(2)	113.3%	77	77
Payment for capital assets	7,370	-	-	7,370	6,930	440	94.0%	1,346	1,346
TOTAL	**696,263**	**-**	**-**	**696,263**	**782,332**	**(86,069)**	**112.4%**	**672,360**	**672,360**

DETAIL PER PROGRAMME 3 - EMERGENCY MEDICAL SERVICES

Programme 3 per Economic classification	2009/10							2008/09	
	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 Payment									
Compensation of employees	448,454	-	-	448,454	486,534	(38,080)	108.5%	381,733	381,733
Goods and services	188,070	-	-	188,070	224,194	(36,124)	119.2%	208,524	208,524
Transfers & subsidies									
Provinces & municipalities	907	-	-	907	1,232	(325)	135.8%	511	511
Households	560	-	-	560	1,028	(468)	183.6%	8,660	8,660
Capital									
Machinery & equipment	58,272	-	-	58,272	69,344	(11,072)	119.0%	72,932	72,932
Total	**696,263**	**-**	**-**	**696,263**	**782,332**	**(86,069)**	**112.4%**	**672,360**	**672,360**

DETAIL PER PROGRAMME 4 - PROVINCIAL HOSPITAL SERVICES

Programme per sub programme	2009/10							2008/09	
	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	3,009,065	19,000	1,100	3,029,165	3,635,458	(606,293)	120.0%	2,827,884	3,120,440
Transfers and subsidies	25,816	-	-	25,816	33,077	(7,261)	128.1%	25,179	30,788
Payment for capital assets	18,737	-	52	18,789	14,598	4,191	77.7%	23,329	18,700
4.2 Tuberculosis Hospitals									
Current payment	637,972	-	-	637,972	766,628	(128,656)	120.2%	633,351	633,351
Transfers and subsidies	17,779	-	-	17,779	18,169	(390)	102.2%	16,644	16,644
Payment for capital assets	2,934	-	-	2,934	2,476	458	84.4%	3,630	3,630
4.3 Psychiatric Hospitals									
Current payment	476,238	-	-	476,238	506,278	(30,040)	106.3%	446,806	446,806
Transfers and subsidies	5,654	-	-	5,654	2,539	3,115	44.9%	2,745	2,745
Payment for capital assets	2,918	-	-	2,918	804	2,114	27.6%	1,878	1,878
4.4 Chronic Medical Hospitals									
Current payment	90,938	-	-	90,938	94,805	(3,867)	104.3%	89,180	89,180
Transfers and subsidies	4,471	-	-	4,471	4,767	(296)	106.6%	4,453	4,453
Payment for capital assets	84	-	-	84	6	78	7.1%	232	232
4.5 Dental Training hospitals									
Current payment	11,720	-	(1,100)	10,620	10,620	-	100.0%	9,967	9,967
Transfers and subsidies	76	-	-	76	65	11	85.5%	-	-
Payment for capital assets	52	-	(52)	-	-	-	0.0%	-	-
TOTAL	**4,304,454**	**19,000**	**-**	**4,323,454**	**5,090,290**	**(766,836)**	**117.7%**	**4,085,278**	**4,378,814**

DETAIL PER PROGRAMME 4 - PROVINCIAL HOSPITAL SERVICES

Programme 4 per Economic classification	2009/10							2008/09	
	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 Payment									
Compensation of employees	3,171,868	19,000	-	3,190,868	3,539,810	(348,942)	110.9%	2,922,329	3,015,350
Goods and services	1,054,065	-	-	1,054,065	1,473,963	(419,898)	139.8%	1,084,859	1,284,394
Financial Transactions in Assets & Liabilities	-	-	-	-	15	(15)	0.0%	-	-
Transfers & subsidies									
Provinces & municipalities	163	-	-	163	235	(72)	144.2%	131	131
Non-profit institutions	30,331	-	-	30,331	30,051	280	99.1%	27,103	27,103
Households	23,302	-	-	23,302	28,332	(5,030)	121.6%	21,787	27,396
Payment of Capital Assets									
Machinery & equipment	24,725	-	-	24,725	17,884	6,841	72.3%	29,069	24,440
Total	**4,304,454**	**19,000**	**-**	**4,323,454**	**5,090,290**	**(766,836)**	**117.7%**	**4,085,278**	**4,378,814**

DETAIL PER PROGRAMME 5 - CENTRAL HOSPITAL SERVICES

Programme per sub programme	2009/10							2008/09	
	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 Hospital									
Current payment	492,111	-	-	492,111	533,169	(41,058)	108.3%	313,645	316,194
Transfers and subsidies	33	-	-	33	40	(7)	121.2%	2,167	6,260
Payment for capital assets	70,411	-	-	70,411	53,659	16,752	76.2%	179,574	179,574
5.2 Tertiary Hospitals									
Current payment	959,400	80,000	-	1,039,400	1,294,396	(254,996)	124.5%	956,345	1,231,564
Transfers and subsidies	3,333	-	-	3,333	2,620	713	78.6%	973	1,927
Payment for capital assets	255,589	-	-	255,589	255,251	338	99.9%	85,702	85,702
TOTAL	**1,780,877**	**80,000**	**-**	**1,860,877**	**2,139,135**	**(278,258)**	**115%**	**1,538,406**	**1,821,221**

DETAIL PER PROGRAMME 5 - CENTRAL HOSPITAL SERVICES

Programme 5 Per Economic classification	2009/10							2008/09	
	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 Payment									
Compensation of employees	728,957	80,000	-	808,957	882,490	(73,533)	109.1%	601,791	717,374
Goods and services	722,554	-	-	722,554	945,075	(222,521)	130.8%	668,199	830,384
Transfers & subsidies									
Provinces & municipalities	12	-	-	12	8	4	66.7%	2	1
Households	3,354	-	-	3,354	2,653	701	79.1%	3,138	8,186
Payment of Capital Assets									
Machinery & equipment	326,000	-	-	326,000	308,909	17,091	94.8%	265,276	265,276
TOTAL	**1,780,877**	**80,000**	**-**	**1,860,877**	**2,139,135**	**(278,258)**	**115%**	**1,538,406**	**1,821,221**

DETAIL PER PROGRAMME 6 - HEALTH SCIENCES AND TRAINING

Programme per sub programme	2009/10							2008/09	
	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	321,213	-	8,663	329,876	360,294	(30,418)	109.2%	303,611	334,019
Transfers and subsidies	1,921	-	-	1,921	2,231	(310)	116.1%	1,832	1,754
Payment for capital assets	136	-	-	136	194	(58)	142.6%	2,349	1,039
6.2 EMS Training Colleges									
Current payment	24,724	-	(10,523)	14,201	14,201	-	100.0%	14,673	16,900
Transfers and subsidies	3	-	-	3	2	1	66.7%	-	5
Payment for capital assets	3,275	-	1,860	5,135	5,135	-	100.0%	2,631	64
6.3 Bursaries									
Current payment	2,741	-	-	2,741	1,296	1,445	47.3%	-	791
Transfers and subsidies	38,483	-	-	38,483	41,158	(2,675)	107.0%	41,945	44,103
6.4 Primary Health Care Training									
Current payment	63,664	-	-	63,664	76,180	(12,516)	119.7%	53,483	65,284
Transfers and subsidies	5	-	-	5	50	(45)	100.0%	71	45
Payment for capital assets	8	-	-	8	8	-	100.0%	181	14
6.5 Training Other									
Current payment	198,333	-	106	198,439	275,974	(77,535)	139.1%	161,346	201,944
Transfers and subsidies	16,512	-	(106)	16,406	16,402	4	100.0%	10,569	10,237
Payment for capital assets	46	-	-	46	61	(15)	132.6%	184	402
TOTAL	**671,064**	**-**	**-**	**671,064**	**793,186**	**(122,122)**	**118.2%**	**592,875**	**676,601**

DETAIL PER PROGRAMME 6 - HEALTH SCIENCES AND TRAINING

Programme 6 Per Economic classification	2009/10							2008/09	
	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	522,854	-	24,637	547,491	662,000	(114,509)	120.9%	459,404	528,940
Goods and services	87,821	-	(26,391)	61,430	65,945	(4,515)	107.3%	73,709	89,982
Financial transaction in assets & Liabilities	-	-	-	-	-	-	0.0%	-	16
Transfers & subsidies									
Provinces & municipalities	14	-	(1)	13	14	(1)	107.7%	6	8
Dept agencies & accounts	6,784	-	-	6,784	6,784	-	100.0%	5,827	5,827
Non-profit institutions	11,416	-	(106)	11,310	11,357	(47)	100.4%	5,967	5,967
Households	38,710	-	1	38,711	41,688	(2,977)	107.7%	42,617	44,342
Capital									
Buildings & other fixed structures	-	-	-	-	-	-	0.0%	-	116
Machinery & equipment	3,465	-	1,860	5,325	5,398	(73)	101.4%	5,345	1,403
Total	**671,064**	**-**	**-**	**671,064**	**793,186**	**(122,122)**	**118.2%**	**592,875**	**676,601**

DETAIL PER PROGRAMME 7 - HEALTH CARE SUPPORT SERVICES

Programme per sub programme	2009/10							2008/09	
	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									
Current Payment	-	-	-	-	-	-	-	-	79
Transfers and subsidies	27,528	-	-	27,528	27,528	-	100.0%	34,130	34,130
TOTAL	**27,528**	**-**	**-**	**27,528**	**27,528**	**-**	**100%**	**34,130**	**34,209**

Programme 7 Per Economic classification	2009/10							2008/09	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current Payment									
Goods and Services	-	-	-	-	-	-	-	-	79
Transfers & Subsidies									
Departmental agencies & accounts	27,528	-	-	27,528	27,528	-	100.0%	34,130	34,130
Total	**27,528**	**-**	**-**	**27,528**	**27,528**	**-**	**100%**	**34,130**	**34,209**

DETAIL PER PROGRAMME 8 - HEALTH FACILITIES MANAGEMENT

Programme per sub-programme	2009/10							2008/09	
	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	24,505	-	(3,968)	20,537	20,537	-	100.0%	48,303	48,303
Payment for capital assets	382,504	-	149,883	532,387	532,387	-	100.0%	232,322	232,322
8.2 District Hospitals									
Current payment	161,416	-	(53,355)	108,061	108,061	-	100.0%	152,482	152,482
Payment for capital assets	227,077	-	147,021	374,098	374,098	-	100.0%	463,464	463,464
8.3 Emergency Medical Services									
Current payment	3,085	-	(1,899)	1,186	1,186	-	100.0%	2,116	2,116
Payment for capital assets	1,196	-	(1,181)	15	15	-	100.0%	2,618	2,618
8.4 Provincial Hospital Services									
Current payment	68,654	-	(13,941)	54,713	47,018	7,695	85.9%	64,768	58,296
Payment for capital assets	378,480	-	(238,175)	140,305	140,302	3	100.0%	105,660	53,467
8.5 Central Hospital Services									
Current payment	6,783	-	(2,393)	4,390	4,390	-	100.0%	7,068	7,033
Payment for capital assets	11,786	-	18,985	30,771	30,771	-	100.0%	8,368	8,368
8.6 Other Services									
Current payment	61,025	-	22,692	83,717	83,717	-	100.0%	74,772	69,780
Transfers and subsidies	-	-	-	-	-	-	-	-	326
Payment for capital assets	50,678	-	(14,911)	35,767	35,767	-	100.0%	18,235	4,983
TOTAL	**1,377,189**	**-**	**8,758**	**1,385,947**	**1,378,249**	**7,698**	**99.4%**	**1,180,176**	**1,103,558**

DETAIL PER PROGRAMME 8 – HEALTH FACILITIES MANAGEMENT

Programme 8 per Economic classification	2009/10							2008/09	
	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 Payment									
Compensation of employees	3,463	-	(15)	3,448	3,448	-	100.0%	4,281	5,510
Goods and services	322,005	-	(52,850)	269,155	261,461	7,694	97.1%	345,228	332,500
Transfers & Subsidies									
Households	-	-	-	-	-	-	0.0%	-	326
Payment of Capital Assets									
Buildings & other fixed structures	943,652	-	61,610	1,005,262	1,005,258	4	100.0%	635,339	635,339
Machinery & equipment	108,069	-	(2,959)	105,110	108,082	(2,972)	102.8%	175,328	129,883
Software & other intangible assets	-	-	2,972	2,972	-	2,972	0.0%	20,000	-
Total	**1,377,189**	**-**	**8,758**	**1,385,947**	**1,378,249**	**7,698**	**99.4%**	**1,180,176**	**1,103,558**

1. Detail of transfers and subsidies as per Appropriation Act (after Virement):

Detail of these transactions can be viewed in note on Transfers and subsidies, disclosure notes and Annexure 1 (A-J) to the annual financial statements.

2. Detail of specifically and exclusively appropriated amounts voted (after Virement):

Detail 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

Detail of these transactions per programme can be viewed on the Financial Transaction in assets and liabilities to 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	285,371	290,889	-5,518	1.9%
The over expenditure relates mainly to late submission of SITA claims to the Department, as well as the purchasing of soft ware licenses required to comply with State systems				
District Health Services	9,078,659	9,847,667	-769,008	8.5%
The over expenditure relates mainly to under provision for OSD and inflationary increase on medical supplies and services				
Emergency Medical Service	696,263	782,332	-86,069	12.4%
The over expenditure relates mainly to an increase in the price cost of fuel and repairing of Emergency vehicles				
Provincial Hospital Services	4,323,454	5,090,290	-766,836	17.7%
The over expenditure relates mainly to under provision for OSD and inflationary increase on medical supplies and services				
Central Hospital Services	1,860,877	2,139,135	-278,258	15%
The over expenditure relates mainly to under provision for OSD and inflationary increase on medical supplies and services				
Health Sciences and Training	671,064	793,186	-122,122	18%
The over expenditure relates mainly to the introduction of the compulsory two year medical intern programme and the OSD in respect of Nursing Colleges				

		Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Approp
4.2	**Per economic classification:**	**R'000**	**R'000**	**R'000**	**%**
	Current expenditure				
	Compensation of employees	11,152,936	12,125,849	-972,913	108.7%
	Goods and services	5,091,303	6,179,434	-1,088,131	121.4%
	Financial Transactions in Assets and Liabilities	-	15	-15	-
	Transfers and subsidies				
	Provinces and municipalities	120,698	84,010	36,688	69.6%
	Departmental agencies and accounts	34,312	34,312	-	100.0%
	Non-profit institutions	280,804	278,846	1,958	99.3%
	Households	88,741	101,111	-12,370	113.9%
	Payments for capital assets				
	Buildings and other fixed structures	1,005,262	1,005,258	4	100.0%
	Machinery and equipment	552,135	540,441	11,694	97.9%
	Biological Assets	2,972	-	2,972	-

STATEMENT OF FINANCIAL PERFORMANCE for the year ended 31 March 2010

	Note	2009/10	2008/09
		R'000	R'000
REVENUE			
Annual appropriation	1	18,329,163	15,782,985
Department Revenue	2	232,879	168,049
Aid Assistance	3	36,713	111,928
TOTAL REVENUE		**18,598,755**	**16,062,962**
EXPENDITURE			
Current expenditure			
Compensation of employees	4	12,125,849	10,077,044
Goods and services	5	6,361,996	5,389,804
Financial transactions in assets and liabilities	6	15	98
Aid Assistance	3	40,682	104,364
Total current expenditure		**18,528,542**	**15,571,310**
Transfers and subsidies		**498,279**	**447,706**
Transfers and subsidies	7	498,279	447,706
Expenditure for capital assets			
Tangible capital assets	8	1,366,934	1,188,449
Total expenditure for capital assets		**1,366,934**	**1,188,449**
TOTAL EXPENDITURE		**20,393,755**	**17,207,465**
SURPLUS/ (DEFICIT) FOR THE YEAR		**(1,795,000)**	**(1,144,503)**

Reconciliation of Net Surplus/ (Deficit) for the year

Voted Funds		(2,020,113)	(1,320,116)
Annual Appropriation		(2,248,300)	(1,320,116)
Conditional Grants		228,187	-
Departmental Revenue	2	232,879	168,049
Aid Assistants	3	(7,766)	7,564
SURPLUS / DEFICIT FOR THE YEAR		**(1,795,000)**	**(1,144,503)**

STATEMENT OF FINANCIAL POSITION for the year ended 31 March 2010

	Note	2009/10	2008/09
		R'000	R'000
ASSETS			
Current assets		**4,268,522**	**3,344,759**
Unauthorised expenditure	9	4,126,895	3,174,794
Cash and Cash Equivalent	10	280	296
Prepayments and advances	11	116	390
Receivables	12	141,231	169,279
TOTAL ASSETS		**4,268,522**	**3,344,759**
LIABILITIES			
Current Liabilities		**4,250,708**	**3,332,083**
Voted funds to be surrendered to the Revenue Fund	13	75,189	75,019
Departmental revenue to be surrendered to the Revenue Fund	14	26,129	(12,979)
Bank overdraft	15	4,004,641	3,118,211
Payables	16	123,341	122,658
Aid assistance unutilised	3	21,408	29,174
TOTAL LIABILITIES		**4,250,708**	**3,332,083**
NET ASSETS		**17,814**	**12,676**
Represented by:			
Recoverable revenue		17,814	12,676
TOTAL		**17,814**	**12,676**

STATEMENT OF CHANGES IN NET ASSETS for the year ended 31 March 2010

	2009/10	2008/09
	R'000	R'000
Recoverable revenue		
Opening balance	12,676	6,968
Transfers	**5,138**	**5,708**
Debts raised	5,138	5,708
Closing balance	**17,814**	**12,676**

CASH FLOW STATEMENT for the year ended 31 March 2010

	Note	2009/10 R'000	2008/09 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		**18,423,381**	**16,062,964**
Annual appropriated funds received	1.1	18,168,467	15,782,987
Departmental revenue received	2	218,201	168,049
Aid assistance received	3	36,713	111,928
Net (increase)/ decrease in working capital		(1,681,096)	(1,430,382)
Surrendered to Revenue Fund		(268,790)	(321,521)
Current payments		(15,514,544)	(14,169,157)
Transfers and subsidies paid		(498,279)	(447,706)
Net cash flow available from operating activities	17	**460,672**	**(305,802)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	8	(1,366,934)	(1,188,449)
Proceeds from sale of capital assets	2.4	14,678	-
Net cash flows from investing activities		**(1,352,256)**	**(1,188,449)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/ (decrease) in net assets		5,136	5,708
Net cash flows from financing activities		**5,136**	**5,708**
Net increase/ (decrease) in cash and cash equivalents		(886,448)	(1,488,543)
Cash and cash equivalents at beginning of period		(3,117,913)	(1,629,370)
Cash and cash equivalents at end of period	18	**(4,004,361)**	**(3,117,913)**

Accounting policies

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 12 of 2009.

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.

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 comprises of departmental allocations as well as direct charges against revenue fund (i.e. statutory appropriation). 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.

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 annexure to the financial statements.

2.3 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 annexure 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.

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. Social contribution (such as medical benefits) made by the department for certain of its ex-employees are classified as transfers to households in the statement of financial performance.

3.1.2.4 Other Long Term Employee Benefits

Other long-term employee benefits (such as capped leave) are recognised as an expense in the statement of financial performance as a transfer (to households) when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

Long-term employee benefits that give rise to a present legal or constructive obligation are disclosed in the disclosure notes to the financial statements.

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 or if the total purchase price exceeds the capitalisation threshold (currently R5, 000). All other expenditures are classified as current.

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 an estimate is included in the disclosure notes to the financial statements amounts.

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.

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 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.

Fruitless and wasteful expenditure is defined as: expenditure that was made in vain and would have been avoided had reasonable care been exercised.

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 ant 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. Bank overdrafts are shown separately on the face of the statement of financial position.

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 and where the goods and services have not been received by year end.

Prepayments and advances outstanding at the end of the year are carried in the statement of financial position at cost.

4.3 Receivables

Receivables included in the statement of financial position arise from cash payments made that are recoverable from another party or from the sale of goods/rendering of services.

Receivables outstanding at year-end are carried in the statement of financial position at cost plus any accrued interest. Amounts that are potentials irrecoverable are included in the disclosure notes.

4.4 Inventory

Inventories that qualify for recognition must be initially reflected at cost. Where inventories are acquired at no cost, or for nominal consideration, their cost shall be their fair value at the date of acquisition.

All inventory items at year-end are reflected using the weighted average cost or FIFO cost formula.

4.5 Capital assets

Movable assets

Initial recognition

A capital asset is recorded on receipt of the item at cost. Cost of an asset is defined as the total cost of acquisition. Where the cost cannot be determined accurately, the movable capital asset is stated at fair value. Where fair value cannot be determined, the capital asset is included in the asset register at R1.

All assets acquired prior to 1 April 2002 are included in the register R1.

Subsequent recognition

Subsequent expenditure of a capital nature is recorded in the statement of financial performance as "expenditure for capital asset" and is capitalised in the asset register of the department on completion of the project.

Repairs and maintenance is expensed as current "goods and services" in the statement of financial performance.

Immovable assets

Initial recognition

A capital asset is recorded on receipt of the item at cost. Cost of an asset is defined as the total cost of acquisition. Where the cost cannot be determined accurately, the immovable capital asset is stated at R1 unless the fair value for the asset has been reliably estimated.

Subsequent recognition

Work-in-progress of a capital nature is recorded in the statement of financial performance as "expenditure for capital asset." On completion, the total cost of the project is included in the asset register of the department that legally owns the asset or the provincial/national department of public works.

Repairs and maintenance is expensed as current "goods and services" in the statement of financial performance.

5. Liabilities

5.1 Payables

Recognised payables mainly comprise of amounts owing to other governmental entities. These payables are carried at cost in the statement of financial position.

Contingent liabilities

Contingent liabilities are included in the disclosure notes to the financial statements when it is possible that economic benefits will flow from the department, or when an outflow of economic benefits or service potential is probable but cannot be measured reliably.

Contingent assets

Contingent assets are included in the disclosure notes to the financial statements when it is possible that an inflow of economic benefits will flow to the entity.

Commitments

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

5.2 Lease commitments

The accounting policy previously stated:

Lease 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 and disclosure notes to the financial statements."

The accounting policy is subject to various interpretations. As a result, the accounting policy for lease commitments is revised to read as follows:

Finance leases

Finance leases are not recognised as assets and liabilities in the statement of financial position. Finance lease payments are recognised as an expense in the statement of financial performance and are apportioned between the capital and the interest portions. The finance lease liability is disclosed in the disclosure notes to the financial statements.

Operating leases

Operating lease payments are recognised as an expense in the statement of financial performance. The operating lease commitments are disclosed in the discloser notes to the financial statement.

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.

Receivables for departmental revenue

Receivables for departmental revenue are disclosed in the disclosure notes to the annual financial statements.

6. Net Assets

6.1 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 have 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.

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 utilizing 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.

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 2009/10 R'000
Administration	285,371	285,371	-	289,484
District Health Services	9,078,659	9,078,659	-	7,390,276
Emergency Medical Services	696,263	696,263	-	672,360
Provincial Hospital Services	4,323,454	4,323,454	-	4,085,278
Central Hospital Services	1,860,877	1,860,877	-	1,538,406
Health Sciences and Training	671,064	671,064	-	592,875
Health Care Support Services	27,528	27,528	-	34,130
Health Facilities Management	1,385,947	1,225,251	160,696	1,180,178
Total	**18,329,163**	**18,168,467**	**160,696**	**15,782,987**

Hospital Revitalisation Grant: R160, 696 not received

1.2 Conditional grants

	Note	2009/10 R'000	2008/09 R'000
Total grants received	Annex 1A	3,114,646	2,634,190
Provincial Grants included in Total grants received		**359,717**	**294,832**

(It should be noted that Conditional grants are included in the amounts per the Total Appropriation in Note 1.1)

		Note	2009/10 R'000	2008/09 R'000
2	**Departmental revenue to be surrendered to Revenue Fund**			
	Sales of goods and services other than capital assets	2.1	198,764	158,432
	Fines, penalties and forfeits	2.2	11	11
	Interest, dividends and rent on land	2.3	74	3
	Sales of capital assets	2.4	14,678	-
	Financial transactions in assets and liabilities	2.5	19,352	9,603
	Total Revenue		**232,879**	**168,049**
	Departmental revenue collected		**232,879**	**168,049**
2.1	**Sales of goods and services other than capital assets**	2		
	Sales of goods and services produced by the department		**198,536**	**157,526**
	Sales by market establishment		10,850	9,917
	Administrative Fees		4,105	5,865
	Other sales		183,581	141,744
	Sales of scrap, waste and other used current goods		228	906
	Total		**198,764**	**158,432**
2.2	**Fines, penalties and forfeits**	2		
	Penalties		11	11
2.3	**Interest, dividends and rent on land**	2		
	Interest		74	3
2.4	**Sales of capital assets**	2		
	Tangible Assets		**14,678**	**-**
	Machinery and Equipment	2	14,678	-
2.5	**Financial transactions in assets and liabilities**	2		
	Receivables		1,750	1,318
	Other receipts including recoverable revenue		17,602	8,285
	TOTAL		**19,352**	**9,603**

		2009/10	2008/09
		R'000	R'000
3.	**Aid assistance**		
3.1	**Assistance received in cash: Other**		
	Local		
	Opening balance	8,871	10,901
	Revenue	1,042	85,007
	Expenditure	**(2,515)**	**(87,037)**
	Current	(659)	(87,037)
	Capital	(1,856)	-
	Closing balance	**7,398**	**8,871**
	Foreign		
	Opening balance	20,303	10,709
	Revenue	35,671	26,921
	Expenditure	**(41,964)**	**(17,327)**
	Current	(40,023)	(17,327)
	Capital	(1,941)	-
	Closing balance	**14,010**	**20,303**
3.2	**Total**		
	Opening Balance		
	Revenue	36,713	111,928
	Expenditure	**(44,479)**	**(104,364)**
	Current	(40,682)	(104,364)
	Capital	(3,797)	-
	Closing balance	**21,408**	**29,174**
	Analysis of balance		
	Aids Assistance Unutilised	21,408	29,174
	Other Sources	21,408	29,174
	Closing Balances	**21,408**	**29,174**

		2009/10	2008/09
		R'000	R'000
4.	**Salaries and wages**		
4.1	Basic Salary	8,005,810	6,780,773
	Performance award	71	1,202
	Service Based	14,702	16,127
	Compensative/circumstantial	917,065	815,412
	Periodic payments	32,964	29,461
	Other non-pensionable allowances	1,507,876	1,136,776
	Total	**10,478,488**	**8,779,751**

		2009/10	2008/09
4.2	**Social contributions**	**R'000**	**R'000**
4.2.1	Pension	1,056,030	837,976
	Medical	589,112	456,777
	UIF	-	50
	Bargaining council	2,207	2,235
	Official unions and associates	12	223
	Insurance	-	32
	Total	**1,647,361**	**1,297,293**
	Total compensation of employees	**12,125,849**	**10,077,044**
	Average number of employees	**66,732**	**66,466**

		Note	2009/10 R'000	2008/09 R'000
5	**Goods and services**			
	Administrative fees		53	203
	Advertising		14,406	27,948
	Assets less then R5,000	5.1	25,580	41,450
	Bursaries (employees)		331	306
	Catering		5,461	17,236
	Communication		94,600	103,323
	Computer services	5.2	117,345	117,156
	Consultants, contractors and special services	5.3	1,626,480	1,403,168
	Entertainment		3	631
	External audit fees	5.4	10,997	11,457
	Inventory	5.5	3,420,572	2,770,743
	Operating leases		129,735	130,512
	Owned and leasehold property expenditure	5.6	779,862	557,024
	Transport provided as part of the departmental activities		30,572	21,261
	Travel and subsistence	5.7	37,430	65,770
	Venues and facilities		7,796	14,082
	Training and staff development		31,825	36,349
	Other operating expenditure	5.8	28,948	71,185
	Total		**6,361,996**	**5,389,804**
5.1	**Assets less than R5,000**	5		
	Tangible assets		**25,580**	**41,450**
	Machinery and equipment		25,580	41,450
	Total		**25,580**	**41,450**
5.2	**Computer services**			
	SITA computer services	5	111,824	110,057
	External computer service providers		5,521	7,099
	Total		**117,345**	**117,156**

		Note	2009/10	2008/09
			R'000	R'000
5.3	**Consultants, contractors and agency/outsourced services**	5		
	Business and advisory services		38,517	5,806
	Infrastructure and planning		8,778	37,112
	Laboratory services		665,180	494,121
	Legal costs		4,109	6,579
	Contractors		201,553	205,536
	Agency and support/outsourced services		708,343	665,434
	Total		**1,626,480**	**1,414,588**
5.4	**Audit cost – external**	5		
	Regulatory audits		10,997	7,217
	Investigations		-	4,240
	Total external audit fees		**10,997**	**11,457**
5.5	**Inventory**	5		
	Food and food supplies		199,849	184,996
	Fuel, oil and gas		231,391	230,414
	Other consumable materials		174,037	132,872
	Maintenance material		56,531	86,277
	Stationery and printing		48,435	53,097
	Medical supplies		2,710,329	2,083,087
	Total		**3,420,572**	**2,770,743**
5.6	**Owned and Leasehold Property Expenditure**	5		
	Municipal Services		214,242	171,752
	Property maintenance and repairs		261,092	11,420
	Others		304,528	373,852
	Total		**779,862**	**557,024**
5.7	**Travel and subsistence**	5		
	Local		36,466	64,602
	Foreign		964	1,168
	Total		**37,430**	**65,770**

		Note	2009/10 R'000	2008/09 R'000
5.8	**Other operating expenditure**	5		
	Learner ships		340	393
	Professional bodies, membership and subscription fees		1,431	18,915
	Resettlement costs		4,999	8,518
	Other		22,178	43,359
	Total		**28,948**	**71,185**

		Note	2009/10 R'000	2008/09 R'000
6.	**Financial Transactions in Assets and Liabilities**			
	Material losses through criminal conduct		15	-
	Theft	6.2	15	-
	Debts written off		-	98
	Total		**15**	**98**

		Note	2009/10 R'000	2008/09 R'000
6.1	**Debts written off**			
	Nature of debts written off			
	Staff debts written off		-	98
	Total		**-**	**98**

		Note	2009/10 R'000	2008/09 R'000
6.2	**Details of Theft**			
	Nature of Theft			
	Thefts and Losses	6	15	-
	Total		**15**	**-**

		Note	2009/10 R'000	2008/09 R'000
6.3	**Receivables for Department revenue written off**	24.1		
	Nature of Losses			
	Patients Fees written Off		6,088	-
	Total		**6,088**	**-**

	Note	2009/10	2008/09
		R'000	R'000

7. Transfers and subsidies

	Note	2009/10 R'000	2008/09 R'000
Provinces and municipalities	ANNEXURE , 1B,Annexure 1C	84,010	51,538
Departmental agencies and accounts	Annexure 1D	34,312	39,957
Universities and Technikons	Annexure 1E	-	40
Non-profit institution	Annexure 1F	278,796	243,734
Households	Annexure 1G	101,111	112,437
Gifts and Donations	Annexure 1J	50	-
Total		**498,279**	**447,706**

8. Expenditure for capital assets

	Note	2009/10 R'000	2008/09 R'000
Tangible assets		**1,366,934**	**1,188,449**
Buildings and other fixed structures		1,005,258	635,593
Machinery and equipment	30	361,676	552,856
Total		**1,366,934**	**1,188,449**

8.1 Analysis of funds utilised to acquire capital assets

2009/10	Voted Funds R'000	Aid assistance R'000	TOTAL R'000
Tangible assets	1,363,137	3,797	1,366,934
Buildings and other fixed structures	1,005,258	-	1,005,258
Machinery and equipment	357,879	3,797	361,676
Total	**1,363,137**	**3,797**	**1,366,934**

8.2 Analysis of funds utilised to acquire capital assets-

2008/09	Voted Funds R'000	Aid assistance R'000	TOTAL R'000
Tangible Assets	**1,188,449**	-	**1,188,449**
Buildings and other fixed structures	635,593	-	635,593
Machinery and equipment	552,856	-	552,856
Total	**1,188,449**	-	**1,188,449**

		Note	2009/10	2008/09
			R'000	R'000
9.	**Unauthorised expenditure**			
9.1	**Reconciliation of unauthorised expenditure**			
	Opening balance		3,174,794	1,772,641
	Unauthorised expenditure- discovered in current year	13	2,255,998	1,402,153
	Less: Amount approved by Parliament / Legislature with Funding		(545,897)	-
	Less: Amounts transferred to receivables for recovery		(758,000)	-
	Unauthorised expenditure awaiting authorisation		**4,126,895**	**3,174,794**
	Analysis of awaiting authorisation per economic classification			
	Current		4,126,895	3,174,794
	Total		**4,126,895**	**3,174,794**

9.2 Details of unauthorised expenditure - current year

Incident	Disciplinary steps taken/criminal proceedings	2009/10 R'000
Administration	Net overspending on Programme 1	5,518
District Health Services	Net overspending on Programme 2	769,008
Emergency Medical Services	Net overspending on Programme 3	86,069
Provincial Hospital Services	Net overspending on Programme 4	766,836
Central Hospital Services	Net overspending on Programme 5	278,258
Health Science and Training	Net overspending on Programme 6	122,122
Revitalisation Grant	Under spending on Amount transferred to Exchequer	224,649
World Cup	Under spending on Amount transferred to Exchequer	3,538
	Total	**2,255,998**

		2009/2010	2008/09
		R'000	R'000
10.	**Cash and cash equivalents**		
	Cash on hand	280	296
	Total	**280**	**296**

		2009/2010	2008/09
11.	**Prepayments and advances**		
	Travel and subsistence	116	390
	Total	**116**	**390**

		Note	2009/2010 Less than one year	One to three years	Older than three years	Total	2008/09
12.	**Receivable**	*Annex2*					
		12.1					
	Claims recoverable	Annexure 3	3,118	-	-	3,118	52,340
	Staff debt	*12.2*	21,837	23,058	-	44,895	23,058
	Other debtors	*12.3*	93,218	-	-	93,218	93,881
	TOTAL		**118,173**	**23,058**	**-**	**141,231**	**169,279**

			2009/2010	2008/09
12.1	**Claims recoverable**	*12*		
	National departments		411	-
	Provincial departments		4,019	26,144
	Public entities		(1,611)	198
	Private enterprises		(1,143)	25,451
	Universities and technikons		1,437	547
	Local governments		5	-
	Total		**3,118**	**52,340**

Public Entity - Claims Recoverable balancing of PPSD account (A Private Enterprise being investigate R930,000.00)

		Note	2009/10	2008/09
			R'000	R'000
12.2	**Staff debt**	12		
	Breach of Contract		1,912	2,770
	Employee Debt		9,253	5,987
	Ex Employee Debt		29,605	13,760
	Government Accidents		7	(6)
	State Guarantee		-	79
	Supplier Debt		-	45
	Telephone Debt		-	3
	Other Staff Debt		4,118	420
	Total		**44,895**	**23,058**
12.3	**Other debtors**	12		
	Salary control accounts		9,356	17,558
	Dishonoured Cheques		-	27
	CPS Interface		4,494	4,494
	CPS		79,176	71,802
	Disallowance Payment Fraud: CA		192	-
	Total		**93,218**	**93,881**

13. Voted funds to be surrendered to the Revenue Fund

	Note	2009/10	2008/09
Opening balance		75,019	149,335
Transfer from Statement of Financial Performance		(2,020,113)	(1,320,116)
Add: Unauthorised expenditure for current year	9	2,255,998	1,402,153
Voted funds not requested/not received	1.1	(160,696)	-
Paid during the year		(75,019)	(156,353)
Closing balance		**75,189**	**75,019**

The above closing balance consists of R 63, 953 to be surrendered to National Department for unspent conditional grant and R 11, 236 to be surrendered to Provincial Revenue Fund under spending on Capital Assets and R 3,538 for the 2010 World Cup.

14. Departmental revenue to be surrendered to the Revenue Fund

	2009/10	2008/09
Opening balance	(12,979)	(15,860)
Transfer from Statement of Financial Performance	232,879	168,049
Paid during the year	(193,771)	(165,168)
Closing balance	**26,129**	**(12,979)**

			2009/10	2008/09
			R'000	R'000
15.	**Bank overdraft**			
	Consolidated Paymaster General Account		4,004,641	3,118,211
	Total		**4,004,641**	**3,118,211**
16.	**Payables - current**			
	Clearing accounts	16.1	3,209	7,348
	Other payables	16.2	120,132	115,310
	Total		**123,341**	**122,658**
16.1	**Clearing account**	*16*		
	Salary control account		951	5,611
	Debt Control Tax Debt		2,258	1,737
	Total		**3,209**	**7,348**
16.2	**Other payables**	*16*		
	Pension recoverable account		7,997	9,119
	Medsas Account		112,135	106,191
	Total		**120,132**	**115,310**

Payable of R120, 132m relates to Provincial Pharmaceutical Supply Depot who is a related party to the Department. The amount on cash basis, however the Trade Account operates on the accrual basis, which is disclosed separately on their AFS and is submitted together with the Department Annual Report.

		2009/10	2008/09
		R'000	R'000
17.	**Net cash flow available from operating activities**		
	Net surplus as per Statement of Financial Performance	(1,795,000)	(1,144,503)
	Add back non-cash movements/ movements not deemed operating activities:	2,255,672	838,701
	(Increase/decrease in receivables – current	28,048	(76,381)
	Increase)/decrease in prepayments and advances	274	5
	(Increase) in other current assets	1,303,897	-
	(Decrease)/Increase in payables – current	683	48,147
	Proceeds from sale of capital assets	(14,678)	-
	Expenditure on capital assets	1,366,934	1,188,449
	Surrenders to revenue fund	(268,790)	(321,521)
	Other non-cash items	-	2
	Voted funds not requested/not received	(160,696)	-
	Net cash flow generated by operating activities	**460,672**	**(305,802)**

		2009/10	2008/09
18.	**Reconciliation of cash and cash equivalents for cash flow purposes**		
	Consolidated Paymaster General Account	(4,004,641)	(3,118,209)
	Cash on hand	280	296
	Total	**(4,004,361)**	**(3,117,913)**

		Note	2009/10	2008/09
			R'000	R'000

19. Contingent liabilities and Contingent Assets

19.1 Liable to

Liable to	Nature	Note	2009/10 R'000	2008/09 R'000
Motor vehicle guarantees	Employees	Annex 2A	326	652
Housing loan guarantees	Employees	Annex 2A	30,630	36,512
Claims against the department		Annex 2B	556,440	376,239
Other departments (Interdepartmental Unconfirmed balances)		Annex 4	34,677	112,808
Total			**622,073**	**526,211**

19.2 Contingent Assets

Nature of Contingent Assets	2009/10 R'000	2008/09 R'000
Occupation Specific Dispensation (Nursing) overpayments	20,208	20,208
Total	**20,208**	**20,208**

20. Commitments

	2009/10 R'000	2008/09 R'000
Current expenditure		
Approved and contracted	49,022	216,964
Approved but not yet contracted	954,119	26,274
Sub Total	**1,003,141**	**243,238**
Capital expenditure		
Approved and contracted	9,522	1,541,199
Approved but not yet contracted	3,258,558	2,571,223
Sub Total	**3,268,080**	**4,112,422**
Total Commitments	**4,271,221**	**4,355,660**

Indicate whether a commitment is for longer than a year

Current Expenditure more than 1 year	
Approved and contracted	4,717
Approved and not contracted	475,395
Capital Expenditure	
Approved and contracted	1,833
Approved and not contracted	2,835,763

	30 Days	30+ Days	2009/10	2008/09
	R'000	R'000	R'000	R'000

21. Accruals

	30 Days R'000	30+ Days R'000	2009/10 R'000	2008/09 R'000
Goods and services	140,536	44,057	184,593	232,998
Building & other intangible Assets	133,818	145	133,963	4,197
Transfers and subsidies	1,624	185	1,809	323
Machinery and equipment	10,079	310	10,389	13,834
Others	-	-	-	302
Total	**286,057**	**44,697**	**330,754**	**251,654**

Listed by programme level	2009/10 R'000	2008/09 R'000
Administration	32,580	179
District Health Services	194,495	122,341
Emergency Medical Services	1,888	2,196
Provincial Hospital Services	11,155	88,524
Central Hospital Services	61,870	18,264
Health Service and Training	3,453	472
Health Care Support	880	19,678
Health Facilities Management	24,433	
Total	**330,754**	**251,654**

Other relates to previous years' Salary accruals for 2008/2009 with change in reporting this is now reported under Employee benefits

		2009/10 R'000	2008/09 R'000
Confirmed balances with other departments	Annex 4	96,498	139,770
Confirmed balances with other government entities	Annex 4	63,640	86,053
Total		**160,138**	**225,823**

22. Employee benefit provisions

	2009/10 R'000	2008/09 R'000
Leave entitlement	529,634	463,922
Thirteenth cheque	318,531	285,341
Capped leave commitments	765,991	723,703
Other	23,165	-
Total	**1,637,321**	**1,472,966**

Other relates to Salary Accruals R23, 165m, Underpayments identified in respect of OSD

23. Lease commitments

23.1 Operating leases expenditure

2009/10	**Land**	**Buildings and other fixed structures**	**Machinery and equipment**	**Total**
Not later than 1 year	-	51,576	72,002	123,578
Later than 1 year and not later than 5 years	-	139,788	1,726	141,514
Total lease commitments	**-**	**191,364**	**73,728**	**265,092**

2008/09	**Land**	**Buildings and other fixed structures**	**Machinery and equipment**	**Total**
Not later than 1 year	-	43,856	204,001	247,857
Later than 1 year and not later than 5 years	-	65,134	-	65,134
Later than five years	-	48,617	-	48,617
Total lease commitments	**-**	**157,607**	**204,001**	**361,608**

		2009/10	**2008/09**
		R'000	**R'000**
24. Receivables for departmental revenue			
Sales of goods and services other than capital assets		104,697	52,183
Total		**104,697**	**52,183**

Relates mainly to Patient fees raised at Hospitals

24.1 Analysis of receivables for departmental revenue

	Note	2009/10	2008/09
Opening Balances		52,183	-
Less: Amounts received		106,094	-
Add: Amounts recognised		164,696	-
Less: Amounts written-off/reversed as irrecoverable	6.3	6,088	-
Closing balance		**104,697**	**-**

25. Irregular Expenditure

	2009/10	2008/09
Opening balance	1,181,960	-
Add: Irregular expenditure - relating to prior year	294,028	-
Add: Irregular expenditure - relating to current year	343,697	1,181,960
Less: Amounts condoned	(967,686)	-
Irregular expenditure awaiting con donation	**851,999**	**1,181,960**

Analysis of awaiting Condemnation per age classification

	2009/10	2008/09
Prior years	214,274	-
Total	**214,274**	**-**

An amount of R968 million being overspending for Compensation of Employees as per the Instructions of Auditor-General was recorded as irregular expenditure for 08/09 and was removed.

			2009 /10
			R'000
25.1	**Details of irregular expenditure -**	**Current year**	
	Incident	**Disciplinary steps taken/criminal proceedings**	
	SCM process	Investigation	343,697
	Total		**343,697**

			2009/10	2008/09
			R'000	R'000
		No of		
26.	**Key management personnel**	***Individuals***		
	Political office bearers (provide detail below)		-	-
	Officials:	1	1,420	1,328
	Level 15 to 16	2	3,711	3,328
	Level 14 (including CFO if at a lower level)	16	13,127	33,270
	Family members of key management personnel		-	-
	Total		**18,258**	**37,926**

The MEC for Health is the Honourable Dr. S.M. Dhlomo

27. 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 focused 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 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 fulfill 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 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.

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 fee for the year under review was as follows:

	Actual Expenditure: 2009/10	**Commitment for 2010/11**	**Payments from 1 April 2010 till the End of the contract**
	R'000	**R'000**	**R'000**
Monthly Service Fee	360,628	267,466	2,730,514
Quarterly Fee	182,562	176,409	1,833,368
TOTAL	**543,190**	**443,875**	**4,563,882**

	Actual Expenditure: 2008/09	Commitment for 2009/10	Payments from 1 April 2010 till the end of the contract
	R'000	R'000	R'000
Monthly Service Fee	331,567	338,064	2,353,011
Quarterly Fee	261,761	254,957	1,072,196
TOTAL	**593,328**	**593,021**	**3,425,207**

Listed below were the expenditure incurred for the current and prior year

	2009/10	2008/2009
	R'000	R'000
Contract fee paid		
Indexed component	543,190	593,328
Total	**543,190**	**593,328**

28. Provisions

Potential irrecoverable debts		
Other Debtors	29,605	-
Claims recoverable	-	16,306
Total	**29,605**	**16,306**
Provisions		
Other	-	7,908
Total	-	7,908
Total	**29,605**	**24,214**

29. Non- Adjusting Events After Reporting Date

Include an estimate of the financial effect of the subsequent non-adjusting events or a statement that such an estimate cannot be made.

OSD for Allied Health Workers and Engineers - Agreement not signed by organised labour	10,000	-
OSD for Psychiatry Nurses - dispute resolution not clarified	79,000	-
TOTAL	**89,000**	**-**

30. Tangible Capital Assets

Movement in tangible capital assets per asset register for the year ended 31 March 2010

	Opening balance	Current Year Adjustments to prior year balances	Additions	Disposals/ Transfers	Closing balance
HERITAGE ASSETS	**Cost**	**Cost**	**Cost**	**Cost**	**Cost**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**
Heritage assets	-	-	-	-	-
Machinery and Equipment	2,212,344	(1,004,516)	357,878	1	1,565,705
Transport Assets	464,254	104,956	69,271	1	638,480
Computer equipment	139,530	(119,630)	16,517	-	36,417
Furniture and Office equipment	69,698	32,770	3,696	-	106,164
Other machinery & Equipment	1,538,862	(1,022,612)	268,394	-	784,644
Total tangible assets	**2,212,344**	**(1,004,516)**	**357,878**	**1**	**1,565,705**

30.1 Additions to tangible capital asset per asset register for the year ended 31 March 2010

	Cash	Non-Cash	(Capital work in progress - current costs)	Received current year, not paid (Paid current year, received prior year)	Total
	Cost	**Fair Value**	**Cost**	**Cost**	**Cost**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**
Machinery and equipment	540,440	-	-	(182,562)	357,878
Transport assets	69,271	-	-	-	69,271
Computer equipment	16,517	-	-	-	16,517
Furniture and Office equipment	3,696	-	-	-	3,696
Other machinery and equipment	450,956	-	-	(182,562)	268,394
Total capital assets	**540,440**	**-**	**-**	**(182,562)**	**357,878**

30.2 Disposals/ Transfers of tangible capital assets per asset register for the year ended 31 March 2010

	Sold (cash)	Non-cash	Total	Cash Received
	Cost	Fair Value	Cost	Actual
	R'000	R'000	R'000	R'000
Machinery and equipment	1	-	1	-
Transport assets	1	-	1	-
Total	**1**	**-**	**1**	**-**

Movement for 2008/2009

30.3 Movement in tangible capital assets per asset register for the year ended 31 March 2009

	Opening balance	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000
HERITAGE ASSETS	-	-	-	-
Machinery and equipment	1,697,542	557,298	42,496	2,212,344
Transport assets	405,663	101,087	42,496	464,254
Computer equipment	110,982	28,548	-	139,530
Furniture and Office equipment	66,080	3,618	-	69,698
Other machinery and equipment	1,114,817	424,045	-	1,538,862
BIOLOGICAL ASSETS	-	-	-	**-**
Total tangible assets	**1,697,542**	**557,298**	**42,496**	**2,212,344**

30.4 Minor assets

MINOR ASSETS OF THE DEPARTMENT FOR 31 MARCH 2010

	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000
Minor Assets	-	-	222,015		222,015
TOTAL	**-**	**-**	**222,015**	**-**	**222,015**

	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	-	-	49,277	-	49,277
Number of minor assets cost	-	-	359,314	-	359,314
TOTAL	**-**	**-**	**408,591**	**-**	**408,591**

30.5 Minor assets

MINOR ASSETS OF THE DEPARTMENT FOR 31 MARCH 2009

	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000
Minor Assets	-	-	45,517	-	45,517
TOTAL	**-**	**-**	**45,517**	**-**	**45,517**

	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of minor assets cost	-	-	10,705	-	10,705
TOTAL	**-**	**-**	**10,705**	**-**	**10,705**

31. Intangible Capital Assets

Movement in intangible capital assets per asset register for the year ended 31 March 2010

	Opening balance	Current Year Adjustments to prior year balances	Additions	Disposals	Closing balance
	Cost	Cost	Cost	Cost	Cost
	R’000	R’000	R’000	R’000	R’000
Computer software	17,196	17,196	-	-	-
Total intangible assets	**17,196**	**17,196**	**-**	**-**	**-**

Movement for 2008/2009

31.1 Movement in intangible capital assets per asset register for the year ended 31 March 2009

	Opening balance	Additions	Disposals	Closing balance
	Cost	Cost	Cost	Cost
	R'000	R'000	R'000	R'000
Computer software	17,196	-	-	17,196
Total intangible assets	**17,196**	**-**	**-**	**17,196**

32. Immovable Tangible Capital Assets

Movement in immovable tangible capital assets per asset register for the year ended 31 March 2010

	Opening balance	Current Year Adjustments to prior year balances	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
Building and Other Fixed Structures	-	-	861,758	861,758	0
Dwellings	-	-	861,758	861,758	0
Non-residential buildings	-	-	-		
Total tangible assets	-	-	861,758	861,758	-

Additions

Additions to immovable tangible capital assets per asset register for the year ended 31 March 2010

	Cash	Non-cash	(Capital work-in-progress current costs and finance lease payment)	Received current, not paid (paid current year, received prior year	Total
	R'000	R'000	R'000	R'000	R'000
Building and Other Fixed Structures	-	-	861,758	-	861,758
Dwellings	-	-	861,758	-	861,758
Total tangible assets	-	-	861,758	-	861,758

Disposal

Disposals of immovable tangible capital assets per asset register for the year ended 31 March 2010

	Sold for Cash	Transfer out or destroyed or scrapped	Total disposal
	R'000	R'000	R'000
Building and Other Fixed Structures	-	861,758	861,758
Dwellings	-	861,758	861,758
Total tangible assets	-	861,758	861,758

PART D: Annexures

ANNEXURE A

SCHEDULE – IMMOVABLE ASSETS, LAND AND SUB SOIL ASSETS

Opening balances – 2007/2008

In the 2006/07 financial year the department applied Accounting Circular 1 of 2007. The impact of this circular on the financial statements resulted in the cumulative balances on buildings being transferred to the provincial Department of Works. The balance that was transferred was R549, 366 million under the category Buildings and other fixed structures.

Movements to immovable assets – 2007/2008

The department has applied the exemption 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 2007/08 financial year on buildings recorded under the category Buildings and other fixed structures were R 623,762 million.

Disposals

The department did not dispose of any additions on buildings for the 2007/08 financial year.

Movements to immovable assets – 2008/2009

The department has applied the exemption as granted by the National Treasury and thus where there is uncertainty with regards to ownership of immovable assets; these have not been disclosed on the face of the annual financial statements.

Additions

The additions for the 2008/09 financial year on buildings recorded under the category Buildings and other fixed structure was R635,593 million.

Disposals

The Department did not dispose of any additions on buildings for the 2008/09 financial year.

Movements to immovable assets – 2009/2010

The department has applied the Guidelines as issued by the National Treasury and thus where there is doubt as to which department is responsible for the property and the GIAMA allocation process has not been finalised, these assets must not be disclosed in the notes to the annual financial statements. The register for immovable's in the Province of KwaZulu-Natal resides with the Department of Public Works.

Additions

The additions for the 2009/2010 year recorded on Buildings and fixed structures are R 1,005,258 billion.

Work in Progress

The Work-in-progress as at 31 March 2010 recorded on Building and fixed structures are R 861,758 million

Disposals/Transfers

The department did not dispose of any additions on buildings for the 2009/10 financial year.

The supplementary information presented does not form part of the annual financial statements and is unaudited

ANNEXURE 1 A

STATEMENT OF CONDITIONAL GRANTS RECEIVED

NAME OF GRANT	GRANT ALLOCATION					SPENT			2008/09	
	Division of Revenue Act	Roll Over	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	983,948	-	-	-	983,948	983,948	984,488	100%	911,892	911,898
HIV and AIDS Health	1,121,575	-	-	-	1,121,575	1,121,575	1,121,583	100%	757,213	757,615
Hospital Revitalisation	449,558	-	-		449,558	288,862	224,909	78%	330,404	330,404
Health Professions Training & Development	222,425	-	-	-	222,425	222,425	222,425	100%	212,092	212,092
Provincial Infrastructure	359,717	-	-	-	359,717	359,717	359,717	100%	294,832	294,832
Forensic Pathology	134,538	-	-	-	134,538	134,538	278,033	207%	127,757	149,093
2010 World Cup Health Preparation Strategy	3,581	-	-	-	3,581	3,581	43	1%	-	-
Total	**3,275,342**	**-**	**-**	**-**	**3,275,342**	**3,114,646**	**3,191,198**		**2,634,190**	**2,655,934**

Departments are reminded of the DORA S13(3)(c) requirement to certify that all transfers in terms of this Act were deposited into the primary bank account of the province or where appropriate, into the CPD account of a province.

ANNEXURE 1 B

STATEMENT OF UNCONDITIONAL TRANSFERS PAID TO PROVINCES

NAME OF DEPARTMENT	GRANT ALLOCATION				TRANSFER		SPENT			2008/09
	Amount	Roll Over	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										
Claims against the State	-	-	-	-	41	-	-	41	-	1
Department of Transport	2,424	-	-	2,424	2,911	120%	-	2,911	-	1,043
PMT Refund & Rem- Act of Grace	-	-	-	-	-	-	-	-	-	1
Total	**2,424**	**-**	**-**	**2,424**	**2,952**		**-**	**2,952**		**1,045**

ANNEXURE 1 C

STATEMENT ON UNCONDITIONAL GRANTS AND TRANSFERS TO MUNICIPALITIES

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER		SPENT			2008/09
	Division of Revenue Act	Roll Over	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										
Abaqulusi	1,117	-	-	1,117	-	-	-	-	-	541
Dannhauser	895	-	-	895	-	-	-	-	-	562
Edumbe	826	-	-	826	-	-	-	-	-	400
Emnambithi/Ladysmith	11,599	-	-	11,599	5,999	-	5,999	5,999	-	4,570
Endondasuka/ Mandeni	1,240	-	-	1,240	471	-	472	472	-	943
Endumeni	3,109	-	-	3,109	3,382	-	3,382	3,382	-	1,841
eThekwini	43,615	-	(1,002)	42,613	42,612	-	42,612	42,612	-	40,041
Hibiscus Coast	6,104	-	-	6,104	2,188	-	2,188	2,188	-	2,957
Kwa Dukuza	4,084	-	-	4,084	5,234	-	5,234	5,234	-	3,837
Mpofona	1,690	-	-	1,690	-	-	-	-	-	819
Msunduzi	16,689	-	-	16,689	-	-	-	-	-	8,085
Mthonjaneni	1,075	-	-	1,075	773	-	1,075	1,075	-	831
Newcastle	2,008	-	-	2,008	1,385	-	1,385	1,385	-	1,057
Okhahlamba	2,199	-	-	2,199	2,029	-	2,029	2,029	-	1,166
Umdoni	3,750	-	-	3,750	1,248	-	1,248	1,248	-	1,817
Umhlathuze	4,348	-	-	4,348	4,348	-	4,348	4,348	-	4,086

ANNEXURE 1 C (continued)

STATEMENT ON UNCONDITIONAL GRANTS AND TRANSFERS TO MUNICIPALITIES

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER		SPENT			2008/09
	Division of Revenue Act	Roll Over	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
Umlalazi	4,188	-	-	4,188	4,016	-	4,016	4,016	-	2,029
Umngeni	2,324	-	-	2,324	-	-	-	-	-	1,126
Umtshezi	2,875	-	-	2,875	2,848	-	2,848	2,848	-	1,891
Umuziwabantu	1,586	-	-	1,586	771	-	771	771	-	768
Umvoti	3,096	-	-	3,096	3,754	-	3,754	3,754	-	1,394
Umodoni Environment	-	-	-	-	-	-		-	-	71
Umunziwabantu Env	-	-	-	-	-	-	-	-	-	31
Umgeni Env	-	-	-	-	-	-	-	-	-	80
Richmond Env	-	-	-	-	-	-	-	-	-	71
Msunduzi Env	-	-	-	-	-	-	-	-	-	131
Hibiscus Coast Env	-	-	-	-	-	-	-	-	-	142
Umshwathi	811	-	-	811	-	-	-	-	-	393
Umtshezi Env	-	-	-	-	-	-	-	-	-	54
Enambithi Env	-	-	-	-	-	-	-	-	-	80
Endumeni Env	-	-	-	-	-	-	-	-	-	80
Umvoti Env	-	-	-	-	-	-	-	-	-	54
Dannhauser Env	-	-	-	-	-	-	-	-	-	24
Newcastle Env	-	-	-	-	-	-	-	-	-	90
Utrecht Env	-	-	-	-	-	-	-	-	-	24

ANNEXURE 1 C (continued)

STATEMENT ON UNCONDITIONAL GRANTS AND TRANSFERS TO MUNICIPALITIES

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER		SPENT			2008/09
	Amount	Roll Over	Adjustments	Total Available	Actual Transfer	% of Available 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
Abaqulusi Env	-	-	-	-	-	-	-	-	-	47
Uphongolo Env	-	-	-	-	-	-	-	-	-	32
Ulundi Env	-	-	-	-	-	-	-	-	-	60
Umlathuze Env	-	-	-	-	-	-	-	-	-	206
Umlalazi Env	-	-	-	-	-	-	-	-	-	73
Kwadukuza Env	-	-	-	-	-	-	-	-	-	104
Mandeni Env	-	-	-	-	-	-	-	-	-	25
Kokstad Env	-	-	-	-	-	-	-	-	-	66
Ubhlebezwe Env	-	-	-	-	-	-	-	-	-	27
Ethekwini Env	-	-	-	-	-	-	-	-	-	1,096
Total	**119,228**	**-**	**(1,002)**	**118,226**	**81,058**		**81,361**	**81,361**	**-**	**83,822**

Transfer of R1,002 for motor license

ANNEXURE 1 D

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENTS/AGENCY/ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2008/09
	Adjusted Appropriation Act	Roll Over	Adjustments	Total Available	Actual Transfer	% of Available Transferred	Final Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Cape Medical Depot Augmentation (PMSC)	27,528	-	-	27,528	27,528	100%	34,130
Skills Development Levy	6,784	-	-	6,784	6,784	100%	5,827
		-	-				
TOTAL	**34,312**	**-**	**-**	**34,312**	**34,312**		**39,957**

ANNEXURE 1 E

STATEMENT OF TRANSFERS TO UNIVERSITIES AND TECHNIKONS

UNIVERSITY / TECHNIKON	TRANSFER ALLOCATION						EXPENDITURE	2008/09
	Adjusted Appropriation Act	Roll Over	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
Donation and gifts U & T	-	-	-	-	-	-		40
TOTAL	**-**	**-**	**-**	**-**	**-**	**-**		**40**

ANNEXURE 1 F

STATEMENT OF TRANSFERS AND SUBSIDIES TO NON-PROFIT INSTITUTIONS

NON PROFIT INSTITUTIONS	TRANSFER ALLOCATION				EXPENDITURE		2008/09
	Adjusted Appropriation Act	Roll Over	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	-	-	-	-	-		-
	-	**-**	**-**	**-**	**-**		**-**
Subsidies							
Austerville Halfway House	508	-	-	508	505	-	417
Azalea House	413	-	-	413	409	-	384
Bekimpelo/Bekulwandle Trust Clinic	6,250	-	-	6,250	6,190	-	5,586
Benedictine Clinic	316	-	-	316	313	-	294
Cleremont Day Care Centre	345	-	-	345	341	-	392
Day Care Club 91	49	-	-	49	49	-	46
Durban School for The Deaf	168	-	-	168	166	-	156
Ekukhanyeni Clinic	4,306	-	-	4,306	-	-	49
Elandskop Oblate Hospital	381	-	-	381	377	-	354
Enkumane Clinic	228	-	-	228	226	-	212
Happy Hour Amaoti	504	-	-	504	499	-	382
Happy Hour Durban North	285	-	-	285	283	-	196
Happy Hour Kwaximba	464	-	-	464	461	-	294
Happy Hour Marianhill	116	-	-	116	115	-	108

ANNEXURE 1 F (continued)

STATEMENT OF TRANSFERS AND SUBSIDIES TO NON-PROFIT INSTITUTIONS

NON PROFIT INSTITUTIONS	TRANSFER ALLOCATION				EXPENDITURE		2008/09
	Adjusted Appropriation Act	Roll Over	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 Mpumalanga	556	-	-	556	553	-	294
Happy Hour Ninikhona	446	-	-	446	445	-	157
Happy Hour Nyangwini	304	-	-	304	302	-	206
Happy Hour Overport	167	-	-	167	166	-	147
Happy Hour Phoenix	304	-	-	304	301	-	196
Hlanganani Ngothando DCC	379	-	-	379	375	-	353
Ikhwezi Cripple Care	1,267	-	-	1,267	1,254	-	1,179
Ikhwezi Dns	146	-	-	146	145	-	136
Jewel House	287	-	-	287	284	-	267
Joan Tennant House	-	-	-	-	-	-	289
John Peattie House	1,124	-	-	1,124	1,113	-	1,046
Jona Vaughn Centre	2,051	-	-	2,051	2,032	-	1,869
Lynn House	598	-	-	598	592	-	267
Madeline Manor	723	-	-	723	716	-	673
Masada Workshop	63	-	-	63	62	-	46
Masibambeni Day Care Centre	127	-	-	127	126	-	118
Matikwe Oblate Clinic	412	-	-	412	408	-	383
McCord's Hospital	72,651	-	-	72,651	71,720	-	59,054
Montebello Chronic Sick Home	4,119	-	-	4,119	4,078	-	3,832

ANNEXURE 1 F (continued)

STATEMENT OF TRANSFERS AND SUBSIDIES TO NON-PROFIT INSTITUTIONS

NON PROFIT INSTITUTIONS	TRANSFER ALLOCATION				EXPENDITURE		2008/09
	Adjusted Appropriation Act	Roll Over	Adjustments	Total Available	Actual Transfer	% of Available Transferred	Final Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Mountain View Special Hospital	8,200	-	-	8,200	8,120	-	7,838
Noyi Bazi Oblate Clinic	415	-	-	415	411	-	386
Pongola Hospital	3,314	-	-	3,314	3,282	-	2,961
Scadifa Centre	861	-	-	861	852	-	801
Siloah Special Hospital	13,083	-	-	13,083	12,957	-	11,548
Sparks Estate	1,100	-	-	1,100	1,089	-	1,023
St Lukes Home	455	-	-	455	450	-	423
St Mary's Hospital Marianhill	85,848	-	-	85,848	85,201	-	76,911
Sunfield Home	119	-	-	119	118	-	111
Umlazi Halfway House	239	-	-	239	237	-	208
Phrenaid	86	-	-	86	85	-	80
Rainbow Haven	334	-	-	334	331	-	311
District Serv Delivery: Ugu (HIV/AIDA)	5,724	-	-	5,724	4,594	-	6,675
District Serv Delivery: Umgungundlovu (HIV/AIDA)	4,000	-	-	4,000	4,561	-	3,874
District Serv Delivery: Uthukela (HIV/AIDA)	4,531	-	-	4,531	4,239	-	2,702
District Serv Delivery: Umzinyathi (HIV/AIDA)	2,805	-	-	2,805	2,407	-	2,499
District Serv Delivery: Amajuba (HIV/AIDA)	2,047	-	-	2,047	1,839	-	1,576
District Serv Delivery: Zululand (HIV/AIDA)	5,198	-	-	5,198	3,859	-	3,124

ANNEXURE 1 F (continued)

STATEMENT OF TRANSFERS AND SUBSIDIES TO NON-PROFIT INSTITUTIONS

NON PROFIT INSTITUTIONS	TRANSFER ALLOCATION				EXPENDITURE		2008/09
	Adjusted Appropriation Act	Roll Over	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: Umkhanyakude (HIV/AIDA)	3,977	-	-	3,977	,033	-	4,089
District Serv Delivery: Uthungulu (HIV/AIDA)	8,065	-	-	8,065	7,846	-	7,386
District Serv Delivery: Illembe (HIV/AIDA)	8,359	-	-	8,359	7,497	-	7,927
District Serv Delivery: Sisonke (HIV/AIDA)	6,641	-	-	6,641	7,294	-	6,091
District Serv Delivery: eThekwini (HIV/AIDA)	12,500	-	-	12,500	11,688	-	12,093
Genesis Care Centre	5,059	-	-	5,059	2,520	-	197
Mhlummayo Clinic	488	-	-	488	483	-	454
Philanjolo Hospice	3,500	-	-	3,500	2,213	-	1,352
Entabeni Stepdown Centre	3,212	-	-	3,212	3,917	-	600
The Dream Centre	522	-	-	522	1,735	-	1,139
Budget Control Holding Funds	704	-	-	704	-	-	-
Budget Control Special Projects	(47)	-	-	(47)	-	-	-
Budget Control Turnaround Strategy	579	-	-	579	-	-	-
Head Office HAST	-	-	-	-	332	-	-
Virement	-	-	(11,171)	(11,171)	-	-	-
TOTAL	**291,975**	**-**	**(11,171)**	**280,804**	**278,796**		**243,761**

ANNEXURE 1 G

STATEMENT OF TRANSFERS AND SUBSIDES TO HOUSEHOLDS

HOUSEHOLDS	TRANSFER ALLOCATION				EXPENDITURE		2008/09
	Adjusted Appropriation Act	Roll Over	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	28,487	-	-	28,487	41,978	147%	38,870
Bursaries Non Employees	38,483	-	-	38,483	41,158	107%	44,110
Claims against the state	19,519	-	-	19,519	16,462	84%	27,134
Employee Social Benefit Injury on Duty	330	-	-	330	237	72%	128
Employee Social Benefit Post- Retirement Benefit	470	-	-	470	225	48%	383
Employee Social Benefit Severance Package	680	-	-	680	1,027	151%	1,812
PMT / Refunds and Remissions Act /	-	-	-	-	8		-
Donation and Gifts	15	-	-	15	15	100%	-
Rounding	-	-	-	-	1	-	-
Virement	-	-	757	757	-	-	-
Total	**87,984**	**-**	**757**	**88,741**	**101,111**		**112,437**

ANNEXURE 1 H

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED FOR THE YEAR ENDED 31 MARCH 2009

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2009/10	2008/09
		R'000	R'000
Received in Cash			
Prior year donation received		-	646
South African Breweries	HIV Testing in the Rural Communities	100	-
Ben Booysens	Medical Equipment for East Boom Clinic	1	-
Subtotal		**101**	**646**
Received in kind			
Prior year donation received		-	5,350
Ark	Two Computers and One Printer to Nkandla Hospital	11	-
Aspen Pharmacare Ltd	Fund Structure change to Mnqobokazi Clinic	1,000	-
Broadreach Healthcare	Five drawer quantum cabinet to St Andrews	8	-
Broadreach Healthcare	Computer Label printer & network point Port Shepstone Hospital	41	-
Broadreach Healthcare	Five Computer and network points & three power points to GJ Crooks	76	-
Avbob Newcastle	Five chairs to Newcastle Hospital	1	-
Defy Appliances (SAMA)	Three washing machine and Three Tumble dryers to Edendale Hosp.	15	-
Crossroads International	Various items to Northdale Hospital	50	-
Ben Booysen Air conditioning	Two Microwaves to Corporate Governance Unit Head Office	2	-
Dr. W. Soldan	Various Medical Equipment to Nkandla Hospital	27	-
Smith's Medical Equipment	Ten volumetric infusion pumps to Emmaus Hospital	88	-
Smith's Medical Equipment	Forty Graesby volumetric pumps to Rietvlei Hospital	280	-
Broadreach Healthcare	Open shelving to Umzinto Clinic	8	-
Umkhuseli Fund Management (Izumi Foundation)	Hearing Aids to Manguzi Hospital	21	-

Cardinal Health	Twenty Ivax Infusion pumps to King Edward VIII Hospital	167	-
Broadreach Healthcare	Park home for South Port Clinic	768	-
Italian Southern African Develop Org.	Various items to St Aidans Hospital	8	-
Broadreach Healthcare	Computer and associated Equipment and furniture to Port Shepstone ARV	243	-
Tongaat Hullett Group	Chromodec Awning to Tongaat Community Health Care Centre	41	-
UKZN Aneasthetics Department	Furniture Items to RK Khan Hospital	1	-
Natal Imaging Services (Dr. Lake Smith & Part.	Two Kodak M6B processors to Edendale Hospital	120	-
South African Youth Festival	Various item to Nkandla Hospital	20	-
Broadreach Healthcare	Dispensing Equipment to Ugu Health District	38	-
Broadreach Healthcare	Provision for ARV Pharmacy space at CJ Crooks Hospital	580	-
Reproductive Health & HIV Research Unit	Awning to RK Khans Hospital	300	-
Pep Stores	Blankets to Hlabisa Hospital	5	-
Broadreach Healthcare	Fund additional space provision at Murchison Hospital	700	-
ABSA	Corporate Governance - logistical arrangements for Registrar programme	3	-
Boxer superstores - Crossroad International	Various items to Edendale Hospital	20	-
Vodacom Foundation	for Cataract surgery use at St. Aidens, Addington and IALCH	350	-
Richards Bay Minerals	Fund HIV & AIDS and PMTCT centre at Nseleni CHC	3,500	-
Scrub Zone Technologies	Two sterilising machines to RK Khans Hospital	83	-
Broadreach Healthcare	Thirteen open shelving to Ugu Health District	61	-
Medical Care Development International SA	Logistical arrangements for TB awareness campaign at Osindisweni Hosp	14	-
Management Science for Health	Focused Antiretroviral surveillance project to Pharmacy component at Head Office	3,555	-
Italian Co-Operation	Toyota Tazz (2005) to Greytown Hospital - TB programme	64	-
Italian Co-Operation	VW Polo (2008) to Umzinyathi District	125	-
Broadreach Healthcare	Plastic store bins for all ARV pharmacy site in Ugu District	13	-
Scrub Zone Technologies	Sterilising machines to Mahatma Ghandi Memorial Hospital	80	-
Broadreach Healthcare	Two network points, two barcode laser scanner, label printer & Computer to Murchison hospital	22	-
St Andrews Board	Ultrasound machine to St Andrews Hospital	475	-
RHRU: University of Witwatersrand	Security gate to Addington hospital	2	-

Dr. C Persad	Electric kettles for Mahatma Gandhi Memorial Hospital	1	-
Broadreach Healthcare	Sixteen lockable plastic trunks for St Andrews Hospital	8	-
Siemed Services (Pty) Ltd	Sponsorship of two flight tickets for Mr. P Shezi and Mrs FG Zondi to attend Medical Leaders summit at Kwa Maritane	3	-
Vitualpurple professional service	VPPS bookwise system	undisclosed	-
Broadreach Healthcare	Furniture and equipment for South Port Clinic (ARV step down referral	82	-
Mr. LGS Lewis	Wheelchair to Port Shepstone Hospital	1	-
Players Fund	Washing machine to Rehabilitation centre - Phoenix	3	-
Carte Blanche	Medical Equipment to King Edward Hospital	845	-
TB / HIV Care Association	Gifts for patients at St Margaret's Hospital	3	-
Broadreach Healthcare	Label printer and computer to ARV Pharmacy at CJ Crookes Hospital	15	-
Broadreach Healthcare	One computer, label printer, computer desk, chair and printer / fax machine combination for ARV Pharmacy at St Andrews Hospital	30	-
Westville Hospital	Seven Cellulose blankets, 4 under blankets, 3 large bedspreads, 46 large bed sheets, 7 cribs; 19 pillow slips, 35 theatre dresses, 3 doctors gowns, 23 bath towels, 25 plastic bottles, 6 medium plastic dishes, 11 small plastic bowls and 7 large bins	3	-
Mrs. S Kuppasamy	One television set to Inkosi Albert Luthuli Central Hospital	2	-
Broadreach Healthcare	MCWH Phila Ma Programme	8,650	-
America to Africa Help	Various medical supplies to Christ the King Hospital	38	-
Crossroads International	1 Colour TV, 2 DVD players, educational games, garden benches, plastic tables and chairs and two heaters	18	-
Mrs. Grittin / North Carolina	30 Jerseys for paediatric ward	1	-
Vodacom	Mobile Clinic for eye care in rural areas	1,097	-
Centocow Development	Air conditioner, TB extraction unit for St Apollinaris	1	-
N3TC Toll concessions	Soft toys for Greys,Northdale, Edendale, Estcourt and Ladysmith	20	-
Subtotal		**23,807**	**5,350**
TOTAL		**23,908**	**5,996**

ANNEXURE 1I

STATEMENT OF AID ASSISTANCE RECEIVED

NAME OF DONOR	PURPOSE	OPENING BALANCE	REVENUE	EXPENDI-TURE	CLOSING BALANCE
		R'000	R'000	R'000	R'000
Received in cash					
TB Global Fund	Strengthen Provincial Capacity for treatment and care of TB patients	4,339	-	2,580	1,759
Atlantic Philanthropies	Improvements to KZN College of Nursing	6,000	6,000	1,537	10,463
UNICEF		-	3,000	2,721	279
Canadian HIV trials Network Edendale	HIV / AIDS trials	351	-	309	42
Canadian trials Greys	HIV / AIDS trials	555	-	519	36
Bayer Health Care : Greys	Neurology	10	-	-	10
Dept of Water Affairs & Forestry	Cholera epidemic	124	-	-	124
Dept of Local Govt & Traditional Affairs	Purchase of EMRS vehicles	2,935	-	1,856	1,079
HW Seta Learnership Mseleni / Mosvold	Learnership to Mseleni & Mosveld Hosp	165	42	62	145
Astra Zeneca (Astra Zeneca Pharm)	Drug Trials	223	-	7	216
HW Seta Learnership St Aidans	Learnership to St Aidans Hosp	130	263	328	65
HW Seta Learnership Pharmacy	Learnership for the training of Pharmacy Assistants	6	-	-	6
HW Seta Learnership Head Office	Learnership	280	-	185	95
HW Seta Learnership Prince Mshiyeni	Learnership	-	96	1	95
Zinc study (Nu Health & Pfizer)	Drug Trials	45	-	27	18
Rashid Suliaman & Associates	To be used at Institutions	5	-	3	2
Braun (Inkosi Ngwlezana Hospital)	Training	1	(1)	-	-
Bhayla - Orthopaedic	Hip replacements	60	-	46	14
Impumumelelo Trust Innovation		24	-	-	24
HOCF Global Fund	HIV / AIDS	-	17,353	15,890	1,463

STATEMENT OF AID ASSISTANCE RECEIVED (continued)

NAME OF DONOR	PURPOSE	OPENING BALANCE	REVENUE	EXPENDI-TURE	CLOSING BALANCE
		R'000	R'000	R'000	R'000
EU Funding(PHC)	Partnership for Delivery of PHC Programme	13,904	9,318	15,500	7,722
Psychiatric Observation	Claims to the Department of Justice	17	642	2,908	(2,249)
Subtotal		**29,174**	**36,713**	**44,479**	**21,408**
Received in kind					
Global Fund for HIV/AIDS Patients	Enhancement of care for HIV/AIDS patients	(25,376)	25,376	-	-
Subtotal		**(25,376)**	**25,376**	**-**	**-**
TOTAL		**3,798**	**62,089**	**44,479**	**21,408**

ANNEXURE 1J

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE AND REMISSIONS, REFUNDS AND PAYMENTS MADE AS AN ACT OF GRACE

NATURE OF GIFT, DONATION OR SPONSORSHIP	2009/10	2008/09
(Group major categories but list material items including name of organisation)	R'000	R'000
Paid in cash		
NPI: Donations & Gifts	38	-
NPI: Fines and Penalties	11	-
Rounding	1	-
Subtotal	**50**	**-**
TOTAL	**50**	**-**

ANNEXURE 2 A

STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2010 - LOCAL

Guarantor Institution	Guarantee in respect of	Original Guaranteed capital amount	Opening Balance 1 April 2008	Guarantee drawdown during the year	Guarantee repayments/ cancelled/ reduced/ released during the year	Currency Revaluations	Closing balance 31 March 2010	Realised losses not recoverable ie claims paid out
		R'000	R'000	R'000	R'000	R'000	R'000	R'000
Motor vehicles								
Standard Bank	Motor Vehicles	969	652	-	326	-	326	-
Total Motor Vehicles		**969**	**652**	**-**	**326**	**-**	**326**	**-**
Housing								
ABSA	Housing	12,692	9,009	-	1,312	(777)	6,920	-
BOE Bank Ltd	Housing	46	46	-	-	-	46	-
First Rand Bank Ltd	Housing	14,264	9,755	-	1,545	183	8,393	-
Green Start Home Loans	Housing	45	39	-	-	-	39	-
ITHALA Limited	Housing	1,973	1,773	14	100	(88)	1,599	-
Nedbank Ltd	Housing	3,269	2,122	20	75	(116)	1,951	-
Old Mutual Bank	Housing	12,898	8,140	19	602	(621)	6,936	-
Peoples Bank Ltd	Housing	446	268	-	-	(20)	248	-
SA Home Loans	Housing	51	260	-	-	-	260	-
Standard Bank	Housing	7,092	5,056	24	497	(389)	4,194	-
Company Unique Finance	Housing	102	44	-	-	-	44	-
Total Housing Guarantee		**52,878**	**36,512**	**77**	**4,131**	**(1,828)**	**30,630**	**-**
GRAND TOTAL		**53,847**	**37,164**	**77**	**4,457**	**(1,828)**	**30,956**	**-**

ANNEXURE 2 B

STATEMENT OF CONTIGENT LIABILITIES AS AT 31 MARCH 2010

Nature of liability	Opening balance 1 April 2009	Liabilities incurred during the year	Liabilities paid/ cancelled/ reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing balance 31 March 2010
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Medico Legal	294,010	150,580	-	-	444,590
Claims against the State	82,229	74,816	45,195	-	111,850
(Transport, Labour, Civil)	-	-	-	-	-
Subtotal	**376,239**	**225,396**	**45,195**	**-**	**556,440**
TOTAL	**376,239**	**225,396**	**45,195**	**-**	**556,440**

ANNEXURE 3

INTER-GOVERNMENTAL RECEIVABLES

Government Entity	Confirmed balance		Unconfirmed balance		Total	
	31/03/2010	31/03/2009	31/03/2010	31/03/2009	31/03/2010	31/03/2009
	R'000	R'000	R'000	R'000	R'000	R'000
Department						
Agriculture	-	-	60	38	60	38
Arts Culture and Tourism	-	-	-	3	-	3
Correctional services	-	-	-	99	-	99
Justice Psychiatric Observation	-	-	-	1,026	-	1,026
Labour	-	-	12	12	12	12
Local Government and Trade Affairs	-	38	2	7	2	45
Social and Population Development	-	-	-	16,306	-	16,306
Sports and Recreation	-	-	94	-	94	-
Eastern Cape Department of Health	-	1,262	-	-	-	1,262
Education	-	-	986	1,000	986	1,000
Independent Complaints Directorate	-	-	-	2	-	2
KZN Legislature	-	-	-	5	-	5
Provincial Treasury	-	-	1	226	1	226
KZNPA Library Services	-	-	72	85	72	85
Office of the Premier	-	-	163	101	163	101
Safety and Security	-	-	31	31	31	31
Social Welfare and Population Development	-	130	487	625	487	755
Transport	-	-	1,634	4,861	1,634	4,861
Works	-	195	82	92	82	287

INTER-GOVERNMENTAL RECEIVABLES (continued)

Government Entity	Confirmed balance		Unconfirmed balance		Total	
	31/03/2010	31/03/2009	31/03/2010	31/03/2009	31/03/2010	31/03/2009
	R'000	R'000	R'000	R'000	R'000	R'000
National Treasury	-	-	411	-	411	-
South African Social Security Agency	-	-	394	198	394	198
TOTAL	**-**	**1,625**	**4,429**	**24,717**	**4,429**	**26,342**
Other Government Entities						
Less (credit amount within claims recoverable account)	-	-	(2,842)	(10,765)	(2,842)	(10,765)
Global Fund	-	-	(86)		(86)	-
Joint Medical Establishment	-	-		391	-	391
UKZN	-	-	1,437	547	1,437	547
Msunduzi Municipality	-	-	5	-	5	-
CSIR	-	-	175	-	175	-
	-	**-**	**(1,311)**	**(9,827)**	**(1,311)**	**(9,827)**
Total	**-**	**1,625**	**3,118**	**14,890**	**3,118**	**16,515**

ANNEXURE 4

INTER – GOVERNMENTAL PAYABLES – CURRENT

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2010	31/03/2009	31/03/2010	31/03/2009	31/03/2010	31/03/2009
	R'000	R'000	R'000	R'000	R'000	R'000
DEPARTMENTS						
Current						
Public Administrations Leadership and Management Academy	-	828	-	-	-	828
Department of Transport	4,538	1,600	9,350	-	13,888	1,600
Department of Justice and Constitutional Development	2,266	383	-	-	2,266	383
Department of Works	85,928	133,310	1,401	17,249	87,329	150,559
KZN – Office of the Premier	27	48	-	-	27	48
Gauteng Department of Health	2	5	-	-	2	5
Northern Cape Department of Health	-	5	-	-	-	5
KZN Department of Education	-	683	-	-	-	683
Department of Water Affairs and Forestry	-	14	-	-	-	14
Department of Health Eastern Cape	3,438	2,889	-	-	3,438	2,889
National Prosecuting Authority	-	5	-	-	-	5
KZN Provincial Treasury	94	-	106	-	200	-
National Department of Health	24	-	-	-	24	-
Department of Social Development	181	-	-	-	181	-
SUB TOTAL	**96,498**	**139,770**	**10,857**	**17,249**	**107,355**	**157,019**

OTHER GOVERNMENT ENTITY						
Current						
University of Kwa-Zulu Natal	-	-	23,820	28,795	23,820	28,795
National Health Laboratory Services	30,448	86,053	-	66,764	30,448	152,817
South African National Blood Services	33,192	-	-	-	33,192	-
TOTAL	**63,640**	**86,053**	**23,820**	**95,559**	**87,460**	**181,612**

ANNEXURE 5

INVENTORY

	Notes	Quantity	2009/10 R'000
Inventory			
Opening balance		-	612,000
Add: Additions/Purchases - Cash		-	3,420,795
(Less): Issues		-	(3,589,957)
Closing balance		-	442,838

No quantities have been disclosed as the inventory consists of different types of inventory and each type of inventory has a different unit of measure.

PART D: PROVINCIAL PHARMACEUTICAL SUPPLY DEPOT

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Report of the Accounting Officer

1. GENERAL REVIEW OF THE STATE OF FINANCIAL AFFAIRS

The Provincial Pharmaceutical Supply Depot is a trading entity which is incorporated in South Africa.

The principal place of business is: 1 Higginson Highway
Mobeni
4060

The Provincial Pharmaceutical Supply Depot has shown a trading surplus of R 81,225 million for the period ended 31 March 2010. This has mainly been due to the effect of increased trading activities resulting in an annual turnover of R 1, 746 billion, being an increase of 38,21% over the prior year. Operating costs showed a decline of 1,33% for the same period, due mainly to reduced maintenance, repairs and running costs. However, a decrease of 32,17% in administrative expenditure and other operating expenses contributed to a decrease in 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 Pharmaceutical Supply Depot 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 PPSD and thereafter delivered to the institutions.

Surcharge of 4% - levied on all pharmaceutical items procured by PPSD and delivered directly by the supplier to the said institutions.

Surcharge of 12% - levied on all pharmaceuticals that involve the use of PPSD 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 below is a table containing performance and outcome targets of PPSD, for the year under review:

Objective	Indicator	2009/2010 (Target)	2009/2010 (Actual)
Increase in standard stock account	Stock level	R 162,467 million	R 162,467 million
Adequate working capital to support adequate stockholding	Stock Turnover	R 1782,500 million	R 1753,359 million
Sufficient stock available at end user	Service Level	92%	90%

Stock turnover target was not achieved due to cost containment adopted during the period under review (2009/2010).

5. APPROVAL

The annual financial statements set out on pages 303 to 315 have been approved by the Accounting Officer.

Mrs H.G. Harding
Manager: Provincial Pharmaceutical Supply Depot
31 March 2010

REPORT OF THE AUDITOR-GENERAL

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the accompanying financial statements of the Provincial Pharmaceutical Supply Depot, which comprise the statement of financial position as at 31 March 2010, and the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory information as set out on pages 303 to 315.

Accounting Officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the *South African Statements of Generally Accepted Accounting Practice* (*SA Statements of GAAP)* and in the manner required by the Public Finance Management Act of South Africa, 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; and making accounting estimates that are reasonable in the circumstances.

Auditor-General's responsibility

3. As required by section 188 of the Constitution of South Africa and section 4 of the Public Audit Act of South Africa, 2004, (Act No. 25 of 2004) (PAA) and section 40(2) of the PFMA, my responsibility is to express an opinion on the financial statements based on my audit.

4. I conducted my audit in accordance with International Standards on Auditing and *General Notice 1570 of 2009* issued in *Government Gazette 32758 of 27 November 2009*. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about 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 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

7. In my opinion the financial statements present fairly, in all material respects, the financial position of the Provincial Pharmaceutical Supply Depot as at 31 March 2010 and its financial performance and its cash flows for the year then ended in accordance with SA Statements of GAAP and in the manner required by the PFMA.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In terms of the PAA and *General Notice 1570 of 2009,* issued in *Government Gazette No. 32758 of 27 November 2009* I include below my findings on the report on predetermined objectives, compliance with the PFMA and financial management (internal control).

Findings

Predetermined objectives

8. No matters to report.

Compliance with laws and regulations

9. No matters to report.

INTERNAL CONTROL

I considered internal control relevant to my audit of the financial statements and the report on predetermined objectives and compliance with the PFMA, but not for the purposes of expressing an opinion on the effectiveness of internal control. The matters reported are limited to the deficiencies identified during the audit.

10. No matters to report.

OTHER REPORTS

11. No matters to report.

Auditor-General

Pietermaritzburg

30 July 2010

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

ACCOUNTING POLICIES

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of preparation

The principal accounting policies applied in the preparation of the annual financial statements are consistent with previous years unless otherwise stated. The financial statements of Provincial Pharmaceutical Supply Depot (PPSD) are prepared on a historic basis in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the Public Finance Management Act.

1.2 Presentation Currency

All amounts have been presented in the currency of the South African Rand (R).

1.3 Rounding

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

1.4 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.

1.5 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the PPSD 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.

1.6 Property, plant and equipment

Property, plant and equipment are stated at revaluation amount 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:

	%
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 de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition 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 de-recognised.

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.

1.7. Financial instruments – Financial assets

For the PPSD, there were no financial assets applicable.

1.8 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.

1.9 Inventory

Inventories are valued at the lower of cost and net realisable value. Costs incurred in bringing 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.

1.10 Key sources of estimation uncertainty

1.10.1 Useful lives of property, plant and equipment

As described in 2.6 above, PPSD reviews the estimated useful lives of property, plant and equipment at the end of each annual reporting period. At the end of the year, the management determined that the useful lives of certain items of computer equipment and vehicles should be extended by 2 years due to economic benefit still to be derived from these assets.

The financial effect of this reassessment, assuming the assets are held until the end of the estimated useful lives, is to decrease the depreciation expense in the current financial year by the following amounts:

	2009/10 R'000
Vehicles	149
Computer equipment	737

1.11 Correction of prior period error

Depreciation on property, plant and equipment was understated in the 2008/08 financial year due to an oversight and expenditure on waste removal for 2008/09 was pay in the period under review. The comparative figures have appropriately been restated. The effect of the correction is as follows:

	2008/09 R'000
Non-current assets	
Increase in Accumulated Depreciation: PPE	509
Current assets	
Decrease in Interface Account / Receivables	5
Equity	
Decrease in Accumulated Surplus	509
Decrease in Accumulated Surplus	5
	514

1.12 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 PPSD.

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.

1.13 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.

1.14 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.

1.15 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.

1.16 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.

STATEMENT OF FINANCIAL POSITION for the year ended 31 March 2010

	Note	2009/10 R'000	2008/09 R'000
ASSETS			
Non-current assets			
Property, plant and equipment	6	**3,303**	**2,663**
Current assets		**307,769**	**237,028**
Inventory	7	140,057	83,820
Receivables	8	167,707	153,208
		311,067	**239,691**
EQUITY			
Capital and Reserves	9	279,731	209,871
Total Equity		**279,731**	**209,871**
LIABILITIES			
Current Liabilities			
Trade and other payments	10	**31,336**	**29,820**
Total equity and liabilities		**311,067**	**239,691**

STATEMENT OF FINANCIAL PERFORMANCE for the year ended 31 March 2010

	Note	2009/10 R'000	2008/09 R'000
REVENUE			
Sale of goods	1	1,746,491	1,263,662
TOTAL REVENUE		**1,746,491**	**1,263,662**
EXPENDITURE			
Cost of Sales	2	(1,632,518)	(1,191,581)
Other expenditure		(32,748)	(33,188)
Administrative Expenses	3	(7,688)	(11,269)
Staff Costs	4	(22,324)	(19,779)
Other operating expenses	5	(2,736)	(2,140)
TOTAL EXPENDITURE		**(1,665,266)**	**(1,224,769)**
NET SURPLUS FOR THE YEAR		**81,225**	**38,893**

STATEMENT OF CHANGES IN EQUITY for the year ended 31 March 2010

	Accumulated Surplus/ (Deficit)	Capitalisation Reserves	Total Equity
	R'000	R'000	R'000
Balance as at 1 April 2008	36,990	100,809	137,799
Surplus for the year	38,893	-	38,893
Transfers to/ (from) reserves	(437)	34,130	33,693
Balance as at 31 March 2009 as originally stated	**75,446**	**134,939**	**210,385**
Correction of prior year errors	(514)		(514)
Balance as at 31 March 2009 as restated	**74,932**	**134,939**	**209,871**
Surplus for the year	81,225	-	81,225
Transfers to/ (from) reserves	(38,893)	27,528	(11,365)
Balance as at 31 March 2010	**117,264**	**162,467**	**279,731**

CASHFLOW STATEMENTS for the year ended 31 March 2010

	Note	2009/10 R'000	2008/09 R'000
Cash flows from operating activities			
Cash received from Provincial Departments		1,731,992	1,204,001
Cash paid to suppliers and employees		(1,719,760)	(1,236,887)
Net cash outflows from operating activities	11	**12,232**	**(32,886)**
Cash flows from investing activities			
Acquisition of Property, Plant and Equipment	12	(867)	(807)
Net cash outflows from investing activities		**(867)**	**(807)**
Cash flows from financing activities			
Net Increase in Reserves		(11,365)	33,693
Net cash flows from financing activities	13	**(11,365)**	**33,693**
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		**-**	**-**

		2009/10 R'000	2008/09 R'000
1.	**Sales of Goods**		
	Provincial Departments	1,746,474	1,263,649
	Other	17	13
		1,746,491	**1,263,662**
2.	**Cost of Sales**		
	Opening inventory	83,820	71,256
	Purchases	1,688,688	1,204,092
	Depreciation	67	53
		1,772,575	**1,275,401**
	Less Closing Inventory	(140,057)	(83,820)
		1,632,518	**1,191,581**
3.	**Administration Expenses**		
	General administrative expenses	6,642	10,452
	Stationery and printing	1,000	646
	Bank charges	0	3
	Training and staff development	46	168
		7,688	**11,269**
4.	**Staff Costs**		
	Wages and Salaries		
	- Performance awards		-
	- Basic salaries	13,468	11,259
	- Periodic payments	1,842	1,901
	- Overtime pay	1,893	1,772
		17,203	**14,932**
	Social contributions (Employer’s contributions)		
	- Medical	1,402	1,017
	- Official unions and associations	4	4
	- Other salary related costs	93	0
		1,499	**1,021**

	2009/10	2008/09
	R'000	R'000
Defined Pension contribution plan expense		
- Current service cost	**1,766**	**1,473**
Other long-term employee benefits including long-service leave, profit sharing, deferred compensation	**1,856**	**2,353**
	22,324	**19,779**

The Accounting Officer of the Department of Health has appointed the Manager of the Provincial Pharmaceutical Supply Depot.

During the 2009/2010 financial year, the Manager received a basic salary package of R448 521 per annum.

5. Other operating expenses

	2009/10	2008/09
Maintenance, repairs and running costs	2,317	1,365
- Property and buildings		-
- Machinery and Equipment		-
- Other maintenance, repairs and running costs	2,317	1,365
Depreciation	160	607
- Assets carried at cost	160	607
- Assets carried at re-valued amounts		-
Consumables	147	64
Municipal Services		0
Travel and Subsistence	112	104
	2,736	**2,140**

6. Property, plant and equipment

Vehicles

	2009/10	2008/09
Opening net carrying amount	**90**	**210**
- Gross carrying amount	478	478
- Accumulated depreciation	(388)	(268)
Depreciation charge	69	(120)
Closing net carrying amount - 31 March	**(159)**	**90**
- Gross carrying amount	478	478
- Accumulated depreciation	(319)	(388)

	2009/10 R'000	2008/09 R'000
Computer equipment		
Opening net carrying amount	**74**	**492**
- Gross carrying amount	1,351	1322
- Accumulated depreciation	(1,227)	(830)
Additions	108	29
Depreciation charge	455	(447)
Closing net carrying amount - 31 March	**637**	**74**
- Gross carrying amount	1,459	1351
- Accumulated depreciation	(822)	(1,227)
Office furniture and fittings		
Opening net carrying amount	**1,170**	**822**
- Gross carrying amount	1,996	1,374
- Accumulated depreciation	(826)	(552)
Additions	525	622
Depreciation charge	(388)	(274)
Closing net carrying amount - 31 March	**1,307**	**1,170**
- Gross carrying amount	2,521	1,996
- Accumulated depreciation	(1,214)	(826)
Other machinery and equipment		
Opening net carrying amount	**1,329**	**1,501**
- Gross carrying amount	2,097	1,941
- Accumulated depreciation	(768)	(440)
Additions	234	156
Depreciation charge	(363)	(328)
Closing net carrying amount - 31 March	**1,200**	**1,329**
- Gross carrying amount	2,331	2,097
- Accumulated depreciation	(1,131)	(768)

	2009/10 R'000	2008/09 R'000
Total property, plant and equipment		
Opening net carrying amount	**2,663**	**3,025**
- Gross carrying amount	5,922	5,115
- Accumulated depreciation	(3,259)	(2,090)
Additions	867	807
Depreciation charge	(227)	(1,169)
Closing net carrying amount - 31 March	**3,303**	**2,663**
- Gross carrying amount	6,789	5,922
- Accumulated depreciation	(3,486)	(3,259)

7. Inventory

	2009/10	2008/09
Raw Materials	734	53
Finished goods	139,323	83,767
	140,057	**83,820**

8. Receivables

	2009/10	2008/09
Medsas Account - Department of Health	112,135	106,189
Medsas: Capital	162,467	134,939
Medsas: Pre-Pak	(480)	(53)
Medsas: Cut, Make and Trim	(611)	-
Medsas: Stock	(139,323)	(83,767)
Medsas: Stock Surplus	1,393	2,787
Revenue Accrual - BAS surplus	123,302	30,473
Medsas: Stock Loss	(3,195)	(4,062)
Medsas: Claims Payable – adjustment error	(59,412)	(59,412)
Medsas: Claims Payable	27,994	85,283

	2009/10 R'000	2008/09 R'000
Accrual Adjustments	55,572	47,019
Closing Property, Plant and Equipment	(6,789)	(5,922)
Movement in Property, Plant and Equipment (additions)	867	807
Closing Accumulated Depreciation	3,486	3,259
Movement in Accumulated Depreciation	(1,113)	(660)
Change in accounting Estimates – Adjust Accumulated Depreciation	886	-
Closing Capped Leave Provision	1,043	2,203
Movement in Capped Leave Provision	1,160	(143)
Closing Uncapped Leave Provision	193	101
Movement in Uncapped Leave Provision	(93)	(10)
Accumulated Surplus – 2005/06 Year – Cost of Sales Adjust	34,428	34,428
Accumulated Surplus – 2005/06 Year – Depreciation Adjust	2,125	2,125
Accumulated Surplus – Prior Year – Estimates Reassessment	(509)	(509)
Accumulated Surplus – Prior Year– Waste Removal Error Adjust	5	(5)
Current Year Net Inventory – Cost of Sales Adjust	56,237	12,564
Medsas: Claims Payable – Adjustment Error Reversed	59,412	-
Revenue Accrual – BAS sales excess	-	(1,074)
Revenue for DOH Error Adjust	-	(145)
Revenue Accrual – Outstanding Purchases Interface	(88,957)	-
Revenue Accrual – Reverse Sales Overcharged	(6,663)	-
Revenue Accrual – Outstanding Sales Interface	55	-
Revenue Accrual – Reverse Sales Mark-up Error	(206)	-
Employee Transferred Out – Salary Recovery	5	-
	167,707	**153,208**

9. Capital and reserves

	2009/10 R'000	2008/09 R'000
Accumulated surplus		
Balance at the beginning of the year	**74,932**	**36,990**
Surplus for the year	81,225	38,893
Correction of prior year error	-	(514)
Transfers	(38,893)	(437)
Balance at 31 March	**117,264**	**74,932**
Reserves		
Balance at the beginning of the year	**134,939**	**100,809**
Transfers	27,528	34,130
Balance at 31 March	**162,467**	**134,939**

	2009/10 R'000	2008/09 R'000
Total Equity		
Balance at the beginning of the year	**209,876**	**137,290**
Surplus for the year	87,127	38,893
Correction of prior year error	-	
Transfers	(11,365)	33,693
Balance at 31 March	**286,638**	**209,876**

10. Trade and other payables

	2009/10 R'000	2008/09 R'000
Trade creditors	28,038	25,872
Accruals	2,061	1,644
Other payables		-
Revenue accrual account		
Leave pay commitments	1,237	2,304
	31,336	**29,820**

11. Reconciliation of profit before taxation to cash generated from/(utilised in) operations

	2009/10 R'000	2008/09 R'000
Surplus/(deficit) before taxation	**81,225**	**38,893**
Adjusted for non-cash movements/ working capital changes:	**(68,993)**	**(71,779)**
- Depreciation on property, plant and equipment	227	1,169
- (Increase)/ decrease in inventories	(56,237)	(12,564)
- (Increase) in receivables	(14,499)	(59,661)
- Increase/ (Decrease) in payables	1,516	(209)
- Correction of prior period errors		(514)
Cash generated from operations	**(12,232)**	**(32,886)**

12. Cash flows from investing activities

	2009/10 R'000	2008/09 R'000
Purchase of Property, Plant and Equipment	**(867)**	**(807)**

13. Cash flows from financing activities

Increase in capital reserves	27,528	34,130
Prior year surplus paid	(38,893)	(437)
	(11,365)	**33,693**

14. Operating Leasing

Commitment Under Operating Lease

Minimum Lease Payments for Period Less Than 1 Year	62	87
Minimum Lease Payments for Period Greater than 1 Year But Less Than 5 Years	96	-
Minimum Lease Payments for Period Less Greater 5 Years		-
Totals	**158**	**87**

Operating leases are in respect of office equipment, i.e. photocopier machines, and those whose long-term leases have expired are now rented on a month-to-month basis. Operating leases are assets leased by the PPSD under which the lessor effectively retains all the risks and benefits of ownership. Operating lease payments or contingent rentals are recognised as an expense and charged to the statement of financial performance on a straight-line basis over the period of the lease.

15. Contingent Liabilities

Housing Guarantees	**0**	**17**

16. Impairment of Assets

The entity did not have any impairment of assets during the 2009/2010 financial year. As a result no impairment losses were recognised in the income statement.

17. Taxation

The entity is not liable for any income tax in terms of Section 10(1)(a) of the Income Tax Act, as amended. The entity is not registered for Value Added Tax in terms of the Tax Authorities media statement dated 27 September 1991, which was subsequently confirmed by value-added tax directive dated 21 January 2003.

18. 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.

19. Financial risk management objectives

PPSD's principal financial instruments consist of trade receivables and trade payables, which arise directly from its operations. The potential risks arising from PPSD's financial instruments are cash flow risk, liquidity risk and credit risk. However, as PPSD is funded by the Department of Health and its only supplier is the Department of Health, these potential risks are not applicable.

ACRONYMS / ABBREVIATIONS

ACRONYMS / ABBREVIATIONS

ABET	Adult Basic Education and Training
ADD	Acknowledgement of Debt
AEFI	Adverse Events Following Immunisation
AFP	Acute Flaccid Paralysis
AIDS	Acquired Immune Deficiency Syndrome
ALOS	Average Length of Stay
ALS	Advanced Life Support.
ANC	Ante Natal Care
APP	Annual Performance Plan
ART	Anti Retroviral Therapy
ARV	Anti Retroviral
BANC	Basic Ante Natal Care
BAS	Basic Accounting System
BEE	Black Economic Empowerment
BLS	Basic Life Support
BOD	Burden of Disease
BOR	Bed Occupancy Rate
CBC	Community Based Carers
CBO	Community Based Organisation
CCA	Critical Care Assistance
CCG's	Community Care Givers
CCMDU	Central Chronic Medication Dispensing Unit
CCMT	Comprehensive Care Management & Treatment
CDC	Communicable Disease Control
CEO	Chief Executive Officer
CHC	Community Health Centre
ChildPIP	Child Problem Identification Programme
ChIP	Child Health Problem Identification Programme
CHW	Community Health Worker
CIO	Chief Information Officer
COE	Compensation of Employees
COEC	College of Emergency Care.
COSH	Church of Scotland Hospital
CPS	Central Provincial Stores

CPSS	Central Pharmaceutical Supply Store
CSIR	Council for Scientific and Industrial Research
CSO’s	Community Service Officers
CRH	Centre for Rural Health
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
DIO’s	District Information Officers
DOE	Department of Education
DOH	Department of Health
DORA	Divisions of Revenue Act
DOTS	Directly Observed Treatment Short Course
DPSA	Department of Public Service Administration
DQS	Data Quality Self-Assessment Tool
DTP	Diphtheria, Tetanus and Pertussis
DUT	Durban University of Technology
EAP	Employee Assistance Programme
ECP	Emergency Care Practitioner
EDL	Essential Drug List.
EGPAF	Elizabeth Glaser Pediatric AIDS Foundation
EH	Environmental Health
EHP	Environmental Health Practitioner
eHR.za	Electronic Health Record
EMP	Environmental Management Plan
EMRS	Emergency Medical Rescue Services
EMS	Emergency Medical Services
EN to RN	Enrolled Nurse to Registered Nurse
ENA to EN	Enrolled Nurse Assistant to Enrolled Nurse
EPI	Expanded Programme on Immunisation
EPT	Emergency Patient Transport
EPWP	Expanded Public Works Programme
ESV	Emergency Services Vehicle
ETBR	Electronic Tuberculosis Register

ETR.net	Electronic Register for TB
FBO	Faith Based Organisations
FET	Further Education and Training
FIO	Facility Information Officer
GIS	Geographic Information System
HAART	Highly Active Ante-Retroviral Therapy
HAST	HIV, AIDS, STI and TB
HBC	Home Based Carer
HCBC	Home & Community Based Carers
HCT	Health Counselling & Testing
HIS	Hospital Information System
HIV	Human Immuno Virus
HOD	Head of Department
HPS	Health Promoting Schools
HPSP	Health Promoting Schools Programme
HPC	Health Promoting Clinic
HPCSA	Health Professions Council of South Africa
HPH's	Health Promoting Hospitals
HPT&D	Health Professional Training and Development
HPV	Human Pappiloma Virus
HR	Human Resources
HRD	Human Resource Development
HRKM	Health Research & Knowledge Management
HRP	Human Resource Plan
HRSC	Human Sciences Research Council of South Africa
HST	Health Systems Trust.
HTA's	High Transmission Areas
HWSETA	Health and Welfare Sectoral Educational Training Authority
IALCH	Inkosi Albert Luthuli Central Hospital
ICAT	Infection Control Assessment Tool
ICD 10	International Classification of Disease (Version 10)
ICEE	International Centre for Eye Care Education
IDP	Integrated Development Plan
IDT	Independent Development Trust
IEC	Information, Education and Communication

IGR	Inter-Governmental Relations
ILS	Intermediate Life Support
IMAI	Integrated Management of Adulthood Illnesses
IMCI	Integrated Management of Childhood Illnesses
IMS	Incident Management Systems
INDS	Integrated National Disability Strategy
IPC	Infection Prevention & Control
ISC	Inter-Sectoral Collaboration
IT	Information Technology
KMC	Kangaroo Mother Care
KZN	KwaZulu-Natal
KZNPPHC	KwaZulu-Natal Progressive Primary Health Care
LC	Lay Counsellor
lePRS	Integrated Electronic Patient Record System
LSF	Light Steel Framework
M&E	Monitoring and Evaluation
M2M2B	Mothers-to-Mothers-to-Be
MCC	Medicines Control Council
MC&WH	Maternal Child & Women's Health
MDG	Millennium Development Goals
MDR	Multi Drug Resistant
MDR TB	Multi Drug Resistant Tuberculosis
MEC	Member of the Executive Council
MEDSAS	Medical Stores Administrative System
MHCA	Mental Health Care Act.
MICU	Medical Intensive Care Unit
MIDP	Mortuary Infrastructure Development Plan
MIOS	Minimum Inter-Operability Standards
MIP	Massification Induction Plan
MIS	Management Information System
MLW	Mid Level Worker
MO	Medical Officer
MOU	Memorandum of Understanding
MRC	Medical Research Council
MSA	Medical Scheme Act.

MSP	Master Systems Plan
MSS	Master Systems Specifications
MTEF	Medium Term Expenditure Framework
MTS	Modernisation of Tertiary Services
MTSF	Medium Term Strategic Framework
NDQS	National Data Quality Assessment System
NEPAD	New Economic Partnership for African Development
NGO's	Non Governmental Organisations
NHC	National Health Council
NHI	National Health Insurance
NHIS	National Health Information System.
NHLS	National Health Laboratory Services.
NHS	National Health System.
NICD	National Institute for Communicable Diseases.
NICU	Neo-Natal Intensive Care Unit.
NIP	National Integrated Nutrition Programme.
NMIR	National Minimum Information Requirements.
NMIS	National Management Information System.
NOPEP	Non Occupational Post Exposure Prophylaxis.
NPO's	Non-Profit Organisations.
NQF	National Qualification Framework.
NSP	National Strategic Plan.
NTCP	National Tuberculosis Control Programme.
NVP	Nevirapine
OIS	Organisational Improvement Services.
OPD	Out-Patient Department.
OSD	Occupation Specific Dispensation.
PCP	Pneumocystis Carinii/ Pneumocystis Jirovesii Pneumonia
PCR	Polymerase Chain Reaction
PEP	Post Exposure Prophylaxis.
Persal	Personnel and Salaries System.
PEPFAR	United States President's Emergency Plan for Aids Relief
PFMA	Public Finance Management Act
PHAST	Participatory Health and Sanitation Transformation
PHC	Primary Health Care

PITC	Patient Initiated Testing & Counselling
PMDS	Performance Management and Development System
PMO's	Principal Medical Officers
PMR	Peri-natal Mortality Rate
PMSC	Provincial Medical Supply Centre
PMTCT	Prevention of Mother to Child Transmission
PN	Professional Nurse
PPIP	Peri-Natal Problem Identification Programme
PPSD	Provincial Pharmaceutical Supply Depot
PPT	Planned Patient Transport
PTB	Pulmonary Tuberculosis
PTSS	Patient Through Service System
QA	Quality Assurance
RED	Reach Every District
RUDASA	Rural Doctor's Association of South Africa
SADC	Southern African Development Cooperation
SADHS	South African Demographic & Health Survey
SAPS	South African Police Service
SAQA	South African Qualifications Authority
SASSA	South African Social Services Agency
SCM	Supply Chain Management.
SDA's	Service Delivery Agreements
SETA	Sector Education Training Authority
SHS	School Health Services
SITA	State Information Technology Agent.
SLA	Service Level Agreement
SMME's	Small Medium and Micro Enterprises
SMS	Senior Management Service
SOP	Standard Operating Procedures
SSA	Sub-Saharan Africa
Stats SA	Statistics South Africa
STI's	Sexually Transmitted Infections
STP	Service Transformation Plan
TAT	Turn Around Time
TB	Tuberculosis

TED	Targeted Enterprise Development
THP's	Traditional Health Practitioners
TM	Traditional Medicine
TOP	Termination of Pregnancy
UKZN	University of KwaZulu-Natal
UNICEF	United Nations Children's Fund
UNISA	University of South Africa
VCT	Voluntary Counseling and Testing
WHO	World Health Organisation
WOE	Women Owned Enterprises
XDR	Extreme Drug Resistant
XDR TB	Extreme Drug Resistant Tuberculosis